

Agenda of Special Meeting

The Board of Trustees Lone Oak Independent School District

A Special Meeting of the Board of Trustees of Lone Oak Independent School District will be held June 2, 2021, beginning at 6:00 PM in the Lone Oak ISD Administration Building 8162 Highway 69 South Lone Oak, TX 75453.

The subjects to be discussed or considered or upon which any formal action may be taken are listed below. Items do not have to be taken in the same order as shown on this meeting notice. Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

1. Establish a quorum and call meeting to order
2. Opening Prayer & Pledges
3. Forum for community input
4. Discuss and possibly approve the amended District of Innovation (DOI) plan as it applies to Inter-District transfers 3
5. Deliberation and possible action(s) concerning sale of approximately 10-acre tract of district property generally located at 412 Church Street, Lone Oak, Texas. 4
6. Bond Capability Discussion by Brian Grubbs 6
7. Executive Session
 - 1. 551.074 Discuss personnel or to hear complaints against personnel
 - 2. Discussion and possible take action regarding sale or purchase of real property 10
8. Action on items discussed in Executive Session
9. Adjournment

If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Government Code, Chapter 551, Subchapters D and E or Texas Government Code section 418.183(f). Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting. [See BEC(LEGAL)]

The notice for this meeting was posted in compliance with the Texas Open Meeting Act on:

For the Board of Trustees

§25.001 Inter-district Transfers

Under Texas Education Code 25.001, a district may choose to accept, as transfers, students who are not entitled to enroll in the district. Under TEC 25.036, a transfer is interpreted to be for a period of one school year.

Benefits of Exemption

Lone Oak ISD maintains a transfer policy under FDA (Local) requiring non-resident students wishing to transfer to file a transfer application each school year. In approving transfer requests, the availability of space and instructional staff, availability of programs and services, the student's disciplinary history records, work habits, and attendance records are also evaluated. Transfer students are expected to follow the attendance requirements, rules and regulations of the District.

TEC 25.036 has been interpreted to establish the acceptance of a transfer as a one-year commitment by the District. The District is seeking to eliminate the provision of a one-year commitment in accepting transfer applicants. On rare occasions, student behavior warrants suspension (in or out of school), placement in a disciplinary alternative program, or expulsion. In addition, student attendance may fall below the TEA truancy standard. In these rare cases, Lone Oak ISD seeks exemption from the one-year transfer commitment.

Local Guidelines

Non-resident students who have been accepted as inter-district transfer may have such transfer status revoked by the Superintendent at any time during the year if the student is assigned discipline consequences of suspension (in or out of school), placement in a disciplinary alternative program, or expulsion. In addition, students not meeting the State's 90% attendance standard may also be subject to immediate revocation of the transfer status.

**RESOLUTION OF THE BOARD OF TRUSTEES OF
LONE OAK INDEPENDENT SCHOOL DISTRICT
AUTHORIZING THE SALE OF CERTAIN REAL PROPERTY**

STATE OF TEXAS §
 §
COUNTY OF HUNT §

WHEREAS, the Board of Trustees (“Board”) of the Lone Oak Independent School District (the “District”) is considering selling an approximate 10-acre tract of real property generally located at 412 Church Street in Lone Oak, Texas (the “Property”); and

WHEREAS, the Lone Oak Independent School District Superintendent of Schools has presented to the Board an aerial photograph showing the tract of land that would be sold.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF LONE OAK INDEPENDENT SCHOOL DISTRICT AS FOLLOWS:

1. It is found that the foregoing recitals are true and correct and are hereby adopted as findings of fact by the Board of Trustees of Lone Oak Independent School District.
2. That the Board of Trustees of the Lone Oak Independent School District does hereby determine that the approximate 10-acre tract of real property shown in the aerial photograph attached to this Resolution and which Property is generally located at 412 Church Street, Lone Oak, Hunt County, Texas is no longer necessary for the operation of the District and that it is in the best interest of the District to sell the Property.
3. That the Board of Trustees of the Lone Oak Independent School District does hereby authorize the sale of the Property through a sealed bid process.
4. That the Board of Trustees of the Lone Oak Independent School District does hereby authorize the Superintendent of Schools or her designee to take whatever actions that are necessary to conduct the sealed bid process to sell the Property, including, but not limited to, obtaining an appraisal of the Property, obtaining a survey of the Property, publishing notice of or advertising the sale of the Property, requesting bids for the purchase of the Property, creating and publishing a bid packet, and receiving and tabulating bids for the purchase of the Property.
5. This Resolution shall take effect immediately.

PASSED and ADOPTED the 2nd day of June, 2021, by the Board of Trustees of the Lone Oak Independent School District by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Justin Ramm, President, Board of Trustees

ATTEST:

Chris Moore, Secretary, Board of Trustees

LONE OAK INDEPENDENT SCHOOL DISTRICT

Preliminary Bond Program Analysis

Scenario 1A: \$30,040,000 Following a Successful November 2021 Election + "Current" Refunding of the Series 2012 Bonds for Savings

Assumes Taxable Value of \$375,000,000 for 2021/22 Followed by Growth of 10% Per Year for 3 Years Beginning 2022/23

Assumes the Use of a Portion of the Existing I&S Fund Balance through 2023/24

Assumes 2.50% Interest Rate - 35 Cent I&S Tax Rate (No I&S Tax Rate Increase)

June 2, 2021

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Fiscal Year Ending	Outstanding Debt Service	Less: Series 2012 Debt Service to be Refunded (a)	Plus: Series 2022 Refunding Bond Debt Service	Debt Service Savings (b)	Plus: Series 2022 New Money \$30,040,000 @ 2.50%	Total Debt Service	Less: Use of (Increase to) I&S Fund Balance	Less: Use of Bond Premium	Net Debt Service	Estimated Taxable Value	Estimated Tax Rate @ 98%
2021	\$ 584,113	\$ -	\$ -	\$ -	\$ -	\$ 584,113	\$ (547,726)	\$ -	\$ 1,131,839	\$ 329,982,120	0.3500
2022	585,913	270,550	266,875	3,675	380,250	962,488	(704,013)	380,250	1,286,250	375,000,000	0.3500
2023	592,113	274,400	266,700	7,700	1,328,313	1,912,725	500,000		1,412,725	412,500,000	0.3495
2024	591,488	271,875	260,400	11,475	1,471,938	2,051,950	500,000		1,551,950	453,750,000	0.3490
2025	600,238	274,175	264,100	10,075	1,117,813	1,707,975			1,709,050	499,125,000	0.3492
2026	602,963	276,125	267,500	8,625	1,112,875	1,707,213			1,707,213	499,125,000	0.3490
2027	614,888	282,725	270,600	12,125	1,107,813	1,710,575			1,710,575	499,125,000	0.3497
2028	619,313	281,350	273,400	7,950	1,097,688	1,709,050			1,709,050	499,125,000	0.3494
2029	623,013	284,850	275,900	8,950	1,097,438	1,711,500			1,711,500	499,125,000	0.3499
2030	603,710	287,560	278,100	9,460	1,116,688	1,710,938			1,710,938	499,125,000	0.3498
2031	533,950			-	1,174,688	1,708,638			1,708,638	499,125,000	0.3493
2032	540,000			-	1,171,688	1,711,688			1,711,688	499,125,000	0.3499
2033	549,844			-	1,158,563	1,708,406			1,708,406	499,125,000	0.3493
2034	528,906			-	1,180,000	1,708,906			1,708,906	499,125,000	0.3494
2035	258,125			-	1,452,375	1,710,500			1,710,500	499,125,000	0.3497
2036				-	1,707,625	1,707,625			1,707,625	499,125,000	0.3491
2037				-	1,709,000	1,709,000			1,709,000	499,125,000	0.3494
2038				-	1,709,625	1,709,625			1,709,625	499,125,000	0.3495
2039				-	1,709,500	1,709,500			1,709,500	499,125,000	0.3495
2040				-	1,708,625	1,708,625			1,708,625	499,125,000	0.3493
2041				-	1,707,000	1,707,000			1,707,000	499,125,000	0.3490
2042				-	1,709,563	1,709,563			1,709,563	499,125,000	0.3495
2043				-	1,711,250	1,711,250			1,711,250	499,125,000	0.3498
2044				-	1,707,125	1,707,125			1,707,125	499,125,000	0.3490
2045				-	1,707,188	1,707,188			1,707,188	499,125,000	0.3490
2046				-	1,711,313	1,711,313			1,711,313	499,125,000	0.3499
2047				-	1,709,500	1,709,500			1,709,500	499,125,000	0.3495
2048				-	1,711,750	1,711,750			1,711,750	499,125,000	0.3499
2049				-	1,708,063	1,708,063			1,708,063	499,125,000	0.3492
2050				-	1,708,438	1,708,438			1,708,438	499,125,000	0.3493
2051				-	1,707,813	1,707,813			1,707,813	499,125,000	0.3491
2052				-	1,711,125	1,711,125			1,711,125	499,125,000	0.3498
	\$ 8,428,573	\$ 2,503,610	\$ 2,423,575	\$ 80,035	\$ 45,022,625	\$ 53,371,163	\$ (251,739)	\$ 380,250	\$ 53,242,651		

(a) Callable February 15, 2022. Callable Principal = \$2,175,000. Callable Interest Rates = Range from 2.50% to 3.50% (Average Interest Rate = 2.86%)

(b) Present Value Savings as a % of the Refunded Bonds = 3.69%.

LONE OAK INDEPENDENT SCHOOL DISTRICT

Preliminary Bond Program Analysis

Scenario 1B: \$36,345,000 Following a Successful November 2021 Election + "Current" Refunding of the Series 2012 Bonds for Savings

Assumes Taxable Value of \$375,000,000 for 2021/22 Followed by Growth of 10% Per Year for 5 Years Beginning 2022/23

Assumes the Use of a Portion of the Existing I&S Fund Balance through 2023/24

Assumes 2.50% Interest Rate - 35 Cent I&S Tax Rate (No I&S Tax Rate Increase)

June 2, 2021

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Fiscal Year Ending	Outstanding Debt Service	Less: Series 2012 Debt Service to be Refunded (a)	Plus: Series 2022 Refunding Bond Debt Service	Debt Service Savings (b)	Plus: Series 2022 New Money \$36,345,000 @ 2.50%	Total Debt Service	Less: Use of (Increase to) I&S Fund Balance	Less: Use of Bond Premium	Net Debt Service	Estimated Taxable Value	Estimated Tax Rate @ 98%
2021	\$ 584,113	\$ -	\$ -	\$ -	\$ -	\$ 584,113	\$ (547,726)	\$ -	\$ 1,131,839	\$ 329,982,120	0.3500
2022	585,913	270,550	266,875	3,675	460,063	1,042,300	(704,013)	460,063	1,286,250	375,000,000	0.3500
2023	592,113	274,400	266,700	7,700	1,329,938	1,914,350	500,000	-	1,414,350	412,500,000	0.3499
2024	591,488	271,875	260,400	11,475	1,472,625	2,052,638	500,000	-	1,552,638	453,750,000	0.3492
2025	600,238	274,175	264,100	10,075	1,117,688	1,707,850	-	-	1,707,850	499,125,000	0.3492
2026	602,963	276,125	267,500	8,625	1,284,875	1,879,213	-	-	1,879,213	549,037,500	0.3493
2027	614,888	282,725	270,600	12,125	1,467,438	2,070,200	-	-	2,070,200	603,941,250	0.3498
2028	619,313	281,350	273,400	7,950	1,457,500	2,068,863	-	-	2,068,863	603,941,250	0.3496
2029	623,013	284,850	275,900	8,950	1,457,313	2,071,375	-	-	2,071,375	603,941,250	0.3500
2030	603,710	287,560	278,100	9,460	1,476,500	2,070,750	-	-	2,070,750	603,941,250	0.3499
2031	533,950	-	-	-	1,534,313	2,068,263	-	-	2,068,263	603,941,250	0.3494
2032	540,000	-	-	-	1,531,000	2,071,000	-	-	2,071,000	603,941,250	0.3499
2033	549,844	-	-	-	1,517,438	2,067,281	-	-	2,067,281	603,941,250	0.3493
2034	528,906	-	-	-	1,538,313	2,067,219	-	-	2,067,219	603,941,250	0.3493
2035	258,125	-	-	-	1,810,000	2,068,125	-	-	2,068,125	603,941,250	0.3494
2036	-	-	-	-	2,069,375	2,069,375	-	-	2,069,375	603,941,250	0.3496
2037	-	-	-	-	2,069,688	2,069,688	-	-	2,069,688	603,941,250	0.3497
2038	-	-	-	-	2,069,125	2,069,125	-	-	2,069,125	603,941,250	0.3496
2039	-	-	-	-	2,067,688	2,067,688	-	-	2,067,688	603,941,250	0.3494
2040	-	-	-	-	2,070,313	2,070,313	-	-	2,070,313	603,941,250	0.3498
2041	-	-	-	-	2,067,000	2,067,000	-	-	2,067,000	603,941,250	0.3492
2042	-	-	-	-	2,067,750	2,067,750	-	-	2,067,750	603,941,250	0.3494
2043	-	-	-	-	2,067,500	2,067,500	-	-	2,067,500	603,941,250	0.3493
2044	-	-	-	-	2,071,188	2,071,188	-	-	2,071,188	603,941,250	0.3499
2045	-	-	-	-	2,068,813	2,068,813	-	-	2,068,813	603,941,250	0.3495
2046	-	-	-	-	2,070,375	2,070,375	-	-	2,070,375	603,941,250	0.3498
2047	-	-	-	-	2,070,813	2,070,813	-	-	2,070,813	603,941,250	0.3499
2048	-	-	-	-	2,070,125	2,070,125	-	-	2,070,125	603,941,250	0.3498
2049	-	-	-	-	2,068,313	2,068,313	-	-	2,068,313	603,941,250	0.3495
2050	-	-	-	-	2,070,313	2,070,313	-	-	2,070,313	603,941,250	0.3498
2051	-	-	-	-	2,071,063	2,071,063	-	-	2,071,063	603,941,250	0.3499
2052	-	-	-	-	2,070,563	2,070,563	-	-	2,070,563	603,941,250	0.3498
	\$ 8,428,573	\$ 2,503,610	\$ 2,423,575	\$ 80,035	\$ 54,635,000	\$ 62,983,538	\$ (251,739)	\$ 460,063	\$ 62,775,214		

(a) Callable February 15, 2022. Callable Principal = \$2,175,000. Callable Interest Rates = Range from 2.50% to 3.50% (Average Interest Rate = 2.86%)

(b) Present Value Savings as a % of the Refunded Bonds = 3.69%.

LONE OAK INDEPENDENT SCHOOL DISTRICT

Preliminary Bond Program Analysis

Scenario 2A: \$26,920,000 Following a Successful November 2021 Election + "Current" Refunding of the Series 2012 Bonds for Savings

Assumes Taxable Value of \$375,000,000 for 2021/22 Followed by Growth of 10% Per Year for 3 Years Beginning 2022/23

Assumes the Use of a Portion of the Existing I&S Fund Balance through 2023/24

Assumes 3.25% Interest Rate - 35 Cent I&S Tax Rate (No I&S Tax Rate Increase)

June 2, 2021

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Fiscal Year Ending	Outstanding Debt Service	Less: Series 2012 Debt Service to be Refunded (a)	Plus: Series 2022 Refunding Bond Debt Service	Debt Service Savings (b)	Plus: Series 2022 New Money \$26,920,000 @ 3.25%	Total Debt Service	Less: Use of (Increase to) I&S Fund Balance	Less: Use of Bond Premium	Net Debt Service	Estimated Taxable Value	Estimated Tax Rate @ 98%
2021	\$ 584,113	\$ -	\$ -	\$ -	\$ -	\$ 584,113	\$ (547,726)	\$ -	\$ 1,131,839	\$ 329,982,120	0.3500
2022	585,913	270,550	266,875	3,675	444,681	1,026,919	(704,013)	444,681	1,286,250	375,000,000	0.3500
2023	592,113	274,400	266,700	7,700	1,327,131	1,911,544	500,000		1,411,544	412,500,000	0.3492
2024	591,488	271,875	260,400	11,475	1,474,988	2,055,000	500,000		1,555,000	453,750,000	0.3497
2025	600,238	274,175	264,100	10,075	1,120,688	1,710,850			1,710,850	499,125,000	0.3498
2026	602,963	276,125	267,500	8,625	1,116,831	1,711,169			1,711,169	499,125,000	0.3498
2027	614,888	282,725	270,600	12,125	1,107,894	1,710,656			1,710,656	499,125,000	0.3497
2028	619,313	281,350	273,400	7,950	1,098,956	1,710,319			1,710,319	499,125,000	0.3497
2029	623,013	284,850	275,900	8,950	1,094,938	1,709,000			1,709,000	499,125,000	0.3494
2030	603,710	287,560	278,100	9,460	1,115,350	1,709,600			1,709,600	499,125,000	0.3495
2031	533,950			-	1,174,138	1,708,088			1,708,088	499,125,000	0.3492
2032	540,000			-	1,171,625	1,711,625			1,711,625	499,125,000	0.3499
2033	549,844			-	1,158,950	1,708,794			1,708,794	499,125,000	0.3493
2034	528,906			-	1,180,706	1,709,613			1,709,613	499,125,000	0.3495
2035	258,125			-	1,452,181	1,710,306			1,710,306	499,125,000	0.3497
2036				-	1,709,313	1,709,313			1,709,313	499,125,000	0.3495
2037				-	1,711,244	1,711,244			1,711,244	499,125,000	0.3498
2038				-	1,707,119	1,707,119			1,707,119	499,125,000	0.3490
2039				-	1,711,856	1,711,856			1,711,856	499,125,000	0.3500
2040				-	1,710,375	1,710,375			1,710,375	499,125,000	0.3497
2041				-	1,707,756	1,707,756			1,707,756	499,125,000	0.3491
2042				-	1,708,919	1,708,919			1,708,919	499,125,000	0.3494
2043				-	1,708,781	1,708,781			1,708,781	499,125,000	0.3493
2044				-	1,707,344	1,707,344			1,707,344	499,125,000	0.3490
2045				-	1,709,525	1,709,525			1,709,525	499,125,000	0.3495
2046				-	1,710,244	1,710,244			1,710,244	499,125,000	0.3496
2047				-	1,709,500	1,709,500			1,709,500	499,125,000	0.3495
2048				-	1,707,294	1,707,294			1,707,294	499,125,000	0.3490
2049				-	1,708,544	1,708,544			1,708,544	499,125,000	0.3493
2050				-	1,708,169	1,708,169			1,708,169	499,125,000	0.3492
2051				-	1,711,088	1,711,088			1,711,088	499,125,000	0.3498
2052				-	1,707,300	1,707,300			1,707,300	499,125,000	0.3490
	\$ 8,428,573	\$ 2,503,610	\$ 2,423,575	\$ 80,035	\$ 45,093,425	\$ 53,441,963	\$ (251,739)	\$ 444,681	\$ 53,249,020		

(a) Callable February 15, 2022. Callable Principal = \$2,175,000. Callable Interest Rates = Range from 2.50% to 3.50% & Average Interest Rate = 2.86%

(b) Present Value Savings as a % of the Refunded Bonds = 3.69%.

LONE OAK INDEPENDENT SCHOOL DISTRICT

Preliminary Bond Program Analysis

Scenario 2B: \$32,525,000 Following a Successful November 2021 Election + "Current" Refunding of the Series 2012 Bonds for Savings

Assumes Taxable Value of \$375,000,000 for 2021/22 Followed by Growth of 10% Per Year for 5 Years Beginning 2022/23

Assumes the Use of a Portion of the Existing I&S Fund Balance through 2023/24

Assumes 3.25% Interest Rate - 35 Cent I&S Tax Rate (No I&S Tax Rate Increase)

June 2, 2021

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Fiscal Year Ending	Outstanding Debt Service	Less: Series 2012 Debt Service to be Refunded (a)	Plus: Series 2022 Refunding Bond Debt Service	Debt Service Savings (b)	Plus: Series 2022 New Money \$32,525,000 @ 3.25%	Total Debt Service	Less: Use of (Increase to) I&S Fund Balance	Less: Use of Bond Premium	Net Debt Service	Estimated Taxable Value	Estimated Tax Rate @ 98%
2021	\$ 584,113	\$ -	\$ -	\$ -	\$ -	\$ 584,113	\$ (547,726)	\$ -	\$ 1,131,839	\$ 329,982,120	0.3500
2022	585,913	270,550	266,875	3,675	537,225	1,119,463	(704,013)	537,225	1,286,250	375,000,000	0.3500
2023	592,113	274,400	266,700	7,700	1,330,225	1,914,638	500,000		1,414,638	412,500,000	0.3499
2024	591,488	271,875	260,400	11,475	1,474,256	2,054,269	500,000		1,554,269	453,750,000	0.3495
2025	600,238	274,175	264,100	10,075	1,121,375	1,711,538			1,711,538	499,125,000	0.3499
2026	602,963	276,125	267,500	8,625	1,286,338	1,880,675			1,880,675	549,037,500	0.3495
2027	614,888	282,725	270,600	12,125	1,465,450	2,068,213			2,068,213	603,941,250	0.3494
2028	619,313	281,350	273,400	7,950	1,456,394	2,067,756			2,067,756	603,941,250	0.3494
2029	623,013	284,850	275,900	8,950	1,457,013	2,071,075			2,071,075	603,941,250	0.3499
2030	603,710	287,560	278,100	9,460	1,476,819	2,071,069			2,071,069	603,941,250	0.3499
2031	533,950			-	1,534,838	2,068,788			2,068,788	603,941,250	0.3495
2032	540,000			-	1,526,475	2,066,475			2,066,475	603,941,250	0.3491
2033	549,844			-	1,517,788	2,067,631			2,067,631	603,941,250	0.3493
2034	528,906			-	1,538,288	2,067,194			2,067,194	603,941,250	0.3493
2035	258,125			-	1,813,263	2,071,388			2,071,388	603,941,250	0.3500
2036				-	2,068,650	2,068,650			2,068,650	603,941,250	0.3495
2037				-	2,068,675	2,068,675			2,068,675	603,941,250	0.3495
2038				-	2,067,400	2,067,400			2,067,400	603,941,250	0.3493
2039				-	2,069,744	2,069,744			2,069,744	603,941,250	0.3497
2040				-	2,070,625	2,070,625			2,070,625	603,941,250	0.3498
2041				-	2,070,044	2,070,044			2,070,044	603,941,250	0.3498
2042				-	2,068,000	2,068,000			2,068,000	603,941,250	0.3494
2043				-	2,069,413	2,069,413			2,069,413	603,941,250	0.3496
2044				-	2,069,200	2,069,200			2,069,200	603,941,250	0.3496
2045				-	2,067,363	2,067,363			2,067,363	603,941,250	0.3493
2046				-	2,068,819	2,068,819			2,068,819	603,941,250	0.3495
2047				-	2,068,488	2,068,488			2,068,488	603,941,250	0.3495
2048				-	2,071,288	2,071,288			2,071,288	603,941,250	0.3500
2049				-	2,067,219	2,067,219			2,067,219	603,941,250	0.3493
2050				-	2,071,200	2,071,200			2,071,200	603,941,250	0.3499
2051				-	2,068,150	2,068,150			2,068,150	603,941,250	0.3494
2052				-	2,068,069	2,068,069			2,068,069	603,941,250	0.3494
	\$ 8,428,573	\$ 2,503,610	\$ 2,423,575	\$ 80,035	\$ 54,708,088	\$ 63,056,625	\$ (251,739)	\$ 537,225	\$ 62,771,139		

(a) Callable February 15, 2022. Callable Principal = \$2,175,000. Callable Interest Rates = Range from 2.50% to 3.50% (Average Interest Rate = 2.86%)

(b) Present Value Savings as a % of the Refunded Bonds = 3.69%.

BID PACKET

412 Church St., Lone Oak, Texas

**INSTRUCTIONS FOR BID PACKET- BID REQUIREMENTS
SALE OF REAL PROPERTY**

The Lone Oak Independent School District (“Lone Oak ISD”, “LOISD”, or “District”) is offering for sale the surface estate of the Property generally located at 412 Church St., Lone Oak, Hunt County, Texas, and consisting of approximately 10 acres, (the “Property”), together with all improvements thereon.

1. Offers must be submitted in a sealed envelope and must be received at the Office of the Superintendent of Schools for LOISD located at 8162 Hwy. 69 South, Lone Oak, Texas 75453 on or before 3:00 p.m., Monday, June 21, 2021.

BID PACKETS RECEIVED AFTER THIS DATE AND TIME WILL NOT BE ACCEPTED. Bids may be personally delivered, sent by U.S. Postal Service, Federal Express, or by other express delivery. **FAXED PROPOSALS WILL NOT BE ACCEPTED.** To be considered, responses must be received at the above address no later than the date and time indicated above. **LONE OAK ISD IS NOT RESPONSIBLE FOR NEGLIGENCE, ERROR, OR OTHER FAILURE OF THE U.S. POSTAL SERVICE OR AN EXPRESS DELIVERY SERVICE TO DELIVER A SUBMISSION BY THE DEADLINE OR TO A LOCATION OTHER THAN THE OFFICE ADDRESS ABOVE. BIDDERS ASSUME ALL RISK OF SUBMISSION BY MAIL OR DELIVERY SERVICE.**

2. The sealed envelope must be marked: **"ATTENTION: JANEER CARTER - BID FOR 412 CHURCH STREET - DO NOT OPEN."**
3. Offers shall be submitted on the enclosed Sealed Bid Offer Form.
4. Bids will be opened at 5:00 P.M., June 21, 2021 and read aloud at the LOISD Board Room located at 8162 Hwy. 69 South, Lone Oak, Texas 75453.
5. The minimum required bid is **\$340,000.00.**
6. Bidder agrees that the bid shall remain open and subject to acceptance by the District for a period of sixty (60) calendar days from the bid date. The Board of Trustees of the District plans to take action on bids at a Board meeting after the bid opening. The District reserves the right to accept any bid, to reject any or all bids, and to waive any informality in bids received.
7. Bidder agrees, if the bid is accepted by the District, to enter into a Real Estate Sales Contract, in substantially the form included in this Bid Packet and deposit the required earnest money, within five (5) calendar days of written notice of acceptance of the bid by the District. Bidder's failure to execute the Real Estate Sales Contract and deposit the required earnest money, as applicable, within such five (5) day period will be deemed a default by bidder, bidder will forfeit the earnest money, and the District will have no obligation to such bidder.
8. The successful bidder will be required to make an earnest money deposit of five percent (5%) of the bidder's bid amount to Kincy Abstract & Sabine Title Company within 5 working days of being notified by Lone Oak ISD that the

bidder's bid has been accepted by the LOISD Board of Trustees.

9. The successful bidder will be required to obtain an on-the-ground survey from a licensed surveyor that provides a metes and bounds description of the Property.
10. The successful bidder will be required to pay all costs associated with the conveyance of the property, including, but not limited to, all closing costs, the cost of the title commitment, and the cost of a survey, so that Lone Oak ISD will net the total amount of the accepted bid.
11. The surface estate of the property is sold subject to any conditions, covenants, easements, mineral interests, and restrictions of record in the Deed Records of Hunt County, Texas.
12. Lone Oak ISD will retain its interest in the mineral/subsurface estate of the property.
13. The Property may contain asbestos, asbestos-containing material, or other environmental conditions. The winning bidder will be required to assume all duties, costs, and risks of abatement of such conditions.
14. THE PROPERTY AND ALL EXISTING IMPROVEMENTS ARE SOLD "AS IS, WHERE IS, AND WITH ANY AND ALL LATENT AND PATENT DEFECTS AND FAULTS." LONE OAK ISD MAKES NO REPRESENTATIONS OR WARRANTIES WHATEVER, EXPRESS OR IMPLIED, REGARDING THE CONDITION OF THE PROPERTY. LONE OAK ISD FURTHER DISCLAIMS ALL EXPRESS AND IMPLIED WARRANTIES AS TO THE CONDITION OF THE PROPERTY AND FURTHER DISCLAIMS THAT THE PROPERTY IS FIT OR SUITABLE FOR ANY PURPOSE OR USE INTENDED BY THE BIDDER OR BUYER.
15. No personal property of Lone Oak ISD located on, in, or about the property is included in this sale.
16. Additional terms and conditions of sale are included in the Real Estate Sales Contract Form included in this Bid Packet. These additional terms and conditions may be waived or modified at the sole discretion of LOISD.
17. Conveyance of the property to the successful bidder shall be by a Deed Without Warranty (No Warranty Deed) in substantially the form included in this Bid Packet.
18. Lone Oak Independent School District reserves the right to reject any and all bids.
19. This bid packet contains the following documents:
 - Instructions for Bid Packet - Bid Requirements
 - Newspaper Advertisement
 - Sealed Bid Offer Form

- Real Estate Sales Contract Form
- Deed Without Warranty (No Warranty Deed) Form

NEWSPAPER ADVERTISEMENT

**REQUEST FOR BID
ON
PROPERTY FOR SALE
BY
Lone Oak Independent School District,
8162 Hwy. 69 S., Lone Oak, Texas 75453
903-662-5247**

NOTICE TO BUYERS:

Lone Oak ISD is advertising for the sale of the surface of an approximate 10-acre tract of land, including its improvements, generally located at 412 Church St., Lone Oak, Hunt County, Texas. The land and improvements are being sold “AS IS, WHERE IS, AND WITH ANY AND ALL LATENT AND PATENT DEFECTS AND FAULTS” and LOISD makes no guarantees of the condition or livability of any structure or system associated with the property.

All bids will be exclusive of closing costs which shall be the sole responsibility of the buyer.

Bid packets, which may include minimum bid requirements, may be picked up at the LOISD Superintendent’s office at 8162 Hwy. 69 S., Lone Oak, Texas 75453, between 9 AM to 3 PM (local time) each day until Friday, June 18, 2021.

Bids will be accepted at the LOISD Superintendent’s office until 3 PM (local time), Monday, June 21, 2021.

Bids will be opened at 5 PM (local time), Monday, June 21, 2021.

The successful bidder will be notified by phone, so it is necessary to include a phone number with the bid.

LOISD reserves the right to reject any and all bids.

PROPERTY DESCRIPTION – approximate 10-acre tract of land, with improvements, generally located at 412 Church St., Lone Oak, Hunt County, Texas.

SEALED BID OFFER FORM

412 Church Street, Lone Oak, Hunt County, Texas

1. Name and Address of Bidder:

2. Telephone: _____ Fax: _____

E-Mail Address: _____

3. Person to Contact: _____

4. Bid Amount: \$ _____

5. Bidder has read the newspaper notice, the instructions including the conditions of sale, the Deed Without Warranty (No Warranty Deed) form, and the Real Estate Sales Contract form and consents to the terms thereof except as expressly noted below:

BIDDER/Authorized Representative Date: _____

REAL ESTATE SALES CONTRACT (FORM)

This Real Estate Sales Contract (“Contract”) to buy and sell real property is between Seller and Buyer as identified below and is effective on the date (“Effective Date”) of the last of the signatures by Seller and Buyer as parties to this Contract and by Title Company to acknowledge receipt of the Earnest Money. Buyer must deliver the Earnest Money to Title Company and obtain Title Company’s signature before the Earnest Money Deadline provided in section A.1. for this Contract to be effective. If the Earnest Money is paid by check and payment on presentation is refused, Buyer is in default.

Seller: Lone Oak Independent School District

Address: 8162 Hwy. 68 South
Lone Oak, Texas 75453

Phone: (903) 662-5247

Fax: (903) 662-5290

E-mail: jcarter@loisd.net

Type of entity: Independent School District

Buyer: _____

Address: _____

Phone: _____

Fax: _____

E-mail: _____

Type of entity: _____

Property: The surface of the Property identified as being generally located at 412 Church St., Lone Oak, Hunt County, Texas (“Property”), consisting of approximately 10 acres, and being more fully described in Exhibit A to this Contract, together with all improvements to the Property (“Improvements”), reserving and excepting:

1. Any and all easements, rights-of-way, roadways, and/or prescriptive rights, whether of record or not; rights of any and all parties in possession; all restrictions and covenants, and conditions running with the land; all presently recorded and validly existing restrictions, reservations, covenants, conditions, and other instruments, other than conveyances of the surface fee estate, that affect the Property; validly existing rights of adjoining owners in any walls and fences situated on a common boundary; any discrepancies, conflicts, or shortages in area or boundary lines; and any encroachments or overlapping of improvements.

2. All oil, gas, other liquid and gaseous hydrocarbons, and other minerals of every kind and character in, on, and under and that may be produced from the Property, together with the right of ingress and egress at all times for the purpose of mining, drilling, exploring, operating and developing said lands for oil, gas, other liquid and gaseous hydrocarbons, and other minerals of every kind and character and removing the same therefrom. If the mineral estate is subject to existing production or an existing lease, this reservation includes the production, the lease, and all benefits from it.

Title Company: **Kincy Abstract & Sabine Title Company**

Address: 6417 Wesley Street
Greenville, Texas 75402

Phone: (903) 450-1116

Fax: (903) 455-8258

E-mail: _____

Underwriter: _____

Purchase Price: _____

Earnest Money: _____

County for Performance: Hunt County, Texas

A. Deadlines and Other Dates

All deadlines in this Contract expire at 5:00 P.M. local time where the Property is located. If a deadline falls on a Saturday, Sunday, or national holiday, the deadline will be extended to the next day that is not a Saturday, Sunday, or national holiday. A national holiday is a holiday designated by the federal government. Time is of the essence.

1. Earnest Money Deadline: 5 calendar days after being notified that the bid was accepted.
2. Delivery of Title Commitment: 30 days after the Effective Date. If the Commitment is not delivered within the specified time, the time for delivery will be automatically extended up to 15 days or the Closing Date, whichever is earlier

3. Delivery of Survey: 30 days after the Effective Date
4. Delivery of legible copies of instruments referenced in the Title Commitment:
5 days after the delivery of the Title Commitment
5. Delivery of Title Objections: 5 days after delivery of the Title Commitment, Survey, and legible copies of the instruments referenced in them
6. Delivery of Seller's records as specified in Exhibit C:
30 days after the Effective Date
7. End of Inspection Period: 30 days after the Effective Date
8. Closing Date: On or before _____, 2021, or such other date as Seller and Buyer may agree upon
9. Closing Time: At a mutually agreed time

B. Closing Documents

1. At closing, Seller will deliver the following items:
 - Deed Without Warranty (No Warranty Deed) conveying Seller's title in fee simple to the surface of the Property, subject, however, to all covenants, conditions, reservations and interest of record and/or as noted
 - Evidence of Seller's authority to close this transaction
2. At closing, Buyer will deliver the following items:
 - Balance of Purchase Price
 - Evidence of Buyer's authority to close this transaction
 - Deceptive Trade Practices Act waiver
 - Loan Documents required by third-party lender, if any

The documents listed in this section B are collectively known as the "Closing Documents."

C. Exhibits

The following are attached to and are a part of this Contract:

Exhibit A—Description of the Land

Exhibit B—Representations; Environmental Matters

Exhibit C—Seller’s Records

D. Purchase and Sale of Property

Subject to the terms hereof, Seller agrees to sell and convey the surface of the Property to Buyer subject to any conditions, covenants, easements, mineral interests and restrictions as noted above or of record in the Deed Records of Hunt County, Texas, and on an “AS IS, WHERE IS, AND WITH ANY AND ALL LATENT AND PATENT DEFECTS AND FAULTS” basis, and Buyer agrees to buy and pay Seller for the Property. The promises by Buyer and Seller stated in this Contract are the consideration for the formation of this Contract.

E. Title and Survey

1. *Review of Title.* The following statutory notice is provided to Buyer on behalf of the real estate licensees, if any, involved in this transaction: **Buyer is advised that it should either have the abstract covering the Property examined by an attorney of Buyer’s own selection or be furnished with or obtain a policy of title insurance.**

2. *Title Commitment; Title Policy.* “Title Commitment” means a Commitment for Issuance of an Owner Policy of Title Insurance by Title Company, as agent for Underwriter, or directly by Underwriter, stating the condition of title to the Land. The “effective date” stated in the Title Commitment must be after the Effective Date of this Contract. “Title Policy” means an Owner Policy of Title Insurance issued by Title Company, as agent for Underwriter, or directly by Underwriter, in conformity with the last Title Commitment delivered to and approved by Buyer. The Title Policy will be issued subject to the promulgated exceptions (including existing building and zoning ordinances) and the following exceptions:

- (a) Possible encroachments and/or projections of stoop areas, roof cornices, window trims, vent pipes, cellar doors, steps, columns and column bases, flue pipes, signs, piers, lintels, window sills, fire escapes, satellite dishes, protective netting, sidewalk sheds, ledges, fences, coping walls (including retaining walls and yard walls), air conditioners, and the like, if any, on, under, or above any street or highway, the Property or any adjoining property, provided, however, that the same do not materially impact the value of the Property or impair the continued use of the Property as it is being used on the date of this Contract.
- (b) The state of facts shown on that certain survey made by (“**Buyer's Survey**”) and any additional state of facts a new or updated survey or personal inspection would show, provided the additional facts do not render title unmarketable.
- (c) All presently existing and future liens for unpaid real estate taxes, assessments, and water and sewer charges that are not due and payable as of the Closing Date, subject to any apportionments as provided for in this Contract.
- (d) All covenants, restrictions and rights of record, and all easements and agreements of record for the erection and/or maintenance of water, gas, steam, electric, telephone, sewer or other utility pipelines, poles, wires, conduits, or other like facilities, and appurtenances thereto, over, across, and under the Property, provided, however, that the same are not violated by the Improvements and do not impose any monetary

obligation on the owner of the Property.

- (e) Party walls and party wall rights, beams and beam rights, the possible revocable nature of or lack of right to maintain vaults or other improvements or installations beyond building or property lines.
- (f) Variations between tax lot lines and lines of record title provided same do not render title unmarketable.
- (g) Any lien or encumbrance arising out of the acts or omissions of Buyer.
- (h) Consents by Seller or any former owner for the erection and maintenance of any structures on, under, or above any streets or roads on which the Property may abut, provided same do not render title unmarketable.
- (i) Any exceptions disclosed on Schedule B of the Title Commitment (as hereinafter defined) which will be extinguished upon the transfer of the Property.
- (j) The standard conditions and exceptions to title contained in the form of title policy or a revised post "mark-up" Title Commitment issued to Buyer by Title Insurance Company.
- (k) The standard printed exception for standby fees, taxes and assessments.
- (l) Reservations or exceptions otherwise permitted by this Contract or as may be approved by Buyer in writing.
- (m) The standard printed exception as to marital rights.
- (n) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
- (o) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements, except that Buyer, at Buyer's sole expense, may elect to have this standard exception amended to read, "shortages in area".
- (p) Such other matters as any reputable title insurer licensed to do business in Texas shall be willing, without special premium, to omit as exceptions to title insurance coverage.

3. *Survey.* "Survey" means an on-the-ground, staked plat of survey and metes-and-bounds description of the Land, prepared by a surveyor satisfactory to Title Company, dated after the Effective Date, and certified to comply with the current standards and specifications as published by the Texas Society of Professional Surveyors for the Survey Category.

4. *Delivery of Title Commitment, Survey, and Legible Copies.* Seller shall furnish the Title Commitment to Buyer, at Buyer's expense, by the deadline stated in section A.2., and shall furnish, at Buyer's expense, legible copies of the instruments referenced in the Title Commitment that are in Seller's possession by the deadline stated in section A.4. Buyer shall obtain a new survey at Buyer's expense by the deadline stated in section A.3 and will be deemed to have received the survey on the date of actual receipt.

5. *Title Objections.* Buyer has until the deadline stated in section A.5. ("Title Objection Deadline") to review the Survey, Title Commitment, and legible copies of the title instruments referenced in them and notify Seller of Buyer's objections to any of them ("Title Objections") other than those items described in Sections E.2(a) through E.2(p) above. Buyer is

deemed to have approved all items described in Sections E.2(a) through E.2(p) above that may be reflected in the Survey and/or Title Commitment. Buyer will also be deemed to have approved all other matters reflected by the Survey and Title Commitment to which Buyer has made no Title Objection by the Title Objection Deadline. The matters that Buyer either approves or is deemed to have approved are “Permitted Exceptions.” If Buyer notifies Seller of any Title Objections, Seller has seven business days from receipt of Buyer’s notice to notify Buyer whether or not Seller agrees to cure the Title Objections before closing (“Cure Notice”). If Seller does not timely give its Cure Notice or timely gives its Cure Notice but does not agree to cure all the Title Objections before closing, Buyer may, at its option, terminate this Contract without liability to Seller by providing Seller with written notice of same by the earlier of five days after the deadline for the giving of Seller’s Cure Notice or one day prior to the date of closing, in which event (the Buyer opting to terminate the Contract) the Earnest Money shall be returned to Buyer **as Buyer’s sole remedy**, and neither Seller nor Buyer will have any further obligations under this Contract except for those that expressly survive its termination. Alternatively Buyer may, at its option, waive any Title Objections and require that Seller proceed to Closing by providing Seller with written notice of waiver by the earlier of five days after the deadline for the giving of Seller’s Cure Notice or one day prior to the date of closing.

F. Inspection Period

1. *Review of Seller’s Records.* Seller will deliver to Buyer copies of Seller’s records specified in Exhibit C, or otherwise make those records available for Buyer’s review, by the deadline stated in section A.6.

2. *Entry onto the Property.* Buyer may enter the Property before closing to inspect it at Buyer’s cost, subject to the following:

- a. Buyer must deliver evidence to Seller that Buyer has insurance for its proposed inspection activities, with coverages and in amounts that are substantially the same as those maintained by Seller or with such lesser coverages and in such lesser amounts as are reasonably satisfactory to Seller.
- b. Buyer may not interfere in any material manner with existing operations or occupants of the Property.
- c. Buyer must notify Seller in advance of Buyer’s plans to conduct tests so that Seller may be present during the tests.
- d. If the Property is physically altered because of Buyer’s inspections, Buyer must return the Property to its pre-inspection condition promptly after the alteration occurs.
- e. Buyer must deliver to Seller copies of all inspection reports that Buyer prepares or receives from third-party consultants or contractors within three days after their preparation or receipt.
- f. Buyer must abide by any other reasonable entry rules imposed by Seller.

3. *Buyer's Indemnity and Release of Seller*

- a. *Indemnity.* Buyer will indemnify, defend, and hold Seller harmless from any loss, attorney's fees, expenses, or claims arising out of Buyer's investigation of the Property, except for repair or remediation of existing conditions discovered by Buyer's inspection. The obligations of Buyer under this provision will survive termination of this Contract and closing.
- b. *Release.* Buyer releases Seller and those persons acting on Seller's behalf from all claims and causes of action (including claims for attorney's fees and court and other costs) resulting from Buyer's investigation of the Property.

G. Representations

The parties' representations stated in Exhibit B are true and correct as of the Effective Date and must be true and correct on the Closing Date.

H. No Recording of Contract

Buyer may not file this Contract or any memorandum or notice of this Contract in the real property records of any county. If, however, Buyer records this Contract or a memorandum or notice, Seller may terminate this Contract and record a notice of termination.

I. Termination

1. *Disposition of Earnest Money after Termination*

- a. *To Buyer.* If Buyer terminates this Contract pursuant to section E.5. because Seller did not timely give its Cure Notice or timely gave its Cure Notice but did not agree to cure all the Title Objections before closing, then unless Seller delivers notice of Seller's objection to Title Company's release of the Earnest Money to Buyer within five days after Buyer delivers Buyer's termination notice to Seller and Title Company, Title Company is authorized, without any further authorization from Seller, to deliver the Earnest Money to Buyer.
- b. *To Seller.* If Seller terminates this Contract in accordance with any of Seller's rights to terminate, then Title Company is authorized, without any further authorization from Buyer, to immediately pay and deliver the Earnest Money to Seller.

2. *Duties after Termination.* If this Contract is terminated, Buyer will promptly return to Seller all of Seller's records in Buyer's possession or control. After return of the documents and copies, neither party will have further duties or obligations to the other under this Contract, except for those obligations that cannot be or were not performed before termination of this Contract or that expressly survive termination of this Contract.

J. Closing

1. *Closing.* This transaction will close at Title Company's offices at the Closing Date and Closing Time. At closing, the following will occur:

- a. *Closing Documents; Title Company Documents.* The parties will execute and deliver the Closing Documents and any documents required by Title Company.
- b. *Payment of Purchase Price.* Buyer will deliver the Purchase Price and other amounts that Buyer is obligated to pay under this Contract to Title Company in funds acceptable to Title Company. The Earnest Money will be applied to the Purchase Price.
- c. *Disbursement of Funds; Recording; Copies.* Title Company will be instructed to disburse the Purchase Price and other funds in accordance with this Contract, record the deed and the other Closing Documents directed to be recorded, and distribute documents and copies in accordance with the parties' written instructions.
- d. *Possession.* Seller will deliver possession of the Property in its then-present "AS IS, WHERE IS, AND WITH ANY AND ALL LATENT AND PATENT DEFECTS AND FAULTS" condition to Buyer.

2. *Transaction Costs*

- a. *Seller's Costs.* Seller will not pay any closing costs or any other charges or costs associated with this Contract, sale, and/or transaction, and will be responsible to pay only its own expenses and attorney's fees.
- b. *Buyer's Costs.* Buyer will pay all closing costs; all charges for the Title Policy; the escrow fee charged by Title Company; the costs to obtain, deliver, and record all documents; the costs to prepare the deed; the costs to obtain, deliver, and record releases of any liens required to be released in connection with the sale; the costs to record documents to cure Title Objections agreed to be cured by Seller and to resolve matters shown in Schedule C of the Title Commitment; the costs to obtain the Survey and certificates or reports of ad valorem taxes; the additional premium for the "survey/area and boundary deletion" in the Title Policy, if any; the costs to obtain financing of the Purchase Price, including the incremental premium costs of the mortgagee's title policies and endorsements and deletions required by Buyer's lender; any other costs expressly required to be paid by Buyer in this Contract; Buyer's expenses and attorney's fees; and all other charges and costs in any way related to this Contract, sale, and/or transaction.
- c. *Ad Valorem Taxes.* There shall be no property tax proration as a part of this transaction. Seller is a political subdivision of the State of Texas and has no ad valorem tax liability. Seller assumes no responsibility for any outstanding taxes as may be due from its predecessors in interest. Buyer

will be responsible for all ad valorem taxes.

- d. *Roll Back Taxes.* Any Roll Back Taxes as may become due as a result of a change in the uses of the Property or on any other basis are not the responsibility of Seller, and Seller shall have no liability to Buyer for same.
- e. *Brokers' Commissions.* Buyer indemnifies and agrees to defend and hold Seller harmless from any loss, attorney's fees, and court and other costs arising out of a claim by any person or entity claiming by, through, or under the indemnitor for a broker's or finder's fee or commission because of this transaction or this Contract, whether the claimant is disclosed to the indemnitee or not. At closing, Buyer will provide Seller with a release of broker's or appraiser's liens from all brokers or appraisers for which Buyer was responsible.

3. *Issuance of Title Policy.* Seller will cause Title Company to issue the Title Policy to Buyer as soon as practicable after closing at Buyer's expense.

4. *Failure to Close.* If, due to the fault of Buyer, this transaction fails to close on the date of Closing or upon any agreed-upon extension of that date, an automatic termination of this Contract shall be deemed to have occurred, and the Title Company is then authorized, without any further authorization from Buyer, to immediately pay and deliver the Earnest Money to Seller.

K. Default and Remedies

1. *Seller's Default.* In the event Seller should fail to perform any of its obligations under this Contract ("Seller's Default"), Buyer may, as its sole and exclusive remedy, terminate the Contract by giving notice to Seller on or before closing and have the Earnest Money returned to Buyer, so long as Buyer is not also in default. If Buyer is also in default, then Buyer's sole and exclusive remedy shall be to terminate the Contract, and the Earnest Money shall be paid to Seller by the Title Company, who shall be authorized to make such payment without further authorization from Buyer.

2. *Buyer's Default.* In the event Buyer fails to perform any of its obligations under this Contract ("Buyer's Default"), including, without limitation, the failure to complete the purchase of the Property, Seller may terminate this Contract by giving notice to Buyer on or before closing and have the Earnest Money paid to Seller. If Seller terminates this Contract in accordance with the previous sentence, the Title Company is authorized, without any further authorization from Buyer, to immediately pay and deliver the Earnest Money to Seller. If Buyer's Default occurs after Seller has incurred costs to perform its obligations under this Contract and Seller terminates this Contract in accordance with this section K.2., Buyer will also reimburse Seller for the Seller's actual out-of-pocket expenses incurred after the Effective Date to perform its obligations under this Contract ("Seller's Expenses") within ten days after Buyer's receipt of an invoice from Seller stating the amount of Seller's Expenses accompanied by reasonable evidence of Seller's Expenses.

3. *Buyer's Default; Remedies after Closing.* If Buyer fails to perform any of its obligations under this Contract that survive closing, Seller will have all rights and remedies

available at law or in equity.

4 *Attorney's Fees.* If either party retains an attorney to enforce this Contract, the party prevailing in litigation is entitled to recover reasonable attorney's fees and court and other costs.

L. Disclaimer

BY EXECUTING THIS CONTRACT, BUYER ACKNOWLEDGES AND AGREES THAT, EXCEPT FOR DISCLOSURES MADE IN THIS CONTRACT AND IN ANY "ASBESTOS DISCLOSURE NOTICE" PROVIDED TO BUYER, SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESSED OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE OF, AS TO, CONCERNING OR WITH RESPECT TO (I) THE VALUE, NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, (II) THE INCOME TO BE DERIVED FROM THE PROPERTY, (III) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH BUYER MAY CONDUCT THEREON, (IV) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (V) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, (VI) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY, (VII) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY, OR (VIII) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY, AND SPECIFICALLY, THAT, SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY DISCLAIMS ANY REPRESENTATION REGARDING COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING SOLID WASTE, AS DEFINED BY THE U. S. ENVIRONMENTAL PROTECTION AGENCY OR THE DISPOSAL OR EXISTENCE, IN OR ON THE PROPERTY, OF ANY HAZARDOUS SUBSTANCE, AS DEFINED BY THE COMPREHENSIVE ENVIRONMENTAL RESPONSE COMPENSATION AND LIABILITY ACT OF 1980, (CERCLA), AS AMENDED, AND REGULATIONS PROMULGATED THEREUNDER. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, BUYER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY HAS BEEN OR WILL BE OBTAINED FROM A VARIETY OF SOURCES AND THE SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKES NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. SELLER IS NOT LIABLE OR BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY, OR THE OPERATION THEREOF, FURNISHED BY ANY REAL ESTATE BROKER, AGENT, EMPLOYEE, SERVANT OR OTHER PERSON. **BUYER FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM**

EXTENT PERMITTED BY LAW, THE SALE OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN “AS IS, WHERE IS, AND WITH ANY AND ALL LATENT AND PATENT DEFECTS AND FAULTS” CONDITION AND BASIS, AND IN PARTICULAR, THE BUYER WILL BE SOLELY LIABLE FOR ALL COSTS OF ABATEMENT OR REMOVAL OF ANY HAZARDOUS MATERIALS, INCLUDING ASBESTOS, FOUND TO BE PRESENT ON THE PROPERTY. IT IS UNDERSTOOD AND AGREED THAT ALL OF THE PROPERTY WILL BE TRANSFERRED BY SELLER AND ACCEPTED BY BUYER SUBJECT TO THE FOREGOING AND THAT THE FOREGOING IS A MATERIAL PART OF THE CONSIDERATION FOR THIS AGREEMENT. THE FOREGOING SHALL SURVIVE THE CLOSING OR COMPLETION OF THE SALE OF THE PROPERTY.

M. Miscellaneous Provisions

1. *Notices.* Any notice required by or permitted under this Contract must be in writing. Any notice required by this Contract will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this Contract. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein.

2. *Entire Agreement.* This Contract, together with its exhibits, and any Closing Documents delivered at closing constitute the entire agreement of the parties concerning the sale of the Property by Seller to Buyer. There are no oral representations, warranties, agreements, or promises pertaining to the sale of the Property by Seller to Buyer that are not expressly set forth in those documents.

3. *Amendment.* This Contract may be amended only by an instrument in writing signed by the parties.

4. *Prohibition of Assignment.* Buyer may not assign this Contract or any of Buyer’s rights under it, and any attempted assignment is void. This Contract binds, benefits, and may be enforced by the parties and their respective heirs and successors.

5. *Survival.* The provisions of this Contract that expressly survive termination or closing and other obligations of this Contract that cannot be performed before termination of this Contract or before closing survive termination of this Contract or closing, and the legal doctrine of merger does not apply to these matters. If there is any conflict between the Closing Documents and this Contract, the Closing Documents control.

6. *Choice of Law; Venue.* This Contract is to be construed under the laws of the state of Texas, without regard to choice-of-law rules of any jurisdiction. Venue is in Hunt County, Texas.

7. *Waiver of Default.* Default is not waived if the non-defaulting party fails to declare immediately a default or delays taking any action with respect to the default.

8. *No Third-Party Beneficiaries.* There are no third-party beneficiaries of this

Contract.

9. *Severability.* If a provision in this Contract is unenforceable for any reason, to the extent the unenforceability does not destroy the basis of the bargain among the parties, the unenforceability does not affect any other provision of this Contract, and this Contract is to be construed as if the unenforceable provision is not a part of the Contract.

10. *Ambiguities Not to Be Construed against Party Who Drafted Contract.* The rule of construction that ambiguities in a document are construed against the party who drafted it does not apply in interpreting this Contract.

11. *No Special Relationship.* The parties' relationship is an ordinary commercial relationship, and the parties do not intend to create the relationship of principal and agent, partners, joint venturers, or any other special relationship.

12. *Counterparts.* If this Contract is executed in multiple counterparts, all counterparts taken together constitute this Contract. Copies of signatures to this Contract are effective as original signatures.

13. *Binding Effect.* This Contract binds, benefits, and may be enforced by the parties and their respective heirs, successors, and permitted assigns.

14. *Waiver of Consumer Rights.* BUYER WAIVES ITS RIGHTS UNDER THE TEXAS DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT, SECTION 17.41 *ET SEQ.* OF THE TEXAS BUSINESS AND COMMERCE CODE, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH AN ATTORNEY OF ITS OWN SELECTION, BUYER VOLUNTARILY CONSENTS TO THIS WAIVER.

15. BUYER EXPRESSLY ACKNOWLEDGES THAT THE "AS IS, WHERE IS, AND WITH ANY AND ALL LATENT AND PATENT DEFECTS AND FAULTS" NATURE OF THIS REAL ESTATE TRANSACTION WAS AND IS PART OF AN ARMS-LENGTH TRANSACTION BETWEEN THE BUYER AND LOISD AND IS AN IMPORTANT BASIS OF THE BARGAIN BETWEEN THE BUYER AND LOISD. BUYER FURTHER ACKNOWLEDGES THAT IT IS BEING REPRESENTED BY LEGAL COUNSEL AND THAT BUYER'S COUNSEL HAS EXPLAINED THE MEANING OF THE "AS IS, WHERE IS, AND WITH ANY AND ALL LATENT AND PATENT DEFECTS AND FAULTS" PROVISION TO THE BUYER.

Lone Oak Independent School District

By: _____
Justin Ramm, President of Board of Trustees

Date:

[BUYER]

By: _____

Date:

Exhibit A

Description of the Land

The surface of the Property identified as being generally located at 412 Church St., Lone Oak, Hunt County, Texas (“Property”), consisting of approximately 10 acres, together with all improvements to the Property (“Improvements”), reserving and excepting:

1. Any and all easements, rights-of-way, roadways, and/or prescriptive rights, whether of record or not; rights of any and all parties in possession; all restrictions and covenants, and conditions running with the land; all presently recorded and validly existing restrictions, reservations, covenants, conditions, and other instruments, other than conveyances of the surface fee estate, that affect the Property; validly existing rights of adjoining owners in any walls and fences situated on a common boundary; any discrepancies, conflicts, or shortages in area or boundary lines; and any encroachments or overlapping of improvements.
2. All oil, gas, other liquid and gaseous hydrocarbons, and other minerals of every kind and character in, on, and under and that may be produced from the Property, together with the right of ingress and egress at all times for the purpose of mining, drilling, exploring, operating and developing said lands for oil, gas, other liquid and gaseous hydrocarbons, and other minerals of every kind and character and removing the same therefrom. If the mineral estate is subject to existing production or an existing lease, this reservation includes the production, the lease, and all benefits from it.

Legal description of the Property (surface estate only):

See also the following aerial photograph and graphics.



Exhibit B

Representations; Environmental Matters

A. Seller's Representations to Buyer

Seller represents to Buyer that the following are true and correct as of the Effective Date and will be true and correct on the Closing Date.

1. *Authority.* Seller is an independent school district duly organized, validly existing, and in good standing under the laws of the state of Texas with authority to convey the Property to Buyer. This Contract is, and all documents required by this Contract to be executed and delivered to Buyer at closing will be, duly authorized, executed, and delivered by Seller.

2. *Litigation.* There is no litigation pending or threatened against Seller that might affect the Property or Seller's ability to perform its obligations under this Contract.

3. *No Other Obligation to Sell the Property or Restriction against Sale.* Seller has not obligated itself to sell all or any portion of the Property to any person other than Buyer. Seller's performance of this Contract will not cause a breach of any other agreement or obligation to which Seller is a party or to which it is bound.

4. *No Liens.* On the Closing Date, the Property will be free and clear of all mechanic's and materialman's liens and other liens and encumbrances of any nature except the Permitted Exceptions or liens to which Buyer has given its consent in writing, and no work or materials will have been furnished to the Property that might give rise to mechanic's, materialman's, or other liens against the Property other than work or materials to which Buyer has given its consent in writing.

5. *No Other Representation.* Except as stated above, Seller makes no representation with respect to the Property.

6. *No Warranty.* Seller has made no warranty in connection with this Contract.

B. "As Is, Where Is"

THIS CONTRACT IS AN ARM'S-LENGTH AGREEMENT BETWEEN THE PARTIES. THE PURCHASE PRICE WAS BARGAINED ON THE BASIS OF AN "AS IS, WHERE IS, AND WITH ANY AND ALL LATENT AND PATENT DEFECTS AND FAULTS" TRANSACTION AND REFLECTS THE AGREEMENT OF THE PARTIES THAT THERE ARE NO REPRESENTATIONS, DISCLOSURES, OR EXPRESS OR IMPLIED WARRANTIES, EXCEPT THOSE IN THIS CONTRACT AND THE CLOSING DOCUMENTS.

THE PROPERTY WILL BE CONVEYED TO BUYER IN AN "AS IS, WHERE IS, AND WITH ANY AND ALL LATENT AND PATENT DEFECTS AND FAULTS" CONDITION, WITH ALL FAULTS. SELLER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AND EXPRESSLY DISCLAIMS WARRANTIES, EXPRESS OR IMPLIED, AS TO THE FITNESS, ENVIRONMENTAL COMPLIANCE, HANDICAPPED ACCESSIBILITY LAW COMPLIANCE, ELECTROMAGNETIC FIELD

EXPOSURE LEVELS, AREA, CONDITION, QUALITY, QUANTITY, CHARACTER, SIZE, VALUE OF THE PROPERTY OR IMPROVEMENTS THEREON, EXPENSES, DESCRIPTION, MERCHANTABILITY OR HABITABILITY OF THE PROPERTY, FITNESS OF THE PROPERTY FOR A PARTICULAR PURPOSE OR OTHERWISE. ALL WARRANTIES ARE DISCLAIMED.

BUYER IS NOT RELYING ON ANY REPRESENTATIONS, DISCLOSURES, OR EXPRESS OR IMPLIED WARRANTIES OTHER THAN THOSE EXPRESSLY CONTAINED IN THIS CONTRACT AND THE CLOSING DOCUMENTS. BUYER IS NOT RELYING ON ANY INFORMATION REGARDING THE PROPERTY PROVIDED BY ANY PERSON, OTHER THAN BUYER'S OWN INSPECTION AND THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS CONTRACT AND THE CLOSING DOCUMENTS.

THE FOREGOING IS A MATERIAL PART OF THE CONSIDERATION FOR THIS AGREEMENT AND SHALL SURVIVE THE CLOSING OR COMPLETION OF THE SALE OF THE PROPERTY.

The provisions of this section B regarding the Property will be included in the deed with appropriate modification of terms as the context requires.

Exhibit C

Seller's Records

To the extent that Seller has possession or control of the following items pertaining to the Property, Seller will deliver or make the items or copies of them available to Buyer by the deadline stated in section A.6.:

DEED WITHOUT WARRANTY

Notice of confidentiality rights: If you are a natural person, you may remove or strike any or all of the following information from this instrument before it is filed for record in the public records: your Social Security number or your driver's license number.

Date:

Grantor: Lone Oak Independent School District

Grantor's Mailing Address: 8162 Hwy. 69 South
Lone Oak, Texas 75453

Grantee:

Grantee's Mailing Address:

Consideration:

AND No/100 DOLLARS (\$_____ .00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

Property (including any improvements):

The surface of the Property identified as being generally located at 412 Church Street, Lone Oak, Hunt County, Texas ("Property"), consisting of approximately 10 acres and being more fully described in Exhibit A, together with all improvements to the Property ("Improvements").

Reservations from and Exceptions to Conveyance:

1. Any and all easements, rights-of-way, roadways, and/or prescriptive rights, whether of record or not; rights of any and all parties in possession; all restrictions and covenants, and conditions running with the land; all presently recorded and validly existing restrictions, reservations, covenants, conditions, and other instruments, other than conveyances of the surface fee estate, that affect the Property; validly existing rights of adjoining owners in any walls and fences situated on a common boundary; any discrepancies, conflicts, or shortages in area or boundary lines; and any encroachments or overlapping of improvements.
2. For Grantor and Grantor's heirs, successors, and assigns forever, a reservation of all oil, gas, other liquid and gaseous hydrocarbons, and other minerals of every kind and character in, on, and under and that may be produced from the Property, together with the right of ingress and egress at all times for the purpose of mining, drilling, exploring, operating and developing said lands for oil, gas, other liquid and gaseous hydrocarbons, and other minerals of every kind and character and removing the same therefrom. If the mineral estate is subject to existing production or an existing lease, this reservation includes the production, the lease, and all benefits from it.

Grantor, for the Consideration and subject to the conditions and restrictions below and the Reservations from and Exceptions to Conveyance, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever, without express or implied warranty. All warranties, express or implied, regarding the Property are excluded, including without limitation, any warranties arising by common law as well as the warranties in section 5.023 of the Texas Property Code (or its successor).

By executing this document, Grantee acknowledges and agrees that Grantor has not made, does not make and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether expressed or implied, oral or written, past, present or future of, as to, concerning or with respect to (i) the value, nature, quality or condition of the Property, including, without limitation, the water, soil and geology, (ii) the income to be derived from the Property, (iii) the suitability of the Property for any and all activities and uses which Grantee may conduct thereon, (iv) the compliance of or by the Property or its operation with any law, rules, ordinances or regulations of any applicable governmental authority or body, (v) the habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Property, (vi) the manner or quality of the construction or materials, if any, incorporated into the Property, (vii) the manner, quality, state of repair or lack of repair of the Property, or (viii) any other matter with respect to the Property, and specifically, that Grantor has not made, does not make and specifically disclaims any representation regarding compliance with any environmental protection, pollution or land use laws, rules, regulations, orders or requirements, including solid waste, as defined by the U. S. Environmental Protection Agency or the disposal or existence, in or on the Property of any hazardous substance, as defined by the Comprehensive Environmental Response Compensation and Liability Act of 1980, (CERCLA), as amended, and regulations promulgated thereunder. Grantee further acknowledges and agrees that having been given the opportunity to inspect the Property, Grantee has relied solely on its own investigation of the Property and not on any information provided or to be provided by Grantor. Grantee further acknowledges and agrees that any information provided with respect to the Property was obtained from a variety of sources and the Grantor has not made any independent investigation or verification of such information and makes no representations as to the accuracy or completeness of such information. Grantor is not liable or bound in any manner by any verbal or written statements, representations or information pertaining to the Property, or the operation thereof, furnished by any real estate broker, agent, employee, servant or other person. Grantee further acknowledges and agrees that to the maximum extent permitted by law, the conveyance of the Property as provided for herein is made on an " AS IS, WHERE IS, AND WITH ANY AND ALL LATENT AND PATENT DEFECTS AND FAULTS " condition and basis, and in particular, **the Grantee will be solely liable for all costs of abatement or removal of any hazardous materials, including asbestos, found to be present on the Property.** It is understood and agreed that all of the Property is transferred by Grantor and accepted by Grantee subject to the foregoing.

IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT THE GRANT AND CONVEYANCE OF THE PROPERTY IS "AS IS, WHERE IS, AND WITH ANY AND ALL LATENT AND PATENT DEFECTS AND FAULTS", INCLUDING BUT NOT LIMITED TO, ANY MATTER, FACT OR CONDITION PERTAINING TO OR AFFECTED BY ANY APPLICABLE LAW, RULE, OR REGULATION PERTAINING TO WATER, AIR, OR WASTE.

GRANTOR HAS NOT MADE AND DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AND EXPRESSLY DISCLAIMS WARRANTIES, EXPRESS OR IMPLIED, AS TO THE FITNESS, ENVIRONMENTAL COMPLIANCE, HANDICAPPED ACCESSIBILITY LAW COMPLIANCE, ELECTROMAGNETIC FIELD EXPOSURE LEVELS, AREA, CONDITION, QUALITY, QUANTITY, CHARACTER, SIZE, VALUE OF THE PROPERTY OR IMPROVEMENTS THEREON, EXPENSES, DESCRIPTION, MERCHANTABILITY OR HABITABILITY OF THE PROPERTY, FITNESS OF THE PROPERTY FOR A PARTICULAR PURPOSE OR OTHERWISE. ALL WARRANTIES ARE DISCLAIMED.

GRANTEE ACKNOWLEDGES THAT IT HAS NOT RELIED ON ANY REPRESENTATIONS, DISCLOSURES, OR EXPRESS OR IMPLIED WARRANTIES, OTHER THAN THOSE EXPRESSLY CONTAINED IN THE REAL ESTATE SALES CONTRACT AND THE CLOSING DOCUMENTS, MADE BY GRANTOR OR ANY OTHER PERSON, AND THAT GRANTEE HAS RELIED SOLELY ON ITS OWN INSPECTION OF THE PROPERTY. GRANTEE, BY ITS ACCEPTANCE HEREOF, DOES HEREBY RELEASE AND FOREVER DISCHARGE GRANTOR, ITS EMPLOYEES, AND TRUSTEES AND THEIR RESPECTIVE AGENTS, EMPLOYEES, SUCCESSORS AND ASSIGNS FROM ANY AND ALL CLAIMS, OBLIGATIONS AND LIABILITIES (WHETHER BASED IN TORT, UNDER CONTRACT OR OTHERWISE) ATTRIBUTABLE, IN WHOLE OR IN PART, TO ANY SUCH REPRESENTATIONS AND/OR ALLEGED REPRESENTATIONS.

The President of the Lone Oak ISD Board of Trustees executes this Deed by virtue of the resolution passed by the Lone Oak Independent School District Board of Trustees on _____, 2021 authorizing the sale of the Property.

When the context requires, singular nouns and pronouns include the plural.

EXECUTED this _____ day of _____, 2021.

LONE OAK INDEPENDENT SCHOOL DISTRICT,
GRANTOR

By: Justin Ramm
President of the Board of Trustees

GRANTEE

[Authorized representative of Grantee]

ACKNOWLEDGMENTS

STATE OF TEXAS §
 §
COUNTY OF HUNT §

This instrument was acknowledged before me on the _____ day of _____, 2021 by Jon Keller, President of the Board of Trustees, the authorized representative of LONE OAK INDEPENDENT SCHOOL DISTRICT, GRANTOR, in the capacity herein stated.

Notary Public, State of Texas

My Commission expires: _____

STATE OF TEXAS §
 §
COUNTY OF HUNT §

This instrument was acknowledged before me on the _____ day of _____, 2021 by _____, GRANTEE, in the capacity herein stated.

Notary Public, State of Texas

My Commission expires: _____

Exhibit A

Description of the Land

The surface of the Property identified as being generally located at 412 Church St., Lone Oak, Hunt County, Texas (“Property”), consisting of approximately 10 acres, together with all improvements to the Property (“Improvements”), reserving and excepting:

1. Any and all easements, rights-of-way, roadways, and/or prescriptive rights, whether of record or not; rights of any and all parties in possession; all restrictions and covenants, and conditions running with the land; all presently recorded and validly existing restrictions, reservations, covenants, conditions, and other instruments, other than conveyances of the surface fee estate, that affect the Property; validly existing rights of adjoining owners in any walls and fences situated on a common boundary; any discrepancies, conflicts, or shortages in area or boundary lines; and any encroachments or overlapping of improvements.
2. All oil, gas, other liquid and gaseous hydrocarbons, and other minerals of every kind and character in, on, and under and that may be produced from the Property, together with the right of ingress and egress at all times for the purpose of mining, drilling, exploring, operating and developing said lands for oil, gas, other liquid and gaseous hydrocarbons, and other minerals of every kind and character and removing the same therefrom. If the mineral estate is subject to existing production or an existing lease, this reservation includes the production, the lease, and all benefits from it.

Legal description of the Property (surface estate only):