

HARLINGEN



SPECIAL BOARD MEETING
Wednesday, August 21, 2024 @ 12:00 p.m. (Noon)
At the Administrative Building
219 East Jackson Street, Harlingen, Texas 78550

AGENDA

Notice is hereby given that the above unit of government will hold a Special Meeting of its Board of Commissioners on Wednesday, August 21, 2024 @ 12:00 p.m. (Noon) at the Administrative Building, 219 East Jackson Street, Harlingen, Texas 78550.

The Harlingen Housing Authority reserves the right, pursuant to Texas Government Code Chapter 551, Subchapter D, to enter into closed executive session on any item posted on the agenda if a matter is raised that is appropriate for closed discussion.

I. OPENING

1. Call to Order
2. Conflict of Interest – Alan Ozuna
“Under State Law, a conflict of interest exists if a board member, or certain members of that person’s family, has a qualifying financial interest in an agenda item. Board members with a conflict of interest cannot participate in the discussion nor vote on the agenda item.” Are there any known conflicts of interest to disclose at this time?
3. Roll call/determination of a Quorum – Carlos Perez
4. Invocation – Mary Prieto
5. Pledge of Allegiance – Mary Prieto
6. Introduction of Staff, Visitors, and Guests – Ariana Valle
7. Public Comments – Ariana Valle
8. Consider and take action to approve the Minutes of the Special Board Meeting of August 7, 2024.
9. Executive Session pursuant to Texas Government Code Section 551.072 (Real Estate Deliberation) regarding possible conveyance of real estate.
10. Discussion and possible action on Resolution 1508 authorizing conveyance of New Hampshire property.

II. ADJOURNMENT

I, undersigned authority, do hereby certify that the above Notice of Meeting is a true and correct copy of said Notice and that I posted Notice on the bulletin board at the City Hall of the City of Harlingen, 118 East Tyler Avenue, at the Harlingen Housing Authority, Administrative Building, 219 East Jackson Street, at the Los Vecinos Apartments, 702 South “M” Street, at the Bonita Park Apartments, 601 South Rangerville Road, at the Sunset Terrace Apartments, 1401 North Sunset Drive, and at the Le Moyne Gardens Apartments, 3221 North 25th Street, convenient and readily accessible to the general public at all times and said Notice was posted on Friday, August 16, 2024 at least 72 hours preceding the scheduled time of said meeting.

Dated this 16th day of August 2024

Ariana Valle, Administrative Assistant



Harlingen Housing Authority
Minutes of the Special Board Meeting
Wednesday, August 7, 2024, at 12:00 p.m. (noon)
At the Administrative Building, 219 East Jackson Street, Harlingen, Texas 78550

I. OPENING

The Board of Commissioners of the Harlingen Housing Authority met for its Special Board Meeting Wednesday, August 7, 2024, at 12:00 p.m. (noon) at the Administrative Building, 219 East Jackson Street, Remote Meeting via Telephone and Video Conference.

CONFLICT OF INTEREST

“Under State Law, a conflict of interest exists if a board member, or certain members of that person’s family, has a qualifying financial interest in an agenda item. Members with a conflict of interest cannot participate in the discussion nor vote on the agenda item.” Attorney Alan Ozuna asked the board of commissioners are there any known conflicts of interest to disclose at this time? There were no conflicts of interest to disclose.

ROLL CALL/DETERMINATION OF A QUORUM

Chair Perez determined a quorum was present consisting of Carlos “Charlie” Perez, Irma Sánchez Peña, Carlos Muñiz, Maria I. Borjas and Bettina Elliott.

INVOCATION

Senior Property Manager, Mary Prieto gave the invocation.

PLEDGE OF ALLEGIANCE

Senior Property Manager, Mary Prieto led the pledge of allegiance.

INTRODUCTION OF STAFF, GUESTS, AND VISITORS

Administrative Assistant, Ariana Valle introduced staff, guests, and visitors starting with Hilda Benavides, Chief Executive Officer, Cynthia Lucio, Chief Financial Officer, Mary Prieto, Senior Property Manager, Ariana Valle, Administrative Assistant, Visitors/Guests Alan Ozuna, Attorney, and Norma Sepulveda, Mayor of City of Harlingen.

PUBLIC COMMENTS

No members of the public were present at the Administrative Building, 219 East Jackson Street, Harlingen, Texas 78550, via telephone or video conference, and there were no public comments.

**CONSIDER AND TAKE ACTION TO APPROVE THE MINUTES OF THE
REGULAR BOARD MEETING OF JULY 17, 2024.**

After the Board reviewed them, Chair Perez entertained a motion to approve the Minutes of the Regular Board Meeting of July 17, 2024. Commissioner Elliott made the motion to approve the Minutes of the Regular Board Meeting of July 17, 2024. Motion was seconded by Commissioner Muñiz and passed unanimously.

**EXECUTIVE SESSION PURSUANT TO GOVERNMENT CODE SECTION 551.072
(REAL ESTATE DELIBERATION) REGARDING POSSIBLE CONVEYANCE OF REAL
ESTATE.**

At 12:03 p.m. the board entered the Executive Session.

At 12:39 p.m. the board ended the Executive Session.

**DISCUSSION AND POSSIBLE ACTION ON ITEMS DISCUSSED IN EXECUTIVE
SESSION.**

Commissioner Muñiz made the motion to proceed as discussed in the Executive Session.

Motion was seconded by Commissioner Elliott and passed unanimously.

II. ADJOURNMENT

Chair Perez entertained a motion to adjourn. Motion to adjourn was made by Vice-Chair Sánchez Peña. Motion was seconded by Commissioner Elliott. Meeting was adjourned at 12:40 p.m.

Date: _____

Chair, Carlos Perez

Chief Executive Officer, Hilda Benavides

A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF HARLINGEN, TEXAS, AUTHORIZING THE SALE OF 30.761 ACRES OFF NEW HAMPSHIRE STREET FOR THE PURCHASE PRICE OF \$535,000 PLUS CUSTOMARY CLOSING COSTS AND AUTHORIZING THE CHIEF EXECUTIVE OFFICER OR OTHER DESIGNATED HOUSING AUTHORITY OFFICIAL TO SIGN A CONTRACT FOR THE SALE OF THIS TRACT AND TO EXECUTE ALL NECESSARY CLOSING DOCUMENTS AND TO TAKE ALL STEPS NECESSARY TO CLOSE THE PURCHASE.

WHEREAS, the Housing Authority of the City of Harlingen (HHA) owns a 30.761-Acre Tract of Land on New Hampshire Street, Harlingen, Texas (the Property); and

WHEREAS, Affordable Homes of South Texas, Inc. (AHSTI) desires to develop affordable housing on the Property and seeks to purchase the Property for that purpose; and

WHEREAS, the HHA is authorized Texas Local Government Code Sec. 392.056 to convey real property it owns; and

WHEREAS, the HHA Board of Commissioners has determined that the sale of this 30.761-acre tract to AHSTI is in furtherance of its mission to facilitate low-income housing and is in the public interest; and

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF HARLINGEN, TEXAS, THAT:

1. The Chief Executive Officer is authorized, on behalf of the HHA, to sell the Property to AHSTI for the development of affordable housing for \$535,000 plus customary closing costs.
2. The Chief Executive Officer is authorized and directed to take all actions, to execute, deliver and accept all documents and instruments and to accept all payments necessary to consummate this transaction.

PASSED AND APPROVED THIS 21st DAY OF AUGUST, 2024.

APPROVED:

Carlos Perez, Chair

ATTEST:

Hilda Benavides, Chief Executive Officer/Board Secretary

APPROVED AS TO FORM:

Alan T. Ozuna, General Counsel

**UNIMPROVED PROPERTY CONTRACT**
NOTICE: Not For Use For Condominium Transactions

1. PARTIES: The parties to this contract are Housing Authority of the City of Harlingen (Seller) and Affordable Homes of South Texas, Inc. (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.

2. PROPERTY: Lot _____, Block _____, Addition, _____, City of Harlingen, County of Cameron, Texas, known as SEE ATTACHED EXHIBIT A (address/zip code), or as described on attached exhibit together with all rights, privileges and appurtenances pertaining thereto (Property).

RESERVATIONS: Any reservation for oil, gas, or other minerals, water, timber, or other interests is made in accordance with an attached addendum.

3. SALES PRICE:

- A. Cash portion of Sales Price payable by Buyer at closing\$ 535,000.00
The term "Cash portion of the Sales Price" does not include proceeds from borrowing of any kind or selling other real property except as disclosed in this contract.
- B. Sum of all financing described in the attached: ☐ Third Party Financing Addendum, ☐ Loan Assumption Addendum, ☐ Seller Financing Addendum\$ _____
- C. Sales Price (Sum of A and B)\$ 535,000.00

4. LEASES:

- A. Except as disclosed in this contract, Seller is not aware of any leases affecting the Property. After the Effective Date, Seller may not, without Buyer's written consent, create a new lease, amend any existing lease, or convey any interest in the Property.
- B. NATURAL RESOURCE LEASES: "Natural Resource Lease" means an existing oil and gas, mineral, water, wind, or other natural resource lease affecting the Property to which Seller is a party. Seller ☐ is ☒ is not a party to a Natural Resource Lease. If Seller is a party to a Natural Resource Lease, check one of the following:
- ☐ (1) Seller has delivered to Buyer a copy of all the Natural Resource Leases.
- ☐ (2) Seller has not delivered to Buyer a copy of all the Natural Resource Leases. Seller shall provide to Buyer a copy of all the Natural Resource Leases within 3 days after the Effective Date. Buyer may terminate the contract within _____ days after the date the Buyer receives all the Natural Resource Leases and the earnest money shall be refunded to Buyer.

5. EARNEST MONEY AND TERMINATION OPTION:

- A. DELIVERY OF EARNEST MONEY AND OPTION FEE: Within 3 days after the Effective Date, Buyer must deliver to Edwards Abstract-Harlingen (Paula Martin) (Escrow Agent) at 222 E. Van Buren, Harlingen TX 78550 (address): \$ 4,900.00 as earnest money and \$ 100.00 as the Option Fee. The earnest money and Option Fee shall be made payable to Escrow Agent and may be paid separately or combined in a single payment.
- (1) Buyer shall deliver additional earnest money of \$ _____ N/A to Escrow Agent within _____ days after the Effective Date of this contract.
- (2) If the last day to deliver the earnest money, Option Fee, or the additional earnest money falls on a Saturday, Sunday, or legal holiday, the time to deliver the earnest money, Option Fee, or the additional earnest money, as applicable, is extended until the end of the next day that is not a Saturday, Sunday, or legal holiday.
- (3) The amount(s) Escrow Agent receives under this paragraph shall be applied first to the Option Fee, then to the earnest money, and then to the additional earnest money.
- (4) Buyer authorizes Escrow Agent to release and deliver the Option Fee to Seller at any time without further notice to or consent from Buyer, and releases Escrow Agent from liability for delivery of the Option Fee to Seller. The Option Fee will be credited to the Sales Price at closing.
- B. TERMINATION OPTION: For nominal consideration, the receipt of which Seller acknowledges, and Buyer's agreement to pay the Option Fee within the time required, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within _____ days after the Effective Date of this contract (Option Period). Notices under this paragraph must be given by 5:00 p.m. (local time where the Property is located) by the date specified. If Buyer gives notice of termination within the time prescribed: (i) the Option Fee will not be refunded and Escrow Agent shall release any Option Fee remaining with Escrow Agent to Seller; and (ii) any earnest money will be refunded to Buyer.

- C. FAILURE TO TIMELY DELIVER EARNEST MONEY: If Buyer fails to deliver the earnest money within the time required, Seller may terminate this contract or exercise Seller's remedies under Paragraph 15, or both, by providing notice to Buyer before Buyer delivers the earnest money.
- D. FAILURE TO TIMELY DELIVER OPTION FEE: If no dollar amount is stated as the Option Fee or if Buyer fails to deliver the Option Fee within the time required, Buyer shall not have the unrestricted right to terminate this contract under this Paragraph 5.

E. TIME: **Time is of the essence for this paragraph and strict compliance with the time for performance is required.**

6. TITLE POLICY AND SURVEY:

- A. TITLE POLICY: Seller shall furnish to Buyer at ☒ Seller's ☐ Buyer's expense an owner's policy of title insurance (Title Policy) issued by Edwards Abstract & Title Co. Harlingen (Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:
- (1) Restrictive covenants common to the platted subdivision in which the Property is located.
 - (2) The standard printed exception for standby fees, taxes and assessments.
 - (3) Liens created as part of the financing described in Paragraph 3.
 - (4) Utility easements created by the dedication deed or plat of the subdivision in which the Property is located.
 - (5) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
 - (6) The standard printed exception as to marital rights.
 - (7) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
 - (8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements:
- ☒ (i) will not be amended or deleted from the title policy; or
- ☐ (ii) will be amended to read, "shortages in area" at the expense of ☐ Buyer ☐ Seller.
- (9) The exception or exclusion regarding minerals approved by the Texas Department of Insurance.
- B. COMMITMENT: Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer at Buyer's address shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or 3 days before the Closing Date, whichever is earlier. If the Commitment and Exception Documents are not delivered within the time required, Buyer may terminate this contract and the earnest money will be refunded to Buyer.
- C. SURVEY: The survey must be made by a registered professional land surveyor acceptable to the Title Company and Buyer's lender(s). (Check one box only)
- ☐ (1) Within _____ days after the Effective Date of this contract, Seller shall furnish to Buyer and Title Company Seller's existing survey of the Property and a Residential Real Property Affidavit promulgated by the Texas Department of Insurance (T-47 Affidavit). **If Seller fails to furnish the existing survey or affidavit within the time prescribed, Buyer shall obtain a new survey at Seller's expense no later than 3 days prior to Closing Date.** If the existing survey or affidavit is not acceptable to Title Company or Buyer's lender(s), Buyer shall obtain a new survey at ☐ Seller's ☐ Buyer's expense no later than 3 days prior to Closing Date.
- ☒ (2) Within 60 days after the Effective Date of this contract, Buyer shall obtain a new survey at Buyer's expense. Buyer is deemed to receive the survey on the date of actual receipt or the date specified in this paragraph, whichever is earlier.
- ☐ (3) Within _____ days after the Effective Date of this contract, Seller, at Seller's expense shall furnish a new survey to Buyer.
- D. OBJECTIONS: Buyer may object in writing to (i) defects, exceptions, or encumbrances to title: disclosed on the survey other than items 6A(1) through (7) above; or disclosed in the Commitment other than items 6A(1) through (9) above; (ii) any portion of the Property lying in a special flood hazard area (Zone V or A) as shown on the current Federal Emergency Management Agency map; or (iii) any exceptions which prohibit the following use or activity: Residential Development.
- Buyer must object the earlier of (i) the Closing Date or (ii) 15 days after Buyer receives the Commitment, Exception Documents, and the survey. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived. Provided Seller is not obligated to incur any expense, Seller shall cure any timely objections of Buyer or any third party lender within 15 days after Seller receives the objections (Cure Period) and the Closing Date will be extended as necessary. If objections are not cured within the Cure Period, Buyer may, by delivering notice to Seller within 5 days after the end of the Cure Period: (i) terminate this contract and the earnest money will be refunded to Buyer; or (ii) waive the objections. If Buyer does not terminate

(Address of Property) _____

within the time required, Buyer shall be deemed to have waived the objections. If the Commitment or survey is revised or any new Exception Document(s) is delivered, Buyer may object to any new matter revealed in the revised Commitment or survey or new Exception Document(s) within the same time stated in this paragraph to make objections beginning when the revised Commitment, survey, or Exception Document(s) is delivered to Buyer.

E. TITLE NOTICES:

- (1) **ABSTRACT OR TITLE POLICY:** Broker advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.
- (2) **MEMBERSHIP IN PROPERTY OWNERS ASSOCIATION(S):** The Property ☐ is ☒ is not subject to mandatory membership in a property owners association(s). If the Property is subject to mandatory membership in a property owners association(s), Seller notifies Buyer under §5.012, Texas Property Code, that, as a purchaser of property in the residential community identified in Paragraph 2 in which the Property is located, you are obligated to be a member of the property owners association(s). Restrictive covenants governing the use and occupancy of the Property and all dedicatory instruments governing the establishment, maintenance, and operation of this residential community have been or will be recorded in the Real Property Records of the county in which the Property is located. Copies of the restrictive covenants and dedicatory instruments may be obtained from the county clerk. **You are obligated to pay assessments to the property owners association(s). The amount of the assessments is subject to change. Your failure to pay the assessments could result in enforcement of the association's lien on and the foreclosure of the Property.**

Section 207.003, Property Code, entitles an owner to receive copies of any document that governs the establishment, maintenance, or operation of a subdivision, including, but not limited to, restrictions, bylaws, rules and regulations, and a resale certificate from a property owners' association. A resale certificate contains information including, but not limited to, statements specifying the amount and frequency of regular assessments and the style and cause number of lawsuits to which the property owners' association is a party, other than lawsuits relating to unpaid ad valorem taxes of an individual member of the association. These documents must be made available to you by the property owners' association or the association's agent on your request.

If Buyer is concerned about these matters, the TREC promulgated Addendum for Property Subject to Mandatory Membership in a Property Owners Association should be used.

- (3) **STATUTORY TAX DISTRICTS:** If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.
- (4) **TIDE WATERS:** If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. An addendum containing the notice promulgated by TREC or required by the parties must be used.
- (5) **ANNEXATION:** If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.
- (6) **PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER:** Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.
- (7) **PUBLIC IMPROVEMENT DISTRICTS:** If the Property is in a public improvement district, Seller must give Buyer written notice as required by §5.014, Property Code. An addendum containing the required notice shall be attached to this contract.

(Address of Property) _____

- (8) TEXAS AGRICULTURAL DEVELOPMENT DISTRICT: The Property ☐ is ☒ is not located in a Texas Agricultural Development District. For additional information, contact the Texas Department of Agriculture.
- (9) TRANSFER FEES: If the Property is subject to a private transfer fee obligation, §5.205, Property Code requires Seller to notify Buyer as follows: The private transfer fee obligation may be governed by Chapter 5, Subchapter G of the Texas Property Code.
- (10) PROPANE GAS SYSTEM SERVICE AREA: If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. An addendum containing the notice approved by TREC or required by the parties should be used.
- (11) NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."
- (12) REQUIRED NOTICES: The following notices have been given or are attached to this contract (for example, MUD, WCID, PID notices): _____

7. PROPERTY CONDITION:

A. ACCESS, INSPECTIONS AND UTILITIES: Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections. Seller at Seller's expense shall immediately cause existing utilities to be turned on and shall keep the utilities on during the time this contract is in effect.

NOTICE: Buyer should determine the availability of utilities to the Property suitable to satisfy Buyer's needs.

B. ACCEPTANCE OF PROPERTY CONDITION: "As Is" means the present condition of the Property with any and all defects and without warranty except for the warranties of title and the warranties in this contract. Buyer's agreement to accept the Property As Is under Paragraph 7B (1) or (2) does not preclude Buyer from inspecting the Property under Paragraph 7A, from negotiating repairs or treatments in a subsequent amendment, or from terminating this contract during the Option Period, if any.

(Check one box only)

- ☒ (1) Buyer accepts the Property As Is.
- ☐ (2) Buyer accepts the Property As Is provided Seller, at Seller's expense, shall complete the following specific repairs and treatments: _____

(Do not insert general phrases, such as "subject to inspections" that do not identify specific repairs and treatments.)

C. COMPLETION OF REPAIRS AND TREATMENTS: Unless otherwise agreed in writing, Seller shall complete all agreed repairs and treatments prior to the Closing Date and obtain any required permits. The repairs and treatments must be performed by persons who are licensed to provide such repairs or treatments or, if no license is required by law, are commercially engaged in the trade of providing such repairs or treatments. Seller shall: (i) provide Buyer with copies of documentation from the repair person(s) showing the scope of work and payment for the work completed; and (ii) at Seller's expense, arrange for the transfer of any transferable warranties with respect to the repairs and treatments to Buyer at closing. If Seller fails to complete any agreed repairs and treatments prior to the Closing Date, Buyer may exercise remedies under Paragraph 15 or extend the Closing Date up to 5 days, if necessary, for Seller to complete repairs and treatments.

D. ENVIRONMENTAL MATTERS: Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.

E. SELLER'S DISCLOSURE:

- (1) Seller ☐ is ☐ is not aware of any flooding of the Property which has had a material adverse effect on the use of the Property.
- (2) Seller ☐ is ☐ is not aware of any pending or threatened litigation, condemnation, or special assessment affecting the Property.
- (3) Seller ☐ is ☐ is not aware of any environmental hazards that materially and adversely affect the Property.
- (4) Seller ☐ is ☐ is not aware of any dumpsite, landfill, or underground tanks or containers now or previously located on the Property.
- (5) Seller ☐ is ☐ is not aware of any wetlands, as defined by federal or state law or regulation, affecting the Property.
- (6) Seller ☐ is ☐ is not aware of any threatened or endangered species or their habitat affecting the Property.
- (7) Seller ☐ is ☐ is not aware that the Property is located ☐ wholly ☐ partly in a floodplain.
- (8) Seller ☐ is ☐ is not aware that a tree or trees located on the Property has oak wilt.
- If Seller is aware of any of the items above, explain (attach additional sheets if necessary): _____

8. BROKERS AND SALES AGENTS:

A. **BROKER OR SALES AGENT DISCLOSURE:** Texas law requires a real estate broker or sales agent who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the broker or sales agent owns more than 10%, or a trust for which the broker or sales agent acts as a trustee or of which the broker or sales agent or the broker or sales agent's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: NONE

B. **BROKERS' FEES:** All obligations of the parties for payment of brokers' fees are contained in separate written agreements.

9. CLOSING:

A. The closing of the sale will be on or before _____ See Exhibit B, 20_____, or within 7 days after objections made under Paragraph 6D have been cured or waived, whichever date is later (Closing Date). If either party fails to close the sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.

B. At closing:

- (1) Seller shall execute and deliver a ~~general~~ ^{special} warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 and furnish tax statements or certificates showing no delinquent taxes on the Property.
- (2) Buyer shall pay the Sales Price in good funds acceptable to the Escrow Agent.
- (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents, transfer of any warranties, and other documents reasonably required for the closing of the sale and the issuance of the Title Policy.
- (4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.
- (5) Private transfer fees (as defined by Chapter 5, Subchapter G of the Texas Property Code) will be the obligation of Seller unless provided otherwise in this contract. Transfer fees assessed by a property owners' association are governed by the Addendum for Property Subject to Mandatory Membership in a Property Owners Association.

10. POSSESSION: Seller shall deliver to Buyer possession of the Property in its present or required condition upon closing and funding.

11. SPECIAL PROVISIONS: (This paragraph is intended to be used only for additional informational items. An informational item is a statement that completes a blank in a contract form, discloses factual information, or provides instructions. Real estate brokers and sales agents are prohibited from practicing law and shall not add to, delete, or modify any provision of this contract unless drafted by a party to this contract or a party's attorney.) See Exhibit B

12. SETTLEMENT AND OTHER EXPENSES:

A. The following expenses must be paid at or prior to closing:

(1) Expenses payable by Seller (Seller's Expenses):

- (a) Releases of existing liens, including prepayment penalties and recording fees; release of Seller's loan liability; tax statements or certificates; preparation of deed; one-half of escrow fee; and other expenses payable by Seller under this contract.
- (b) Seller shall also pay an amount not to exceed \$ N/A to be applied in the following order: Buyer's Expenses which Buyer is prohibited from paying by FHA, VA, Texas Veterans Land Board or other governmental loan programs, and then to other Buyer's Expenses as allowed by the lender.

(2) Expenses payable by Buyer (Buyer's Expenses): Appraisal fees; loan application fees; origination charges; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments; recording fees; copies of easements and restrictions; loan title policy with endorsements required by lender; loan-related inspection fees; photos; amortization schedules; one-half of escrow fee; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee; repair inspection; underwriting fee; wire transfer fee; expenses incident to any loan; Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender; and other expenses payable by Buyer under this contract.

B. If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veterans Land Board or other governmental loan program regulations.

13. PRORATIONS AND ROLLBACK TAXES:

A. ~~PRORATIONS: Taxes for the current year, interest, rents, and regular periodic maintenance fees, assessments, and dues (including prepaid items) will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer shall pay taxes for the current year.~~

B. **ROLLBACK TAXES:** If this sale or Buyer's use of the Property after closing results in the assessment of additional taxes, penalties or interest (Assessments) for periods prior to closing, the Assessments will be the obligation of Buyer. If Assessments are imposed because of Seller's use or change in use of the Property prior to closing, the Assessments will be the obligation of Seller. Obligations imposed by this paragraph will survive closing.

14. CASUALTY LOSS: If any part of the Property is damaged or destroyed by fire or other casualty after the Effective Date of this contract, Seller shall restore the Property to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may (a) terminate this contract and the earnest money will be refunded to Buyer (b) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (c) accept the Property in its damaged condition with an assignment of insurance proceeds, if permitted by Seller's insurance carrier, and receive credit from Seller at closing in the amount of the deductible under the insurance policy. Seller's obligations under this paragraph are independent of any other obligations of Seller under this contract.

15. DEFAULT: If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract, Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.

16. MEDIATION: It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

17. ATTORNEY'S FEES: A Buyer, Seller, Listing Broker, Other Broker, or Escrow Agent who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.

18. ESCROW:

A. **ESCROW:** The Escrow Agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as Escrow Agent. Escrow Agent may require any disbursement made in connection with this contract to be conditioned on Escrow Agent's collection of good funds acceptable to Escrow Agent.

B. **EXPENSES:** At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, Escrow Agent may: (i) require a written release of liability of the Escrow Agent from all parties before releasing any earnest money; and (ii) require payment of unpaid expenses incurred on behalf of a party. Escrow Agent may deduct authorized expenses from the earnest money payable to a party. "Authorized expenses" means expenses incurred by Escrow Agent on behalf of the party entitled to the earnest money that were authorized by this contract or that party.

C. **DEMAND:** Upon termination of this contract, either party or the Escrow Agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the Escrow Agent. If either party fails to execute the release, either party may make a written demand to the Escrow Agent for the earnest money. If only one party makes written demand for the earnest money, Escrow Agent shall promptly provide a copy of the demand to the other party. If Escrow Agent does not receive written objection to the demand from the other party within 15 days, Escrow Agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and Escrow Agent may pay the same to the creditors. If Escrow Agent complies with the provisions of this paragraph, each party hereby releases Escrow Agent from all adverse claims related to the disbursement of the earnest money.

D. **DAMAGES:** Any party who wrongfully fails or refuses to sign a release acceptable to the Escrow Agent within 7 days of receipt of the request will be liable to the other party for

(i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.

E. **NOTICES:** Escrow Agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by Escrow Agent.

19. REPRESENTATIONS: All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.

20. FEDERAL TAX REQUIREMENTS: If Seller is a "foreign person," as defined by Internal Revenue Code and its regulations, or if Seller fails to deliver an affidavit or a certificate of non-foreign status to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.

21. NOTICES: All notices from one party to the other must be in writing and are effective when mailed to, hand-delivered at, or transmitted by fax or electronic transmission as follows:

To Buyer at: Affordable Homes of South Texas, Inc.

1420 Erie Ave., McAllen, Texas 78501

Phone: ()

E-mail/Fax: _____

E-mail/Fax: _____

With a copy to Buyer's agent at:

To Seller at: Housing Authority of the City of Harlinge

219 East Jackson, Harlingen, Texas 78551

Phone: ()

E-mail/Fax: _____

E-mail/Fax: _____

With a copy to Seller's agent at:

william@routreelawrgv.com

22. AGREEMENT OF PARTIES: This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda which are a part of this contract are (check all applicable boxes):

☐ Third Party Financing Addendum

☐ Seller Financing Addendum

☐ Addendum for Property Subject to Mandatory Membership in a Property Owners Association

☐ Buyer's Temporary Residential Lease

☐ Seller's Temporary Residential Lease

☐ Addendum for Reservation of Oil, Gas and Other Minerals

☐ Addendum for "Back-Up" Contract

☐ Addendum Concerning Right to Terminate Due to Lender's Appraisal

☐ Addendum containing Notice of Obligation to Pay Improvement District Assessment

☐ Addendum for Coastal Area Property

☐ Environmental Assessment, Threatened or Endangered Species and Wetlands Addendum

☐ Addendum for Property Located Seaward of the Gulf Intracoastal Waterway

☐ Addendum for Sale of Other Property by Buyer

☐ Addendum for Property in a Propane Gas System Service Area

☒ Other (list): Exhibit A
Exhibit B

23. CONSULT AN ATTORNEY BEFORE SIGNING: TREC rules prohibit real estate brokers and sales agents from giving legal advice. READ THIS CONTRACT CAREFULLY.

Buyer's Attorney is: _____

Phone: ()

Fax: ()

E-mail: _____

Seller's Attorney is: William C. Rountree III

222 E. Van Buren, Ste 101, Harlingen, Texas 78550

Phone: (956) 412-1234

Fax: (956) 412-1235

E-mail: william@routreelawrgv.com

EXECUTED the _____ day of _____, 20²⁴ (Effective Date).
(BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)

AFFORDABLE HOMES OF SOUTH TEXAS, INC.

HOUSING AUTHORITY OF THE CITY OF HARLINGEN

BY: _____
Buyer

BY: _____
Seller

Buyer

Seller



The form of this contract has been approved by the Texas Real Estate Commission. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (<http://www.trec.texas.gov>) TREC NO. 9-16. This form replaces TREC NO. 9-15.

BROKER INFORMATION
(Print name(s) only. Do not sign)

N/A	N/A	N/A	N/A
Other Broker Firm	License No.	Listing Broker Firm	License No.
represents	<input type="checkbox"/> Buyer only as Buyer's agent <input type="checkbox"/> Seller as Listing Broker's subagent	represents	<input type="checkbox"/> Seller and Buyer as an intermediary <input type="checkbox"/> Seller only as Seller's agent
Associate's Name	License No.	Listing Associate's Name	License No.
Team Name		Team Name	
Associate's Email Address	Phone	Listing Associate's Email Address	Phone
Licensed Supervisor of Associate	License No.	Licensed Supervisor of Listing Associate	License No.
Other Broker's Address	Phone	Listing Broker's Office Address	Phone
City	State	City	State
	Zip		Zip
		Selling Associate's Name	License No.
		Team Name	
		Selling Associate's Email Address	Phone
		Licensed Supervisor of Selling Associate	License No.
		Selling Associate's Office Address	
		City	State
			Zip

Disclosure: Pursuant to a previous, separate agreement (such as a MLS offer of compensation or other agreement between brokers), Listing Broker has agreed to pay Other Broker a fee (N/A _____). This disclosure is for informational purposes and does not change the previous agreement between brokers to pay or share a commission.

OPTION FEE RECEIPT

Receipt of \$ _____ (Option Fee) in the form of _____
is acknowledged.

Edwards Abstract _____ Date
Escrow Agent _____

EARNEST MONEY RECEIPT

Receipt of \$ _____ Earnest Money in the form of _____
is acknowledged.

Edwards Abstract _____ paula.martin@edwardsabstract.com
Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____
222 E Van Buren, Suite 101 _____ 956-425-6777
Address _____ Phone _____
Harlingen TX 78550 956-412-1235
City State Zip Fax

CONTRACT RECEIPT

Receipt of the Contract is acknowledged.

Edwards Abstract _____ paula.martin@edwardsabstract.com
Escrow Agent _____ Received by _____ Email Address _____ Date _____
222 E Van Buren, Suite 101 _____ 956-425-6777
Address _____ Phone _____
Harlingen TX 78550 956-412-1235
City State Zip Fax

ADDITIONAL EARNEST MONEY RECEIPT

Receipt of \$ _____ N/A additional Earnest Money in the form of N/A
is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____
Address _____ Phone _____
City State Zip Fax

EXHIBIT A

A 30.761 acre tract of land, more or less, being 29.387 acres out of Block Seventy-six (76), and 1.374 acres out of a sixty foot wide irrigation canal on the North side of said Block 76, Lon C. Hill Subdivision, City of Harlingen, Cameron County, Texas, as recoded in Volume 2, Page 25 of the Cameron County Map Records, said 30.761 acre tract of land being more particularly described as follows:

COMMENCING at a ½ inch steel rod found on the Southwest corner of said Block 76 for the Southwest corner and POINT OF BEGINNING of the tract of land herein described, said corner being on the centerline of Lipscomb Avenue;

THENCE, North 19 degrees 07 minutes 00 seconds East, with the West line of said Block 76, at a distance of 1,283.27 feet (1,290 ft.-plat) passing the Northwest corner of said Block 76, and South line of said sixty foot wide irrigation canal, a total distance of 1,343.27 feet to a ½ inch steel rod round on the North line of said sixty foot wide irrigation canal for the Northwest corner of this tract said corner also being the Southwest corner of Block Fifty-five (55), F. Z. Bishop Subdivision as recoded in Volume 4, Page 26 of the Cameron County Map Records;

THENCE, South 70 degrees 53 minutes 00 seconds East, with the contiguous North line of said canal, and South line of said Block 55, a distance of 997.52 feet to a ½ inch steel rod set for the Northeast corner of this tract;

THENCE, South 19 degrees 07 minutes 00 seconds West, parallel to the West line of said Block 76, at a distance of 60.00 feet passing the South line of said canal, a total distance of 1,343.27 feet to a ½ inch steel rod found for the Southeast corner of this tract;

THENCE, North 70 degrees 53 minutes 00 seconds West, with the South line of said Block 76, a distance of 997.52 feet to the POINT OF BEGINNING and containing 30.761 acre of land, more or less.

EXHIBIT B

1. Assignment. Affordable Homes of South Texas, Inc., or assigns, 1420 Erie Ave., McAllen, Texas. Buyer may assign its interest to any corporation, partnership or limited liability company which it has ownership or to any other third party without Seller approval, subject to the limitation that the ultimate beneficiaries shall be low to moderate income homeowners.
2. Closing. The Closing shall occur within thirty (30) days following the expiration of the Option Period.
3. As-Is, Where-is. The following paragraph will be included in the deed from Seller to Buyer, to-wit:
Except as specifically stated in this Deed, Grantor hereby specifically disclaims any warranty, guaranty, or representations, oral or written, past, present, or future, of, as to, or concerning (i) the nature and condition of the property, including but not by way of limitation, the water, soil, and geology, and suitability thereof and of the Property for any and all activities and uses which Grantee may elect to conduct thereon; (ii) the manner, construction, condition, and state of repair or lack of repair of any improvements located thereon; (iii) except for any warranties contained in the Deed, the nature and extent of any right-of-way, lease, possession, lien, encumbrance, license, reservation, condition or otherwise; and (iv) the compliance of the property or its operation with any laws, rules, ordinances, or regulations of any government or other body. The sale of the property as provided for herein is made on an "as is" basis, and Grantee expressly acknowledges that in consideration of the agreements of Grantor herein, except as otherwise specified herein, Grantor MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT NOT LIMITED, TO ANY WARRANTY OF CONDITION, ACCESS TO THE PROPERTY, HABITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY.
4. Option Period. The purpose of the Option Period is to provide Buyer with ample opportunity to (a) perform all inspections of the Property it deems necessary in order to fully evaluate the Property; (b) arrange for Buyer's financing, if any; and (c) obtain necessary approvals from the U. S. Department of Housing and Urban Development, if any. Buyer reserves the right to waive any portion of the Option Period which is not needed by Buyer.
5. Buyer, Seller and City of Harlingen Approvals. This Contract is subject to the formal approvals of the Boards of Directors of Buyer and Seller and by the City Commission of the City of Harlingen, it being understood and agreed that said approvals will be obtained prior to the end of the Option Period.
6. Tax and Rent Prorations. There are no rents to prorate. Seller is a governmental entity and is exempt from paying ad valorem taxes, and as a result, there will be no proration of ad valorem taxes. Buyer agrees to be responsible for paying all ad valorem taxes that may arise after the Closing of this transaction, if any. It is Buyer's responsibility to notify the Cameron County Appraisal District of any exemptions it may have after the Closing.

2024 Schedule of Board Meetings
For
The Harlingen Housing Authority (HHA)
and
The Harlingen Affordable Housing Corporation (Non-Profit)

Date	HHA or Non-Profit Meeting	Location	Time
Wednesday, January 17, 2024	HHA	Administrative Building 219 E. Jackson St. Harlingen, TX 78550	12:00 P.M.
	Non-Profit		12:30 P.M.
Wednesday, February 21, 2024	HHA	Bonita Park 601 S. Rangerville Rd Harlingen, TX 78552	12:00 P.M.
Wednesday, March 20, 2024	HHA	Administrative Building 219 E. Jackson St. Harlingen, TX 78550	12:00 P.M.
Wednesday, April 17, 2024	HHA	Administrative Building 219 E. Jackson St. Harlingen, TX 78550	12:00 P.M.
	Non-Profit		12:30 P.M.
Wednesday, May 15, 2024	HHA	Sunset Terrace 1401 N. Sunset Dr. Harlingen, TX 78552	12:00 P.M.
Wednesday, June 19, 2024	HHA	Administrative Building 219 E. Jackson St. Harlingen, TX 78550	12:00 P.M.
Wednesday, July 17, 2024	HHA	Administrative Building 219 E. Jackson St. Harlingen, TX 78550	12:00 P.M.
	Non-Profit		12:30 P.M.
Wednesday, August 7, 2024	Special HHA	Administrative Building 219 E. Jackson St. Harlingen, TX 78550	12:00 P.M.
	Special Non-Profit		12:30 P.M.
Wednesday, August 21, 2024	Special HHA	Administrative Building 219 E. Jackson St. Harlingen, TX 78550	12:00 P.M.
	Special Non-Profit		12:30 P.M.
Wednesday, September 25, 2024	HHA Annual	Harlingen Convention Center 701 Harlingen Heights Dr. Harlingen, TX 78550	11:30 A.M.
	Non-Profit Annual		12:30 P.M.
Wednesday, October 16, 2024	HHA	Administrative Building 219 E. Jackson St. Harlingen, TX 78550	12:00 P.M.
Wednesday, November 20, 2024	HHA	Los Vecinos 702 S. M. St. Harlingen, TX 78550	12:00 P.M.
Wednesday, December 18, 2024	HHA	Le Moyne Gardens 3221 N. St. 25 th Harlingen, TX 78550	12:00 P.M.