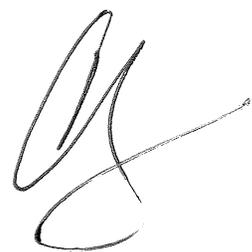


CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: Financial Services
AGENDA DATE: July 10, 2007
CONTACT PERSON/PHONE: Gonzalo Cedillos, P.E., 541-4074
DISTRICT(S) AFFECTED: District 3



SUBJECT:

An Ordinance authorizing the City of El Paso to sell 0.459 acres of land, more or less, being a portion of portion of Block 38, Clardy-Fox Subdivision, unit 5, El Paso, El Paso County, Texas, commonly known as 200 Lisbon Street, to Jorge Valenzuela.

BACKGROUND / DISCUSSION:

In 1961 the City acquired 0.4591-acre parcel addressed 200 Lisbon and built 5,707 sq. ft. Clardy Fox Library. After 33 years of use this facility became obsolete therefore a new 20,236 sq. ft. facility was built on 5515 Robert Alva. Clardy Fox Library vacated the Lisbon site in 1994. Since then this facility is abandoned, consequently the building came to a complete disrepair and blight. There were some efforts to lease out to property to non-profit organizations but the costs of mitigating asbestos containing materials, roof replacement, code improvements to plumbing, HVAC, and electrical were non feasible. Capital Assets assessed the property and broadcast to other city departments for use. No takers emerged, therefore recommended the property be for sale. An appraisal reported and the existing building did not contribute value to the property, therefore there is an adjustment for demolition. Mr. Jorge Valenzuela offers the highest bid. His intentions are to renovate the building to include a new parking lot and lease the property as an office building preferably for medical purposes. The property is zoned A-O (Apartment-Office District).

CITY CLERK DEPT.
07 JUN 25 AM 10:31

PRIOR COUNCIL ACTION:

Yes, sale of city owned property

AMOUNT AND SOURCE OF FUNDING:

Revenue of \$51,957.00

BOARD / COMMISSION ACTION:

CARE committee reviewed and move to sell the Old Clardy Fox Library on 200 Lisbon

*****REQUIRED AUTHORIZATION*****

LEGAL: (if required) _____ FINANCE: (if required) _____

DEPARTMENT HEAD: Carmin Arrieta-Andelava
(Example: if RCA is initiated by Purchasing, client department should sign also)
Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA:

CITY MANAGER: _____ DATE: _____

AN ORDINANCE AUTHORIZING THE CITY OF EL PASO TO SELL 0.459 ACRES OF LAND, MORE OR LESS, BEING A PORTION OF PORTION OF BLOCK 38, CLARDY-FOX SUBDIVISION, UNIT 5, EL PASO, EL PASO COUNTY, TEXAS, COMMONLY KNOWN AS 200 LISBON STREET, TO JORGE VALENZUELA

WHEREAS, the City of El Paso staff has recommended the sale of 0.459 acres of land, more or less, being a portion of Block 38, Clardy-Fox Subdivision, Unit 5, El Paso, El Paso County, Texas, commonly known as 200 Lisbon Street; and

WHEREAS, the City of El Paso has received an independent appraisal as the market value of its interest in the identified property; and

WHEREAS, in accordance with Section 272.001 of the Texas Local Government Code, the City of El Paso advertised and solicited bids for the purchase of the identified property; and

WHEREAS, Jorge Valenzuela is the highest bidder and submitted a bid of \$51,957.00, which amount includes additional fees for an appraisal, a survey and signage incurred by the City to sell the identified property,

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City Manager be authorized to sign a Contract of Sale and all other necessary documents, in a form approved by the City Attorney's Office, conveying the following property to Jorge Valenzuela:

0.459 acres of land, more or less, being a portion of Block 38, Clardy-Fox Subdivision, Unit 5, El Paso, El Paso County, Texas, commonly known as 200 Lisbon Street and being more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes.

PASSED AND APPROVED this ____ day of _____, 2007.

THE CITY OF EL PASO

John F. Cook, Mayor

ATTEST:

Richarda Momsen
City Clerk

APPROVED AS TO CONTENT:

Carmen Arrieta-Candelaria

Carmen Arrieta-Candelaria
Chief Financial Officer

APPROVED AS TO CONTENT:

Gonzalo Cedillos

Gonzalo Cedillos
Capital Assets Manager

APPROVED AS TO FORM:

Theresa Cullen-Garney

Theresa Cullen-Garney
Deputy City Attorney

CITY CLERK DEPT.
07 JUN 25 AM 10:32

LEGAL DESCRIPTION

Property Description: A portion of Block 38, Clardy-Fox Subdivision Unit 5, EL Paso, EL Paso County, Texas.

METES AND BOUNDS DESCRIPTION

The parcel of land herein described is a portion of Block 38, Clardy-Fox Subdivision Unit 5, EL Paso, EL Paso County, Texas and is more particularly described by metes and bounds as follows:

Commencing at a found iron pin lying on the southerly right-of-way line of Paisano Drive, said point being also the northwest corner of Lot 1, Block 2, Clardy Subdivision Number One; Thence, North 79° 13' 00" West, along said right-of-way line, a distance of 388.33 feet to a point; Thence, North 83° 04' 00" West, a distance of 2.18 feet to a point lying on the centerline of Lisbon Street, said point being a found 9-inch nail; Thence, South 00° 05' 00" West, along said centerline, a distance of 372.37 feet to a point; Thence, South 89° 55' 00" East, abandoning said centerline, a distance of 30.00 feet to a point lying on the easterly right-of-way line of Lisbon Street, said point being a set 1/2-inch iron pin with SLI cap stamped "TX 2998", also being the TRUE POINT OF BEGINNING of this description;

THENCE, South 89° 55' 00" East, along the northerly boundary line of said Block 38, a distance of 200.00 feet to a set nail on top of rockwall;

THENCE, South 00° 05' 00" West, a distance of 100.00 feet to a set 1/2-inch iron pin with SLI cap stamped "TX 2998";

THENCE, North 89° 55' 00" West, a distance of 200.00 feet to a point lying on the easterly right-of-way line of Lisbon Street, said point being a set 1/2-inch iron pin with SLI cap stamped "TX 2998";

THENCE, North 00° 05' 00" East, along said right-of-way line, a distance of 100.00 feet to the TRUE POINT OF BEGINNING of this description.

Said parcel of land contains 0.459 acres (20,000 Sq. Ft.) of land more or less.

A PLAT OF SURVEY OF EVEN DATE ACCOMPANIES THIS METES AND BOUNDS DESCRIPTION.

SLI ENGINEERING, INC.
Consulting Engineers—Land Surveyors

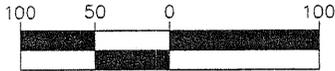


Guillermo Licon
Registered Professional Land Surveyor
Texas License No. 2998
October 2, 2006
Job Number 06-06-2488
M&B\1320

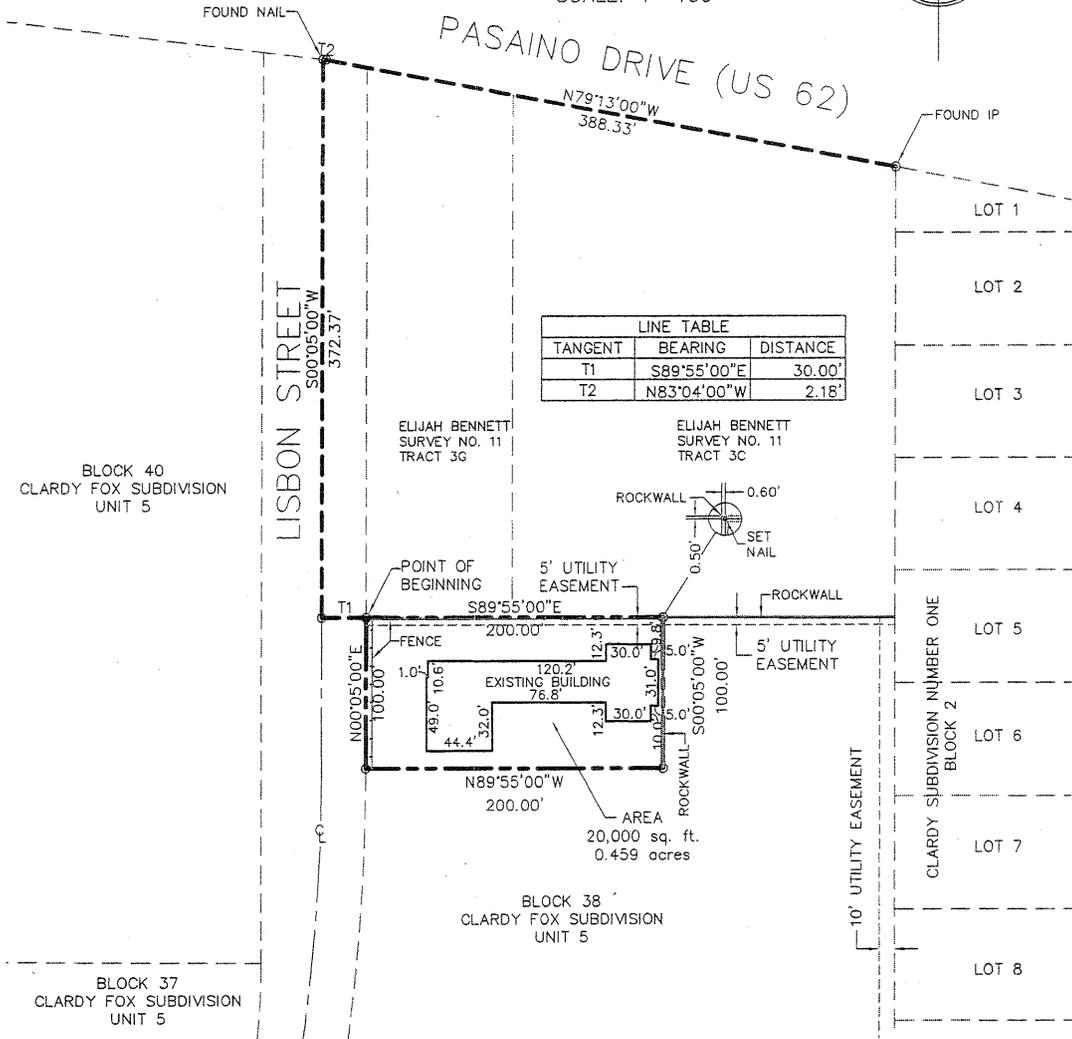
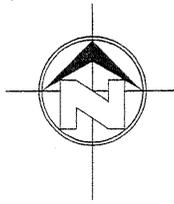


CITY CLERK DEPT.
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Exhibit "A"



SCALE: 1"=100'



LINE TABLE		
TANGENT	BEARING	DISTANCE
T1	S89°55'00"E	30.00'
T2	N83°04'00"W	2.18'

CITY CLERK DEPT.
07 JUN 25 AM 10:33

ACCORDING TO THE FEDERAL EMERGENCY MANAGEMENT AGENCY FLOOD INSURANCE RATE MAP COMMUNITY-PANEL NUMBER 4802140034 B, DATED OCTOBER 15, 1982, THIS PROPERTY LIES IN FLOOD ZONE "C".

ZONE "C", AREAS OF MINIMAL FLOODING.

DUE TO INHERENT INACCURACIES OF FEMA OR FLOOD INSURANCE RATE MAPS THIS SURVEYOR DOES NOT CERTIFY TO THE ACCURACY OF LOCATIONS BASED ON SUCH MAPS. THIS FLOOD STATEMENT SHALL NOT CREATE LIABILITY ON THE PART OF THE SURVEYOR.

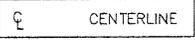
NOTE:
ALL INFORMATION SHOWN HEREON WITH RESPECT TO UNDERGROUND CONDITIONS WAS DETERMINED BY DATA COLLECTED THROUGH SURVEY CREW OBSERVATION AND OTHER INFORMATION TAKEN FROM EXISTING PLANS AND MAPS OF RECORD. NO UNDERGROUND UTILITIES EXISTING OR ABANDONED WERE EXPOSED OR LOCATED. UNLESS SPECIFICALLY ACCEPTED BY SLI ENGINEERING, INC. IN WRITING, SLI ENGINEERING, INC. MAKES NO CLAIM, EXPRESSED OR IMPLIED, AS TO THE UNDERGROUND SITE CONDITIONS.

Copyright 2006 SLI Engineering, Inc.
This map and survey are being provided solely for the use of the City of EL Paso, Texas, and no license has been created, expressed or implied, to copy the surveys and/or map(s) except as necessary in conjunction with the original transaction. This transaction shall be effective within six (6) months from the date hereon October 2, 2006.

NOTES:

1. A METES AND BOUNDS DESCRIPTION OF EVEN DATE ACCOMPANIES THIS PLAT OF SURVEY.
2. SET 1/2" IRON WITH SLI CAP TEXAS NO. 2998 ON ALL PROPERTY CORNERS UNLESS OTHERWISE INDICATED.
3. BASIS OF BEARING: PLAT OF CLARDY-FOX SUBDIVISION, UNIT 5, RECORDED IN VOL. 1 PAGE 26.
4. THIS SURVEY WAS PERFORMED WITHOUT THE BENEFIT OF A TITLE COMMITMENT.

LEGEND



PLAT OF SURVEY

SLI ENGINEERING, INC.
CIVIL ENGINEERS
LAND SURVEYORS
LAND PLANNERS
6600 WESTWIND DRIVE
EL PASO, TEXAS 79912
915-584-4457

JOB #: 06-06-2488DR. BY: EFK & RJ

SCALE: 1" = 100' F.B. # -
F:\PROJECTS\CITYPROJ\ClardyFox
Working\Clardy-b38.dwg
DATE: 10/02/2006 DWG

A PORTION OF BLOCK 38,
CLARDY-FOX SUBDIVISION
UNIT 5,
EL PASO,
EL PASO COUNTY, TEXAS.

CERTIFICATION
I HEREBY CERTIFY THAT THE FOREGOING BOUNDARY SURVEY WAS PERFORMED UNDER MY SUPERVISION AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

GUILLERMO LICON, R.P.L.S.
REGISTERED PROFESSIONAL LAND SURVEYOR
TEXAS LICENSE NO. 2998

STATE OF TEXAS §
 §
COUNTY OF EL PASO §

CONTRACT OF SALE

This Agreement is entered into this _____ day of _____, 2007, by and between the **CITY OF EL PASO**, hereinafter referred to as the "City", and **JORGE VALENZUELA**, hereinafter referred to as the "Buyer".

NOW THEREFORE, for and in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

CITY CLERK'S DEPT.
07 JUN 25 AM 9:33

1. **Description of Property.** The City hereby agrees to sell and convey and the Buyer hereby agrees to acquire free and clear of any liens or encumbrances, the following described real property located in El Paso County, Texas:

0.459 acres of land, more or less, being a portion of Block 38, Clardy-Fox Subdivision, Unit 5, El Paso, El Paso County, Texas, commonly known as 200 Lisbon Street, and being more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes,

together with any interest in (i) all improvements, if any, (ii) all right, title and interest of the City in and to any easements, appurtenances, and right-of-ways, and all interests in, on or to, any land, highway or street, in, on, across, in front of, abutting, or adjoining any such real property, and (iii) all ground water, water rights or rights to surface water will be subject to all easements, restrictions, reservations, right of ways, dedications, and other encumbrances of record or apparent upon the real property, all of such property, hereinafter collectively referred to as the "Property." In addition, the following conditions will be applicable to the City's sale of the Property:

- 1.1 **Radioactive Materials.** Any conveyance of this Property will be subject to a restrictive covenant to the effect that the Buyer, its successors or assigns, will not, for a period of at least seventy-five (75) years, discard, place, or store upon such land, any radioactive material or other materials which would contaminate or otherwise damage the ground water supply or resources of the City.
- 1.2 **Surveys.** The Buyer accepts responsibility for conducting its own archeological and environmental surveys of the Property. Any mitigation of any conditions on the Property, including archeological sites or, without limitations, adverse environmental conditions, shall be at the expense of the Buyer who shall take the Property subject to all existing conditions. The Buyer accepts responsibility for its determination of the nature and extent of any archeological sites, or without limitations, any adverse environmental conditions by its complete inspection of the Property.
- 1.3 **Groundwater.** All ground water, water rights, or rights to surface water shall be reserved to the City and will be subject to all easements, restrictions, reservations, rights of way, dedications and other encumbrances of record apparent upon the property. The

Buyer shall not have the right to drill a well and produce therefrom any quantity of groundwater.

2. **Amount of Payment of Purchase Price.** The purchase price for the Property shall be **FIFTY-ONE THOUSAND NINE HUNDRED FIFTY-SEVEN AND 00/100THS DOLLARS (\$51,957.00)**, which sum includes the appraisal services fee of \$3,000.00, surveying costs of \$2,000.00, signage fees of \$445.00, plus any additional closing costs as identified in Paragraph 5.2.

2.1 **Payment of Sales Price.** The full amount of the purchase price will be payable in cash at the closing.

2.2 **Earnest Money.** The City acknowledges the receipt of earnest money paid to the City by the Buyer in the amount of **TWO THOUSAND FIVE HUNDRED NINETY-SEVEN AND 85/100THS (\$2,597.85) DOLLARS**, which will be credited to the purchase price at the time of closing.

3. **Conditions to the Buyer's Obligations.** The obligations of the Buyer hereunder is to consummate the transaction contemplated herein are subject to the satisfaction of each of the following conditions, any of which may be waived, in whole or in part, in writing by the Buyer, at or prior to Closing.

3.1 **Title Insurance.** Within fourteen (14) days after receipt of written notification of the City's acceptance of the Buyer's offer, the Buyer shall provide the City with all information necessary to close the sale with the intent that, without good cause existing or further delay, it is anticipated that the City and the Buyer will close within thirty (30) days from the date of the approval of the City Council of an ordinance authorizing the sale of the Property. The Buyer at its expense will order a title commitment ("Commitment"), accompanied by copies of all recorded documents affecting the Property for the issuance of an Owner's Policy of Title Insurance with respect to the Property, in an amount to be decided by the Buyer ("Owner's Policy").

3.2 **Title Objections.** The Buyer will give the City written notice after it receives the Commitment that the condition of the title set forth in the Commitment is or is not satisfactory. In the event the Buyer states that the condition is not satisfactory, the Buyer will specifically set forth in such notice the defect or exception to title that is deemed objectionable. City may promptly undertake to eliminate or modify all unacceptable matters to the reasonable satisfaction of the Buyer. Otherwise, this condition will be deemed acceptable and any objection by the Buyer will be deemed waived.

4. **Representations of City.** The City hereby represents, to the extent allowed by law, to the Buyer that to the best of its knowledge, as follows:

4.1 **Parties in Possession.** At the time of closing, other than the Buyer, there are no parties in possession of any portion of the Property as lessees, tenants at sufferance, or otherwise.

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CITY CLERK DEPT

- 4.2 **Mechanic's Lien.** (i) No action has been taken, suffered or permitted by or on behalf of the City, the effect of which would be to establish or cause the inception or priority of any mechanic's or materialmen's lien, statutory, constitutional or otherwise, or other lien, charge or encumbrance upon the Property or any part thereof or interest therein; and (ii) no liens or lien claims, choate or inchoate, arising from the City's actions or otherwise, exist or can exist for the benefit of mechanics or materialmen in regard to the Property; and (iii) except as expressly disclosed in the documents relating to this transaction, the City has not entered into any contracts or agreements relating to the use or ownership of the Property or by which any person or entity agreed to provide labor, services or materials in regard to the Property or the business of the City.
- 4.3 **Litigation.** There is no pending or contemplated litigation before or by any court of law pertaining to the Property or which involve incidents occurring on the Property including, but not limited to, claims of damage to persons or Property.
- 4.4 **Bills Paid.** At closing, there will be no unpaid bills or claims in connection with any repair or operation of the Property.
- 4.5 **Compliance Law.** All laws, ordinances, rules and regulations of any Government or any agency, body or subdivision thereof, bearing in the development of the Property have been complied with.
- 4.6 **Taxes.** While the City owned the Property, the Property was exempt from ad valorem taxes.
- 4.7 **Pre-Closing Claims.** City agrees that the Buyer's acceptance of title to the Property under the conveyance documents should not create any liability on the Buyer's part to third parties that have claims of any kind against the City in connection with the Property. The City hereby expressly disclaims any and all liability to third parties that have any claims against the City.
- 4.8 **Condition of Property Prior to Closing.** Prior to Closing, the City shall not create or permit to be created any easement or other condition affecting the Property without the prior written consent of the Buyer.
- 4.9 **"AS IS, WHERE IS."** THIS CONTRACT IS AN ARMS-LENGTH AGREEMENT BETWEEN THE PARTIES. THE PURCHASE PRICE WAS BARGAINED ON THE BASIS OF AN "AS IS, WHERE IS" TRANSACTION. THE BUYER ACCEPTS THE PROPERTY "AS IS, WHERE IS", AND WITH ALL FAULTS, AND EXCEPT AS THE WARRANTY OF TITLE, WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF WHATSOEVER KIND, EXPRESS OR IMPLIED, WRITTEN OR ORAL, IT BEING THE INTENTION OF THE CITY AND THE BUYER TO EXPRESSLY NEGATE AND EXCLUDE ALL REPRESENTATIONS AND WARRANTIES OF ANY KIND, INCLUDING, BUT NOT LIMITED TO THOSE REGARDING: (A) THE CONDITION OF THE PROPERTY; (B) THE SUITABILITY OR FITNESS OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH THE BUYER MAY CONDUCT THEREON; (C) THE COMPLIANCE OF OR

CITY CLERK DEPT.
 07 JUN 25 AM 5:33

BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY; AND (D) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY. THE BUYER FURTHER ACKNOWLEDGES AND AGREES THAT, HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, THE BUYER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY THE CITY. THE BUYER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT THE CITY HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKES NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. THE CITY 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 BROKER, AGENT, ATTORNEY, EMPLOYEE OR OTHER PERSON. IT IS UNDERSTOOD AND AGREED THAT THE PURCHASE PRICE FOR THE PROPERTY REFLECTS THAT ALL OF THE PROPERTY IS SOLD BY THE CITY AND PURCHASED BY THE BUYER SUBJECT TO THE FOREGOING.

4.10 ENVIRONMENTAL MATTERS. AFTER CLOSING, AS BETWEEN THE CITY AND THE BUYER, THE RISK OF LIABILITY OR EXPENSE FOR ENVIRONMENTAL PROBLEMS, EVEN IF ARISING FROM EVENTS BEFORE CLOSING, WILL BE THE SOLE RESPONSIBILITY OF THE BUYER, REGARDLESS OF WHETHER THE ENVIRONMENTAL PROBLEMS WERE KNOWN OR UNKNOWN AT CLOSING. ONCE CLOSING HAS OCCURRED, THE BUYER INDEMNIFIES, HOLDS HARMLESS, AND RELEASES THE CITY FROM LIABILITY FOR ANY LATENT DEFECTS AND FROM ANY LIABILITY FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY, INCLUDING LIABILITY UNDER THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT (CERCLA), THE RESOURCE CONSERVATION AND RECOVERY ACT (RCRA), THE TEXAS SOLID WASTE DISPOSAL ACT, OR THE TEXAS WATER CODE. **THE BUYER INDEMNIFIES, HOLDS HARMLESS AND RELEASES THE CITY FROM ANY LIABILITY FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY ARISING AS THE RESULT OF THE CITY'S OWN NEGLIGENCE OR THE NEGLIGENCE OF THE CITY'S REPRESENTATIVES.** THE BUYER INDEMNIFIES, HOLDS HARMLESS, AND RELEASES THE CITY FROM ANY LIABILITY FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY ARISING AS THE RESULT OF THEORIES OF PRODUCTS LIABILITY AND STRICT LIABILITY, OR UNDER NEW LAWS OR CHANGES TO EXISTING LAWS ENACTED AFTER THE EFFECTIVE DATE THAT WOULD OTHERWISE IMPOSE ON THE CITY IN THIS TYPE OF TRANSACTION NEW LIABILITIES FOR ENVIRONMENTAL PROBLEMS AFFECTING THE PROPERTY.

IN PARTICULAR, THE BUYER ACKNOWLEDGES THAT THE CITY HAS ADVISED IT THAT THERE IS ASBESTOS ON THE PROPERTY AND THAT IT MUST COMPLY WITH ANY APPLICABLE LAWS AND REGULATIONS IN ADDRESSING THE ASBESTOS.

- 4.11 **Buyer's use.** The Buyer represents to the City that it intends to use the property in accordance with the representations in Exhibit "B," attached hereto and made a part hereof for all purposes.
- 4.12 **Survival.** All agreements of the City made in this document shall survive the execution and delivery hereof and the Closing hereunder, until such time as all of the obligations of the signatories hereto shall have lapsed in accordance with their respective terms or shall have been discharged in full.
5. **Closing.** The closing of this transaction ("Closing") shall take place at the offices of Stewart Title Company, 415 N. Mesa, El Paso, Texas 79901 on or before the later of (i) thirty (30) days from the Effective Date; or (ii) thirty (30) days after the execution of this Agreement by the City, subject to delays due to the City's efforts to cure any title objection under Section 2.2.
- 5.1 **Possession.** Possession of the Property will be transferred to the Buyer upon Closing.
- 5.2 **Closing Costs.**
- (a) All recording fees arising from the recordation of documents necessary to show good title to the Property in the Buyer shall be paid by the Buyer.
 - (b) Premiums and other charges for the issuance of the Owner's Policy of Title Insurance for the Property shall be paid by the Buyer.
 - (c) The fees for advertising in the amount of \$105.73 and any other costs the City may have incurred in the preparation for the sale of the Property (Solicitation No. 2007-132) shall be paid by the Buyer.
 - (d) The appraisal services fee of \$3,000.00, signage fees of \$445.00, and surveying costs of \$2,000.00, which are included in the purchase price of the Property, shall be paid by the Buyer.
- 5.3 **City's Obligations.** At Closing, the City shall deliver to the Buyer a duly executed and acknowledged Special Warranty Deed conveying the Property and any related easements, free and clear of any and all liens, encumbrances, conditions, easements, assessments, and restrictions, except for (i) ad valorem taxes for the year of Closing, if any, which shall be assumed by the Buyer upon closing, (ii) the standard printed exceptions contained in the usual form of the Owner's Policy, and (iii) any other exceptions set forth in the Title Policy which the Buyer has approved pursuant to Paragraph 4 above.

5.4 **Other Obligations.** Each party shall do all other acts, or deliver any other instruments or documents required or helpful to be done or delivered, in order to consummate this transaction.

6. **Default.**

6.1 **Breach by City.** In the event that the City shall fail to fully and timely perform any of its obligations under this Agreement, or shall fail to consummate the sale of the Property for any reason, except the Buyer's default, or the termination of this Agreement in accordance with its terms, the City agrees to absorb the cost of the appraisal services and other costs the City may have incurred in preparation for the sale of the Property. In addition, the City will return the earnest money provided by the Buyer.

6.2 **Breach by the Buyer.** In the event that the Buyer shall fail to fully and timely perform any of its obligations under this Agreement, or shall fail to consummate the sale of the Property for any reason, except the City's default, or the termination of this Agreement in accordance with its terms, the Buyer agrees to forfeit the earnest money it has provided to the City.

7. **Miscellaneous.**

7.1 **Notice.** Any notice, demand, direction, request, or other instrument authorized or required by this Agreement to be given to or filed with either party, shall be deemed to have been sufficiently given or filed for all purposes, if and when personally delivered or sent by certified mail, postage prepaid, return receipt requested, to the address specified below or at such other address as may be designated in writing by the parties:

City: Joyce A. Wilson
City Manager
City of El Paso
2 Civic Center Plaza
El Paso, Texas 79901-1196

Buyer: Jorge Valenzuela
233 Pennsylvania
El Paso, Texas 79903

CITY CLERK DEPT.
07 JUN 25 AM 10:33

8. **Entire Agreement / Governing Law.** This Agreement constitutes the entire agreement between the parties, and supersedes all prior agreements and understandings, written or oral, regarding the subject matter of this Agreement, and may be amended or supplemented only by an instrument in writing, executed by the party against whom enforcement is sought. This Agreement shall be governed in all respects, including validity, interpretation and effect, by and shall be enforceable in accordance with the laws of the State of Texas.

8.1 **Time.** Time is of the essence of this Agreement and each and every provision hereof.

- 8.2 **Severability.** If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portion shall not in any way be affected or impaired.
- 8.3 **Survival of Provisions.** The terms contained in this Agreement, including without limitation, representations, warranties, covenants and agreements of the parties, shall survive the Closing and shall not be merged therein. In case any one or more of the provisions contained in this contract for any reason is held invalid, this invalidity will not affect any other provision of this Contract, which will be construed as if the invalid or unenforceable provision had never existed.
- 8.4 **Binding Effect.** This Agreement shall be binding upon the parties hereto and their respective successors and assigns.
- 8.5 **Compliance.** In accordance with the requirements of Section 2B of the Texas Real Estate License Act, the Buyer is hereby advised that it should be furnished with or obtain a policy of title insurance or have an abstract covering the Property examined by an attorney of its own selection.
- 8.6 **Effective Date.** As used herein, "Effective Date" shall mean the date of the approval of City Council of an Ordinance authorizing the sale of the Property.

The above instrument, together with all conditions thereto is hereby executed by the City this _____ day of _____, 2007.

CITY OF EL PASO
A Municipal Corporation

By _____
Joyce A. Wilson, City Manager

APPROVED AS TO CONTENT:

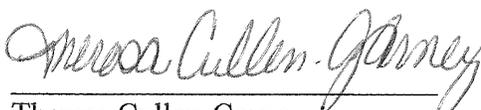

Carmen Arrieta-Candelaria
Chief Financial Officer

APPROVED AS TO CONTENT:


Gonzalo Cedillos
Capital Assets Manager

CITY CLERK DEPT.
07 JUN 25 AM 10:33

APPROVED AS TO FORM:


Theresa Cullen-Garney
Deputy City Attorney

(Buyer's acknowledgment of conditions in instrument on following page)

The above instrument, together with all conditions thereto is hereby executed by Jorge Valenzuela this 19th day of June, 2007.

Jorge Valenzuela
Jorge Valenzuela, Buyer

ACKNOWLEDGMENT

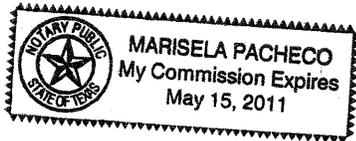
STATE OF TEXAS)
)
COUNTY OF EL PASO)

This instrument was acknowledged before me on the 19 day of June, 2007, by Jorge Valenzuela.

My Commission Expires:

May 15, 2011

Marisela Pacheco
Notary Public, State of Texas



CITY CLERK DEPT.
07 JUN 25 AM 10:33

LEGAL DESCRIPTION

Property Description: A portion of Block 38, Clardy-Fox Subdivision Unit 5, EL Paso, EL Paso County, Texas.

METES AND BOUNDS DESCRIPTION

The parcel of land herein described is a portion of Block 38, Clardy-Fox Subdivision Unit 5, EL Paso, EL Paso County, Texas and is more particularly described by metes and bounds as follows:

Commencing at a found iron pin lying on the southerly right-of-way line of Paisano Drive, said point being also the northwest corner of Lot 1, Block 2, Clardy Subdivision Number One; Thence, North 79° 13' 00" West, along said right-of-way line, a distance of 388.33 feet to a point; Thence, North 83° 04' 00" West, a distance of 2.18 feet to a point lying on the centerline of Lisbon Street, said point being a found 9-inch nail; Thence, South 00° 05' 00" West, along said centerline, a distance of 372.37 feet to a point; Thence, South 89° 55' 00" East, abandoning said centerline, a distance of 30.00 feet to a point lying on the easterly right-of-way line of Lisbon Street, said point being a set 1/2-inch iron pin with SLI cap stamped "TX 2998", also being the TRUE POINT OF BEGINNING of this description;

THENCE, South 89° 55' 00" East, along the northerly boundary line of said Block 38, a distance of 200.00 feet to a set nail on top of rockwall;

THENCE, South 00° 05' 00" West, a distance of 100.00 feet to a set 1/2-inch iron pin with SLI cap stamped "TX 2998";

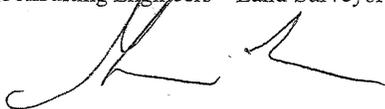
THENCE, North 89° 55' 00" West, a distance of 200.00 feet to a point lying on the easterly right-of-way line of Lisbon Street, said point being a set 1/2-inch iron pin with SLI cap stamped "TX 2998";

THENCE, North 00° 05' 00" East, along said right-of-way line, a distance of 100.00 feet to the TRUE POINT OF BEGINNING of this description.

Said parcel of land contains 0.459 acres (20,000 Sq. Ft.) of land more or less.

A PLAT OF SURVEY OF EVEN DATE ACCOMPANIES THIS METES AND BOUNDS DESCRIPTION.

SLI ENGINEERING, INC.
Consulting Engineers—Land Surveyors



Guillermo Licon
Registered Professional Land Surveyor
Texas License No. 2998
October 2, 2006
Job Number 06-06-2488
M&B\1320



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Exhibit "A"

Exhibit B

Proposed Use of Clardy Fox Facility

The Buyer represents to the City that it intends to use the property in accordance with the following:

- The property will be renovated for office facilities to include a new parking lot adjacent to the building.
- The property will be renovated and maintained to comply with all applicable City of El Paso Code provisions.
- Once renovated the Buyer intends to lease the building as an office building, preferably for medical offices.
- All renovations required by the El Paso City Code will be completed and appropriate certificates of occupancy will applied for and received within twelve (12) months of the date of closing as anticipated by this Contract of Sale.
- The Buyer agrees to request timely inspections to ensure compliance with all applicable City of El Paso Codes in order to receive appropriate certificates of occupancy for all buildings within twelve (12) months of the date of closing as anticipated by this Contract of Sale. All costs associated with such inspections shall be the Buyer's responsibility.
- Between the date of closing as anticipated by this Contract of Sale and the completion of all renovations, the Buyer shall keep the property properly secured and clean.
- In the event that the Buyer does not comply with the any of the above, the City reserves the right to purchase the Property from the Buyer at the selling price of \$46,957.00 for a period of 18 months after the date of closing as anticipated by this Contract of Sale. The City, in its sole discretion, will consider this option because the Buyer's inability to comply or failure to comply with the above has not contributed to improving the safety and quality of life in the surrounding neighborhood.



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