

AN ORDINANCE

2012-06-21-0484

AUTHORIZING A CONTRACT EXCHANGING 0.394 ACRES OF CITY-OWNED REAL PROPERTY AT THE SOUTHWEST CORNER OF ROOSEVELT AND GROVE AVENUE FOR 0.488 ACRES OF PRIVATELY-OWNED REAL PROPERTY OWNED BY MARTIN LINEN SUPPLY COMPANY TO ACCOMMODATE THE REALIGNMENT OF MISSION ROAD AND AUTHORIZING EXPENDITURES NOT TO EXCEED \$140,000 FEES AND ASSOCIATED CLOSING COSTS AND APPROVING A RELATED SETTLEMENT AGREEMENT.

* * * * *

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The city manager and her designee, severally, are authorized and directed to execute and deliver on behalf of the City a Real Estate Exchange Contract with The Martin Linen Supply Company in substantially the form attached as **Attachment I**, which is incorporated for all purposes as if fully set forth, and to consummate the transaction contemplated therein. The city manager and her designee, severally, should take all other actions necessary or convenient to effectuate the transaction, including agreeing to non-material changes to the approved form and executing all necessary or convenient ancillary instruments and agreements.

SECTION 2. The city manager and her designee, severally, are further authorized and directed to execute and deliver on behalf of the City a Settlement Agreement with The Martin Linen Supply Company in substantially the form attached as **Attachment II**, which is incorporated for all purposes as if fully set forth, and to consummate the transaction contemplated therein. The city manager and her designee, severally, should take all other actions necessary or convenient to effectuate the transaction, including agreeing to non-material changes to the approved form and executing all necessary or convenient ancillary instruments and agreements.

SECTION 3. A Payment not to exceed \$140,000 in SAP Fund 45099000, General Obligation Capital Projects, SAP Project Definition 23-00789, Mission Trails Package 4, is authorized to be encumbered and made payable to the selected title company for the exchange of 0.394 acres of city owned real property located at Southwest corner of Roosevelt and Grove Avenue for 0.488 acres of privately owned real property owned by Martin Linen Supply Company to accommodate the realignment of Mission Road in Council District 5 in Bexar County, Texas.

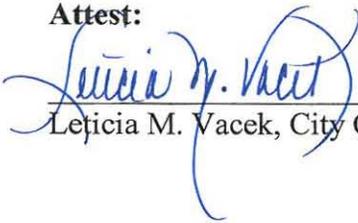
SECTION 4. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance, may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 5. This ordinance becomes effective 10 days after passage, unless it receives the eight votes requisite to immediate effectiveness under City Code of San Antonio § 1-15, in which case it becomes effective immediately.

PASSED AND APPROVED this 21st day of June 2012.

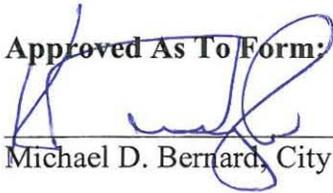

M A Y O R
Julián Castro

Attest:



Leticia M. Vacek, City Clerk

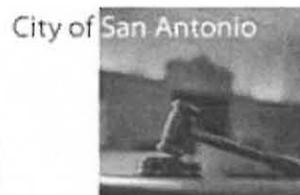
Approved As To Form:



Michael D. Bernard, City Attorney



Request for
**COUNCIL
ACTION**



Agenda Voting Results - 32A

Name:	5, 6, 7, 8, 9, 10, 11, 14, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25A, 25B, 26, 27, 28, 30, 31, 32A, 32B, 32C, 33, 34, 35, 37, 38, 39, 40, 41, 42, 43, 44, 46, 48, 49, 50, 51, 52, 53, 54, 56, 57, 58, 59, 60, 62, 63, 65A, 65B						
Date:	06/21/2012						
Time:	10:01:34 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing a contract exchanging 0.394 acres of City-owned real property at the southwest corner of Roosevelt and Grove Avenue for 0.488 acres of privately-owned real property owned by Martin Linen Supply Company to accommodate the realignment of Mission Road and authorizing expenditures not to exceed \$140,000.00 payable to a selected title company for incurred fees and associated closing costs, as requested by the City of San Antonio.						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Diego Bernal	District 1		x				
Ivy R. Taylor	District 2		x			x	
Leticia Ozuna	District 3	x					
Rey Saldaña	District 4		x				
David Medina Jr.	District 5		x				
Ray Lopez	District 6		x				x
Cris Medina	District 7		x				
W. Reed Williams	District 8		x				
Elisa Chan	District 9		x				
Carlton Soules	District 10		x				

Attachment I

Real Estate Exchange Contract

(Martin Linen/City of San Antonio)

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Authorizing Ordinance:

Authority for Sale: Texas Local Government Code Sec. 272.001(a)

City: City of San Antonio

Address: P.O. Box 839966, San Antonio, Texas 78283-3966
(Attention: Mike Etienne, CIMS)

Type of Entity: Texas municipal corporation

Martin Linen: The Martin Linen Supply Company

Address: 421 Roosevelt Avenue, San Antonio, Texas 78210

Type of Entity: Texas corporation

Property A: A 0.4888-acre tract out of NCB A-20, City of San Antonio, Bexar County, Texas, and being out of a 1.00-acre (approx.) tract conveyed to Martin Linen Supply Company in Volume 7949, Page 705, Deed Records, and more fully described by metes and bounds in **Exhibit A**, together with improvements to the Land.

Property B: Tract 1: A 0.394-acre tract out of NCB A-20, City of San

Antonio, Bexar County, Texas, and being a portion of Lots 31 and 33, as recorded in Volume 3377, Page 219, Plat Records, and being conveyed to the City of San Antonio by instrument recorded in Volume 9638, Page 677, Official Records of Real Property, and more fully described by metes and bounds in **Exhibit B**, together with improvements to the Land.

Tract 2: A portion of Grove Avenue, a public street owned by the City, such portion being described by metes and bounds in **Exhibit B-1**, together with improvements to the Land.

Title Company: Alamo Title Company

Address: 4 Dominion Drive, Building 4, Suite 100, San Antonio, Texas 78257

Contact: Chris Varley

Phone: 698-0924

Independent Consideration: The reciprocal options City and Martin Linen grant each other under this Agreement (herein so called)

Effective Date: The date the Title Company acknowledges receipt of a fully executed copy of this Agreement

County for Performance Bexar County, Texas

1. Exchange.

1.01. City and Martin Linen will exchange Property A for Property B. Martin Linen intends to report the transaction under Section 1031 of the Internal Revenue Code.

1.02. As to Property A:

- a. City is the Transferee and Martin Linen is the Transferor.
- b. The agreed value of Property A for the purpose of this exchange is \$103,000.

1.03. As to Property B:

- a. Martin Linen is the Transferee and City is the Transferor.
- b. The agreed value of Property B for the purpose of this exchange is \$77,000.

1.04. Because the agreed value of Property B exceeds the agreed value of Property A, in addition to title to Property A, the City of San Antonio must deliver boot to Martin Linen at closing in the amount of \$26,000 in funds satisfactory to Title Company.

1.05. The rights and obligations of Transferor and Transferee apply to both City and Martin Linen in their roles as Transferor and Transferee of the tracts they are transferring and accepting, respectively, except as otherwise specifically provided.

2. 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 federal or local holiday, the deadline will be extended to the next day that is not a Saturday, Sunday, or holiday. Time is of the essence.

2.01.	Delivery of Title and Survey Objections	30	Days after the Effective Date
2.02.	End of Inspection Period	60	Days after the Effective Date
2.03.	Closing Date	15 days after end of Inspection Period	
2.04.	Closing Time	10:00 A.M.	

The deadlines may be altered by the mutual agreement of the parties. City's consent may be made by the Director or Assistant Director for Real Estate of Capital Improvements Management Services without further authorization of City Council.

3. Closing Documents.

3.01. At closing, the Transferor of each Property will deliver the following items:

Deed without Warranty to the Property owned by Transferor; provided that the Deed from the City to Martin Linen to Tract 2 described above shall be delivered as provided in the Settlement Agreement.

IRS Nonforeign Person Affidavit

Evidence of Transferor's authority to close this transaction

Such other instruments or documents reasonably required by Title Company to close the transaction.

3.02. At closing, the Transferee of each Property will deliver the following items:

Evidence of Transferee's authority to consummate this transaction

Such other instruments or documents reasonably required by Title Company to close the transaction.

3.03. The documents listed above are collectively known as the “Closing Documents.” Unless otherwise agreed by the parties before closing, the deed will be substantially in the form attached as **Exhibit C**, except the deed for Property B, Tract 2, the deed for which will be substantially in the form of **Exhibit D**.

3.04. In addition to the above documents, City must deliver at closing the boot due to Martin Linen, plus an additional \$100,000 in full and final satisfaction of all claims for compensation by Martin Linen, including attorneys fees and costs of replatting. All funds must be satisfactory to the Title Company.

4. Exhibits.

The following exhibits are incorporated into this contract for all purposes as if fully set forth:

Exhibit A—Description of Property A

Exhibits B and B-1—Description of Property B

Exhibit C—Form of Deed

Exhibit D—Form of Deed for Property B, Tract 2

5. Transfer and Acceptance of Property.

Transferor will transfer and convey the Property to Transferee, and Transferee will accept transfer of the Property.

6. Title and Survey.

6.01. Title Objections.

Transferee may at its option and at City’s expense obtain with respect to the Property being acquired (i) a commitment for owner’s title insurance issued by Title Company as may be updated and/or revised by Title Company (the “Title Commitment”), and (ii) a survey prepared by a surveyor licensed by the State of Texas, as may be updated and/or revised by the surveyor (the “Survey”). Transferee has until the deadline stated in article 2. (“Title Objection Deadline”) to review the Survey, Title Commitment, and notify Transferor of Transferee’s objections to any of them (“Title Objections”). Transferee will be deemed to have approved all matters reflected by the Survey and Title Commitment to which Transferee has made no Title Objection by the Title Objection Deadline. The matters that Transferee either approves or is deemed to have approved are “Permitted Exceptions.” If Transferee notifies Transferor of any Title Objections, Transferor has five days from receipt of Transferee’s notice to notify Transferee whether Transferor agrees to cure the Title Objections before closing (“Cure Notice”). If Transferor 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, Transferee may, within five days after the deadline for the giving of Transferor’s Cure Notice, notify Transferor that this Agreement is terminated. If termination notice is given, this Agreement is terminated, in which event neither party shall have any further rights or obligations under this Agreement. Without timely notice, Transferee must proceed to close (subject to its rights under Section 7 hereof), waiving its objections. At or before closing, Transferor must at its own expense cure Title Objections that Transferor has agreed to cure. Transferor may use Transferor’s proceeds from this sale, or other funds, at its

discretion, to obtain releases of any liquidated liens, land contracts, or mortgages that encumber title to the Property on the Closing Date.

6.02. Both Properties must be free of leases at closing.

7. Inspection Period.

7.01. *Entry onto the Property.* The Inspection Period begins on the Effective Date and ends as set forth in Section 2 hereof. During the Inspection Period Transferee may enter the Property before closing to inspect it, subject to the following:

- a. Transferee must deliver to Transferor copies of all inspection reports that Transferee prepares or receives from third-party consultants or contractors within three days of their preparation or receipt; and
- b. Transferee must abide by any other reasonable entry rules imposed by Transferor.
- c. Transferee is required to obtain at City's expense a Phase I environmental site assessment that meets applicable legal standards, and to provide Transferee a copy of same not later than five (5) days prior to the expiration of the Inspection Period.

7.02. Transferee may extend the Inspection Period by an additional 60 days on prior written notice to Transferor delivered not later than five (5) days prior to the expiration of the Inspection Period that Transferee finds it prudent to conduct a Phase II environmental site assessment on the Property. If the Inspection Period is extended for one tract, it is extended for both tracts, whether or not both need Phase II environmental site assessments.

7.03. Transferee may terminate this contract for any reason by notifying Transferor of such termination and tendering the sum of \$500.00 (the "Independent Consideration") before the end of the Inspection Period. The Independent Consideration is compensation to Transferor for Transferee's right of cancellation. If either party terminates one end of the exchange, the entire exchange is terminated.

8. Closing.

8.01. *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.* The parties will execute and deliver the Closing Documents.
- b. *Delivery of Funds.* Transferee will deliver the boot and other amounts that Transferee is obligated to pay under paragraph 3.04 of this Agreement and the Settlement Agreement to Title Company in funds acceptable to Title Company.
- c. *Disbursement of Funds; Recording; Copies.* Title Company will be instructed to disburse the funds delivered to Title Company by Transferee in accordance with this Agreement, record the deeds and the

other Closing Documents directed to be recorded, and distribute documents and copies in accordance with the parties' written instructions.

- d. *Possession.* Transferor will deliver possession of the Property to Transferee, subject to the Permitted Exceptions existing at closing. Transferee shall not be obligated to close if the Property being acquired is or will be, at closing, subject to any encumbrances to title other than the Permitted Exceptions.

8.02. *Transaction Costs*

- a. City pays all costs in all transactions, except for Martin Linen's attorneys fees.
- b. *Ad Valorem Taxes.* For tracts as to which the City is the Transferor, property taxes will be prorated as of the Closing Date according to Texas Tax Code § 26.10. For tracts as to which the City is the Transferee, property taxes will be prorated as of the Closing Date according to Section 26.11 of the Texas Tax Code. There shall be no proration of property taxes at closing as between the parties hereto. Martin Linen shall pay in a timely manner all 2012 property taxes payable with respect to both Properties A and B. Both parties acknowledge that, (i) under Texas Tax Code Section 26.11, no taxes should be assessed against Property A relating to the period after Closing, and (ii) under Texas Tax Code Section 26.10, no taxes should be assessed against Property B relating to the period prior to Closing, and the City will assist Martin Linen contest any taxes that are so assessed.
- c. *Postclosing Adjustments.* If errors in the prorations made at closing are identified within 90 days after closing, Transferor and Transferee will make postclosing adjustments to correct the errors within fifteen days of receipt of notice of the errors.
- d. *Brokers' Commissions.* Transferor and Transferee each represent to the other that they have not acted or omitted to act in any way that could give rise to an entitlement to a commission for the transaction to which this agreement relates except as noted at the beginning.

8.03. *Issuance of Title Policy.* Transferor will, at its expense, cause Title Company to issue the Title Policy to Transferee as soon as practicable after closing.

9. Default and Remedies.

9.01. *Transferor's Default.* If Transferor fails to perform any of its obligations under this contract ("Transferor's Default"), Transferee may elect either of the following as its sole and exclusive remedy:

- a. *Termination.* Transferee may terminate this contract by giving notice to Transferor.

b. *Specific Performance.* Transferee may enforce specific performance of Transferor's obligations under this contract. If title to the Property is awarded to Transferee, the conveyance is subject to the matters stated in the Title Commitment.

9.02. *Transferee's Default.* If Transferee fails to perform any of its obligations under this contract ("Transferee's Default"), Transferor may elect either of the following as its sole and exclusive remedy:

a. *Termination; Liquidated Damages.* Transferor may terminate this contract by giving notice to Transferee.

b. *Specific Performance.* Transferor may enforce specific performance of Transferee's obligations under this contract. If title to the Property is awarded to Transferor, the conveyance will be subject to the matters stated in the Title Commitment.

10. Miscellaneous Provisions.

The "Miscellaneous Provisions" of the contemporaneous Settlement Agreement between the parties (the "Settlement Agreement") are incorporated by reference as if fully set forth.

In Witness Whereof, the parties have caused their representatives to set their hands.

City of San Antonio, a Texas municipal corporation

The Martin Linen Supply Company, a Texas corporation

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Approved as to Form:

City Attorney

Title Company Acceptance of Escrow and Receipt for Contract

Martin Linen: The Martin Linen Supply Company

Address: 421 Roosevelt Avenue, San Antonio, Texas
78210

City: City of San Antonio

Address: P.O. Box 839966, San Antonio, Texas 78283-
3966

Property A: A 0.4888-acre tract out of NCB A-20, City of San Antonio, Bexar County, Texas, and being out of a 1.00-acre tract conveyed to Martin Linen Supply Company in Volume 7949, Page 705, Deed Records.

Property B: Tract 1: A 0.394-acre tract out of NCB A-20, City of San Antonio, Bexar County, Texas, and being a portion of Lots 31 and 33, as recorded in Volume 3377, Page 219, Plat Records, and being conveyed to the City of San Antonio by instrument recorded in Volume 9638, Page 677, Official Records of Real Property.

Tract 2: A portion of Grove Avenue, a public street owned by the City.

Title Company agrees to act as escrow agent according to the terms of this Contract. Further, Title Company acknowledges receipt from Buyer of three fully executed counterpart originals of the Contract on the same date, with one fully executed original Contract being returned to each of Martin Linen and City.

Alamo Title Company

By: _____

Printed
Name: _____

Title: _____

Date: _____

Exhibit A: Property A Legal Description

Being 0.1933 hectares [0.488 acres], 1,933 sq. mtrs. [20,807 sq. ft.] out of N.C.B. A-20, City of San Antonio, Bexar County, Texas, and being out of that 1.000 acre tract as conveyed to Martin Linen Supply Company recorded in Volume 7949, Page 705, Deed Records, said 0.1933 hectares [0.488 acres] being more particularly described by metes and bounds as follows:

BEGINNING at a ½" iron rod found in the southeast right of way (R.O.W.) line of Mission Road at the southwest corner of the said 1.000 acre tract same being the northwest corner of a 0.540 acre tract as conveyed to San Antonio Conservation Society recorded in Volume 4767, Page 1966, Real Property Records, said ½" steel rod found being 6.053m right of and at a right angle to the proposed Mission Road centerline station 12+455.590;

Thence, North 30° 45' 56" East, a distance of 29.849m [97.93'], with the said southeast R.O.W. line, same being the west boundary line of the said 1.000 acre tract, to a ½" iron rod w/CEC cap set for the northwest corner of the tract herein described and a Point of Curvature of a curve to the right having a central angle of 38° 56' 16", a radius of 49.300m [161.74'], and a chord bearing and distance of South 82° 17' 21" East, 32.863m [107.82'] and being 9.300m left of and at a right angle to the proposed Mission Road centerline station 12+481.046;

Thence, northeasterly, a distance of 33.504m [109.92'], along the arc of said curve to the right to a ½" iron rod w/CEC cap set for a point of tangency, and being 9.300m left of and at a right angle to the proposed Mission Road centerline station 12+508.230;

Thence, South 62° 49' 12" East, a distance of 3.752m [12.31'], with the north line of the herein described tract, to a ½" iron rod w/CEC cap set for the Point of Curvature of a curve to the left having a central angle of 22° 51' 32", a radius of 70.700m [231.95'], and a chord bearing and distance of South 74° 14' 59" East, 28.020m [91.93'] and being 9.300m left of and at a right angle to the proposed Mission Road centerline station 12+511.982;

Thence, southeasterly, a distance of 28.207m [92.54'], along the arc of said curve to the left to a ½" iron rod w/CEC cap set for the northeast corner of the herein described tract, and being 9.300m left of and at a right angle to the proposed Mission Road centerline station 12+543.899;

Thence, South 11° 56' 56" West, a distance of 24.646m [80.86'], with the east line of the herein described tract, to a ½" iron rod w/CEC cap found at the southeast corner of the said 1.000 acre tract for the southeast corner of the tract herein described and being 15.184m right of and at a right angle to the proposed Mission Road centerline station 12+541.149;

Thence, North 80° 31' 21" West, a distance of 74.048m [242.974'], with the said south boundary line, to the **POINT OF BEGINNING** and containing 0.1933 hectares [0.488 acres], 1,933 sq. mtrs. [20,807 sq. ft.] of land, more or less.

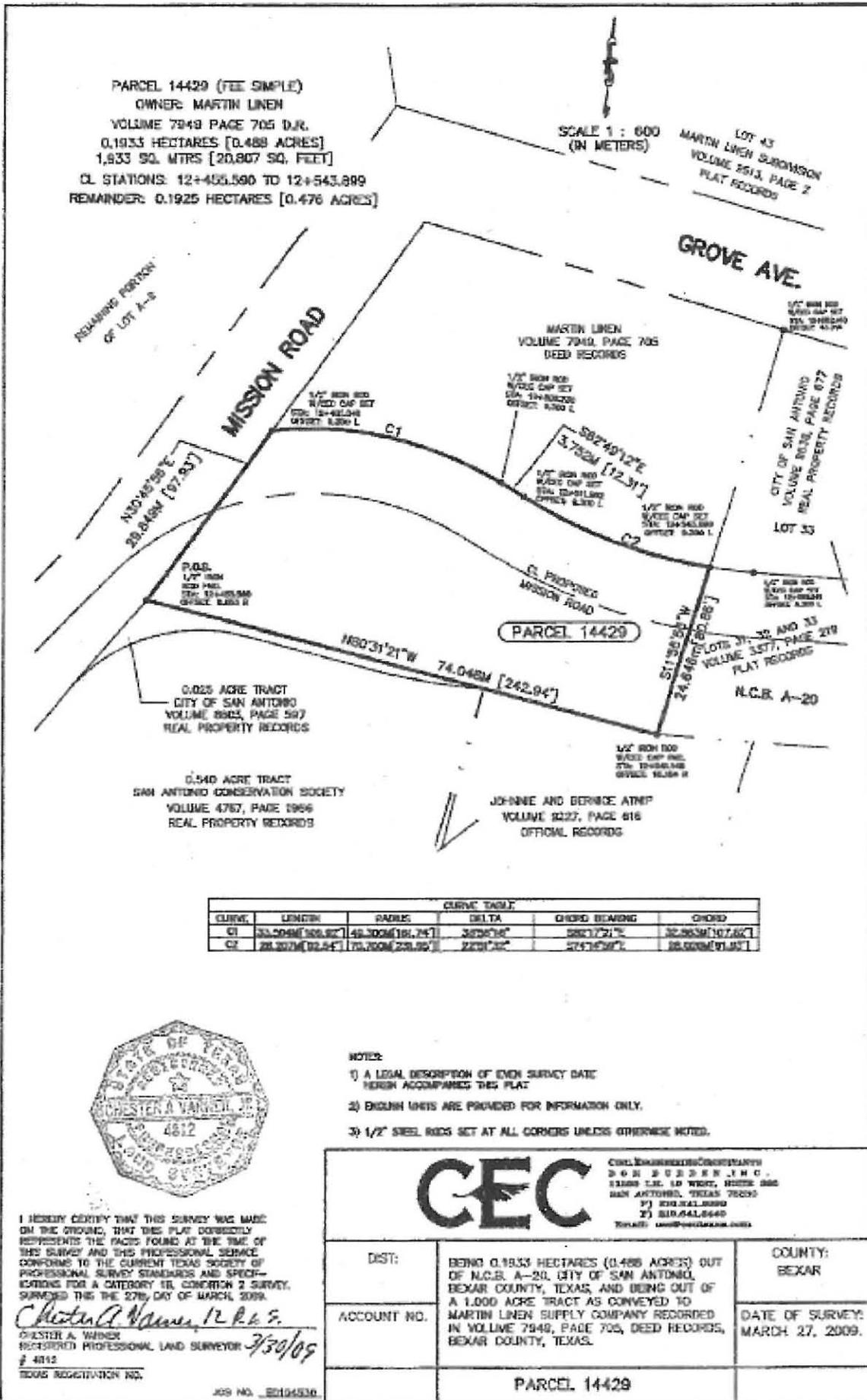
A plat of even date herein accompanies this legal description.

NOTE: English units are provided for information only.

NOTE: The herein before described tract of land was prepared from a survey made on the ground under my supervision on this the 27th day of March, 2009.

Chester A. Varner, Jr. P.L.S. 3/20/09
Chester A. Varner, Registered Professional Land Surveyor, #4812





PARCEL 14429 (TEE SIMPLE)
OWNER: MARTIN LINEN
VOLUME 7949 PAGE 705 D.R.
0.1933 HECTARES [0.488 ACRES]
1,833 SQ. MTRS [20,807 SQ. FEET]
CL STATIONS: 12+455.590 TO 12+543.899
REMAINDER: 0.1925 HECTARES [0.476 ACRES]

SCALE 1 : 600
(IN METERS)

LOT 43
MARTIN LINEN SURVEY
VOLUME 2513, PAGE 2
PLAT RECORDS

GROVE AVE

MISSION ROAD

MARTIN LINEN
VOLUME 7949, PAGE 705
DEED RECORDS

1/2" IRON ROD
W/ICE CAP SET
STA. 12+455.590
OFFSET 0.300 L

S82°49'12"E
3.782M [12.31']

1/2" IRON ROD
W/ICE CAP SET
STA. 12+543.899
OFFSET 0.300 L

1/2" IRON ROD
W/ICE CAP SET
STA. 12+455.590
OFFSET 0.300 L

CITY OF SAN ANTONIO
VOLUME 3030, PAGE 677
REAL PROPERTY RECORDS

LOT 33

REMAINING PORTION
OF LOT A-2

N35°45'55"E
29.848M [97.93']

P.O.B.
1/2" IRON
ROD W/ICE
CAP SET
STA. 12+455.590
OFFSET 0.300 L

0.025 ACRE TRACT
CITY OF SAN ANTONIO
VOLUME 3903, PAGE 597
REAL PROPERTY RECORDS

0.540 ACRE TRACT
SAN ANTONIO CONSERVATION SOCIETY
VOLUME 4767, PAGE 1956
REAL PROPERTY RECORDS

CL. PROPOSED
MISSION ROAD

PARCEL 14429

1/2" IRON ROD
W/ICE CAP SET
STA. 12+455.590
OFFSET 0.300 L

LOTS 31, 32 AND 33
VOLUME 3577, PAGE 219
PLAT RECORDS

N.C.B. A-20

JOHNNIE AND BERNICE ATM P
VOLUME 9237, PAGE 616
OFFICIAL RECORDS

CURVE DATA					
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD
C1	30.029M [101.82']	46.300M [151.74']	342°31'00"	S82°17'21"W	30.063M [107.82']
C2	28.207M [92.54']	70.700M [231.92']	223°14'00"	S75°17'59"W	28.000M [91.85']



- NOTES:
- 1) A LEGAL DESCRIPTION OF EACH SURVEY DATE HEREIN ACCOMPANIES THIS PLAT.
 - 2) ENGLISH UNITS ARE PROVIDED FOR INFORMATION ONLY.
 - 3) 1/2" IRON RODS SET AT ALL CORNERS UNLESS OTHERWISE NOTED.

I HEREBY CERTIFY THAT THIS SURVEY WAS MADE ON THE GROUND, THAT THIS PLAT CORRECTLY REPRESENTS THE FACTS FOUND AT THE TIME OF THIS SURVEY AND THIS PROFESSIONAL SERVICE CONFORMS TO THE CURRENT TEXAS SOCIETY OF PROFESSIONAL SURVEY STANDARDS AND SPECIFICATIONS FOR A CATEGORY 1B, CONFIRM 2 SURVEY, SURVEYED THIS THE 27th DAY OF MARCH, 2009.

Chester A. Wainor, P.L.S.
CHESTER A. WAINOR
REGISTERED PROFESSIONAL LAND SURVEYOR 4/30/09
4812
TEXAS REGISTRATION NO. _____
JOB NO. 20104330



CIVIL ENGINEERING CONSULTANTS
DON BUDZIK, INC.
13200 L.B. LO WOOD, SUITE 200
SAN ANTONIO, TEXAS 78230
P) 210.341.8888
F) 210.341.8840
FAX) 210.341.8840

DIST:	BEXAR	COUNTY:	BEXAR
ACCOUNT NO.	BEING 0.1933 HECTARES (0.488 ACRES) OUT OF N.C.B. A-20, CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS, AND BEING OUT OF A 1.000 ACRE TRACT AS CONVEYED TO MARTIN LINEN SUPPLY COMPANY RECORDED IN VOLUME 7949, PAGE 705, DEED RECORDS, BEXAR COUNTY, TEXAS.	DATE OF SURVEY:	MARCH 27, 2009.
	PARCEL 14429		

Exhibit B: Property B Legal Description – Tract 1

COUNTY: Bexar
HIGHWAY: Mission Road
PROJECT LIMITS: From Mitchell Street to Roosevelt Ave.

FEE SIMPLE FIELD NOTE DESCRIPTION FOR PARCEL 14430

Being 0.1594 hectares [0.394 acres], 1,594 sq. mtrs. [17,158 sq. ft.] out of N.C.B. A-20, City of San Antonio, Bexar County, Texas and being a portion of Lots 31 and 33, as recorded in Volume 3377, Page 219, Plat Records, and being conveyed to the City of San Antonio, recorded in Volume 9638, Page 677, Official Public Records of Real Property, said 0.1594 hectares [0.394 acres] being more particularly described by metes and bounds as follows:

COMMENCING at an "X" in concrete found at the southwest intersection of Roosevelt Ave. and Grove Avenue, thence North 78° 37' 57" West, along the south right of way (R.O.W.) line of Grove Avenue a distance of 10.596m [34.76'], to a ½" iron rod with "CEC" cap set for the POINT OF BEGINNING and the northeast corner of the herein described tract, said ½" iron rod set being 33.179m left of and at a right angle to the proposed Mission Road centerline station 12+601.735;

Thence, South 07° 56' 04" East, a distance of 19.069m [62.56'], departing said south R.O.W. line and crossing through said Lot 31, to a ½" iron rod with "CEC" cap set for an angle point of the herein described tract, said ½" iron rod set being 14.261m left of and at a right angle to the proposed Mission Road centerline station 12+604.129;

Thence, South 40° 40' 17" West, continuing across said Lot 31, a distance of 6.612m [21.69'], to a ½" iron rod with "CEC" cap set for the southeast corner of the herein described tract, said ½" iron rod set being 9.300m left of and at a right angle to the proposed Mission Road centerline station 12+599.756;

Thence, South 89° 16' 38" West, continuing across said Lot 31 and crossing through said Lot 33, a distance of 48.815m [160.15'], to a ½" iron rod with "CEC" cap set, and being the Point of Curvature of a curve to the right having a central angle of 05° 02' 37", a radius of 70.700m [231.95'], and a chord bearing and distance of North 88° 12' 04" West, 6.221m [20.41'], said ½" iron rod set being 9.300m left of and at a right angle to the proposed Mission Road centerline station 12+550.941;

Thence, along said curve to the right, a distance of 6.223m [20.42'], to a ½" iron rod set for the southwest corner of the herein described tract, said ½" iron rod set being 9.300m left of and at a right angle to the proposed Mission Road centerline station 12+543.899;

Thence, North 11° 56' 56" East, along the west boundary line of said Lot 33, a distance of 35.028m [114.92'], to a ½" iron rod set in said south R.O.W. line of Grove Avenue, for the northwest corner of the herein described tract, said ½" iron rod set being 43.749m left of and at a right angle to the

proposed Mission Road centerline station 12+552.410;

Thence, South $78^{\circ} 37' 39''$ East, along said south R.O.W. line of Grove Avenue, a distance of 50.445m [165.50'], to the **POINT OF BEGINNING** and containing 0.1594 hectares [0.394 acres] 1,594 sq. mtrs. [17,158 sq. ft.] of land, more or less.

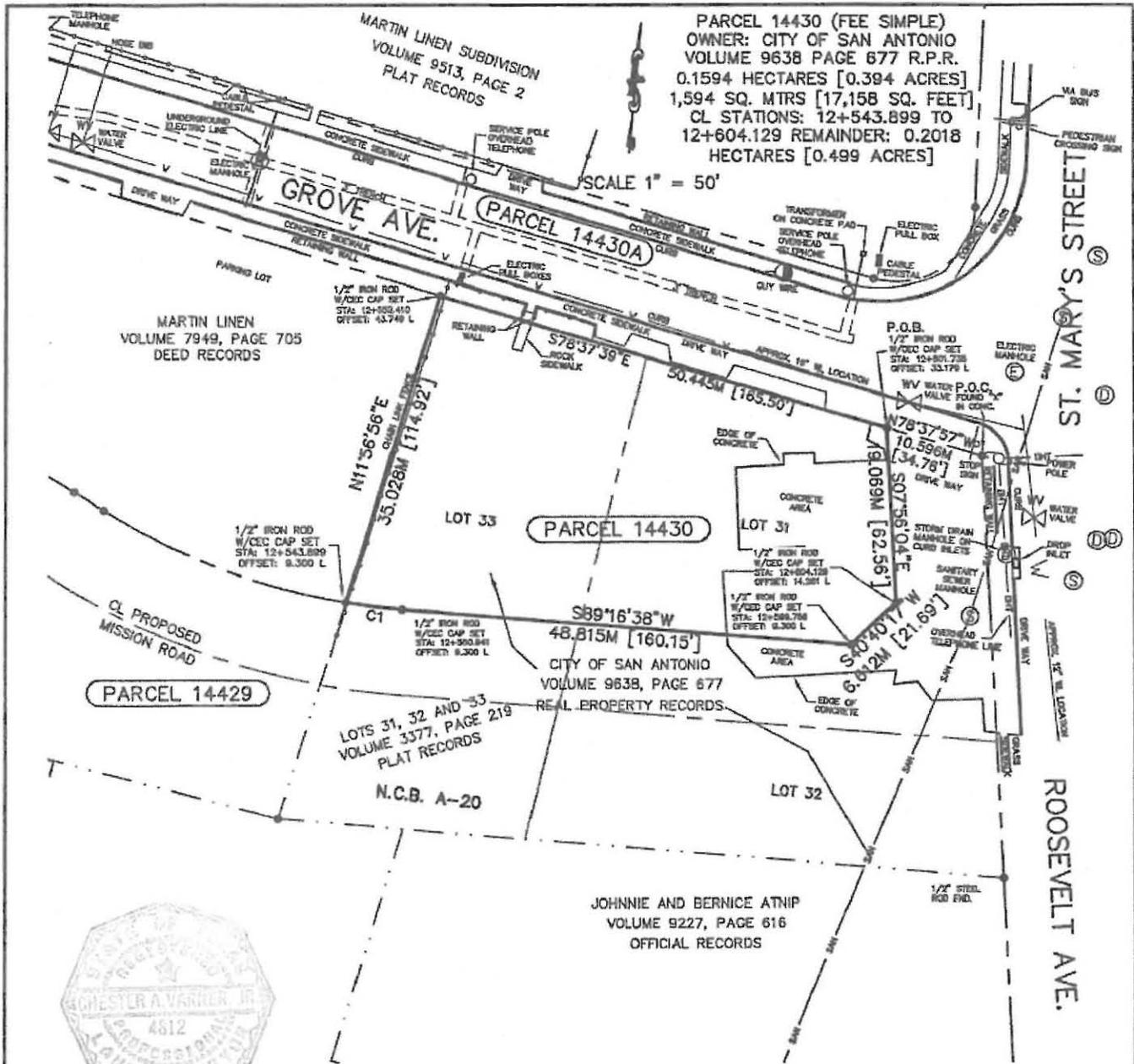
A plat of even date herein accompanies this legal description.

NOTE: English units are provided for information only.

NOTE: The herein before described tract of land was prepared from a survey made on the ground under my supervision on this the 6th day of March, 2012.

Chester A. Varner, R.P.L.S. 3/13/2012
Chester A. Varner, Registered Professional Land Surveyor, #4812





NOTES:
1) A LEGAL DESCRIPTION OF EVEN SURVEY DATE HEREIN ACCOMPANIES THIS PLAT
2) ENGLISH UNITS ARE PROVIDED FOR INFORMATION ONLY. 3) 1/2" STEEL RODS SET AT ALL CORNERS UNLESS OTHERWISE NOTED.

I HEREBY CERTIFY THAT THIS SURVEY WAS MADE ON THE GROUND, THAT THIS PLAT CORRECTLY REPRESENTS THE FACTS FOUND AT THE TIME OF THIS SURVEY AND THIS PROFESSIONAL SERVICE CONFORMS TO THE CURRENT TEXAS SOCIETY OF PROFESSIONAL SURVEY STANDARDS AND SPECIFICATIONS FOR A CATEGORY 1B, CONDITION 2 SURVEY. SURVEYED THIS THE 06th DAY OF MARCH, 2012.

Chester A. Varner, P.L.S.
CHESTER A. VARNER
REGISTERED PROFESSIONAL LAND SURVEYOR 3/13/2012
4812
TEXAS REGISTRATION NO.

JOB NO. S0402700

CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD
C1	6.223M [20.42']	70.700M [231.95']	05°02'37"	N88°12'04"W	6.221M [20.41']

CEC

CIVIL ENGINEERING CONSULTANTS
DON DUBBER, INC.
11550 L.H. 10 WEST, SUITE 200
SAN ANTONIO, TEXAS 78230
P) 210.541.0000 F) 210.541.0440
TEXAS FIRM REGISTRATION NUMBER:
ENGINEERING: F-2614
SURVEYING: 100610-00
Email: ceo@cectexas.com

DIST:	BEING 0.1594 HECTARES (0.394 ACRES) OUT OF N.C.B. A-20, CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS, AND BEING A PORTION OF LOTS 31 AND 33, AS RECORDED IN VOLUME 3377, PAGE 219, PLAT RECORDS, AND BEING CONVEYED TO THE CITY OF SAN ANTONIO, RECORDED IN VOLUME 9638, PAGE 677, OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, BEXAR COUNTY, TEXAS.	COUNTY: BEXAR
ACCOUNT NO.		DATE OF SURVEY: MARCH 6, 2012
	PARCEL 14430	

Exhibit B-1: Property B Legal Description – Tract 2

COUNTY: Bexar
HIGHWAY: Mission Road
PROJECT LIMITS: From Mitchell Street to Roosevelt Ave.

ACCESS EASEMENT FIELD NOTE DESCRIPTION FOR PARCEL 14430A

Being 0.2403 hectares [0.594 acres], 2,403 sq. mtrs. [25,866 sq. ft.] out of N.C.B. A-20, City of San Antonio, Bexar County, Texas, and being out of Mission Road and Grove Avenue said 0.2403 hectares [0.594 acres] being more particularly described by metes and bounds as follows:

COMMENCING at an "X" in concrete found at the southwest intersection of Roosevelt Ave. and Grove Avenue, said "X" being 30.959m left of and at a right angle to the proposed Mission Road centerline station 12+612.095, for the northeast corner of Lot 31, N.C.B. A-20, as recorded in Volume 3377, Page 219, Plat Records, Bexar County, Texas, thence, North 78° 37' 57" West, a distance of 2.222m [7.29'] to a ½" iron rod with "CEC" cap set for the **POINT OF BEGINNING** of the herein described tract;

Thence, North 78° 37' 57" West, a distance of 8.373m [27.47'], along the south R.O.W. line of said Grove Avenue and the north boundary line of said Lot 31, to a ½" iron rod with "CEC" cap found for an angle point of the herein described tract, said ½" iron rod found being 33.179m left of and at a right angle to the proposed Mission Road centerline station 12+601.735;

Thence, North 78° 37' 39" West, continuing along said south R.O.W. line of Grove Avenue, a distance of 50.445m [165.50'], to a ½" iron rod with "CEC" cap found for the northwest corner of Lot 31, N.C.B. A-20, as recorded in Volume 3377, Page 219, Plat Records, Bexar County, Texas, and the northeast corner of an approximate one acre tract of land conveyed to Martin Linen Supply Company, and an angle point of the herein described tract, said ½" iron rod set being 43.749m left of and at a right angle to the proposed Mission Road centerline station 12+552.410;

Thence, North 78°04' 10" West, continuing along said south R.O.W. line of Grove Avenue and the north line of said approximate one acre tract of land, a distance of 52.563m [172.45'] to a ½" iron rod with "CEC" cap set, for an angle point of the herein described tract;

Thence, South 30° 45' 43" West, along the east R.O.W. line of Mission Road and the west line of said approximate one acre tract of land, a distance of 36.548m [119.91'], to a ½" iron rod with "CEC" cap found, for the southeast corner of the herein described tract and a Point of Curvature of a curve to the left having a central angle of 27° 49' 30", a radius of 49.300m [161.74'], and a chord bearing and distance of South 64° 19' 59" West, 23.707m [77.78'];

Thence, along said curve to the left, a distance of 23.942m [78.55'], to a ½" iron rod with "CEC" cap set for the southwest corner of the herein described tract;

Thence, North 30° 45' 56" East, along the east boundary line of Lot A-2, and the west R.O.W. line of said Mission Road, a distance of 67.291m [220.77'], to a ½" iron rod with "CEC" cap set for the northwest corner of the herein described tract;

Thence, North 78° 37' 58" East, along the north R.O.W. line of said Grove Avenue and the south boundary line of Lot 43, N.C.B. A-20, Martin Linen Subdivision, as recorded in Volume 9513, Page 2, Plat Records, Bexar County, Texas, a distance of 105.850m [347.28'], to a ½" iron rod with "CEC" cap set for a Point of Curvature of a curve to the left having a central angle of 104° 38' 33", a radius of 8.422m [27.63], and a chord bearing and distance of North 49° 02' 15" East, 13.330m [27.63'];

Thence, along said curve to the left, a distance of 15.382m [50.47'], to a ½" iron rod with "CEC" cap set for the northeast corner of the herein described tract;

Thence, South 01° 55' 41" East, crossing said Grove Avenue, a distance of 26.502m [86.95'] to the **POINT OF BEGINNING** and containing 0.2403 hectares [0.594 acres] 2,403 sq. mtrs. [25,866 sq. ft.] of land, more or less.

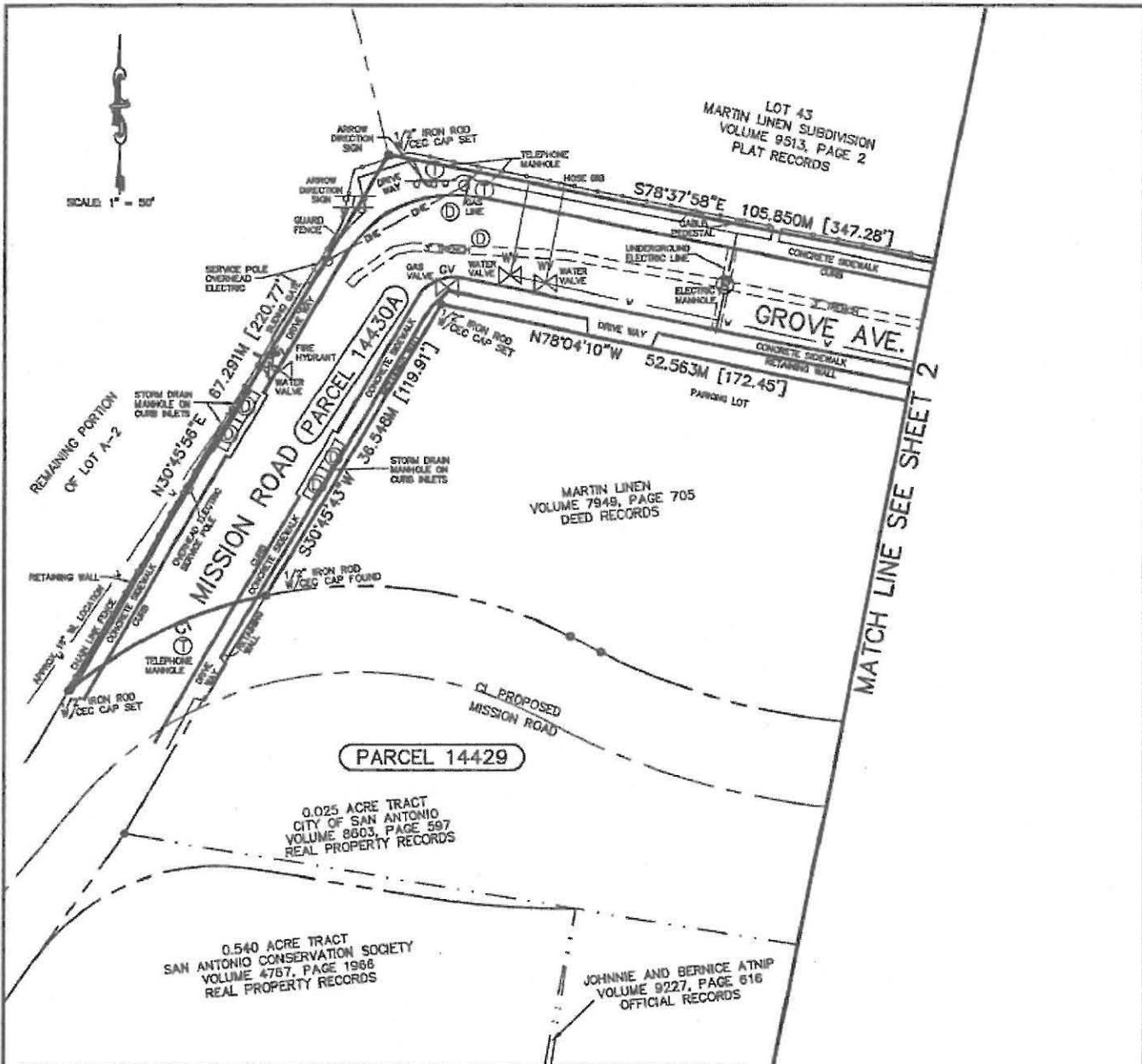
A plat of even date herein accompanies this legal description.

NOTE: English units are provided for information only.

NOTE: The herein before described tract of land was prepared from a survey made on the ground under my supervision on this the 6th day of March, 2012.

Chester A. Varner, R.P.L.S. 3/13/2012
Chester A. Varner, Registered Professional Land Surveyor, #4812





PARCEL 14429

0.025 ACRE TRACT
 CITY OF SAN ANTONIO
 VOLUME 8803, PAGE 597
 REAL PROPERTY RECORDS

0.540 ACRE TRACT
 SAN ANTONIO CONSERVATION SOCIETY
 VOLUME 4757, PAGE 1968
 REAL PROPERTY RECORDS

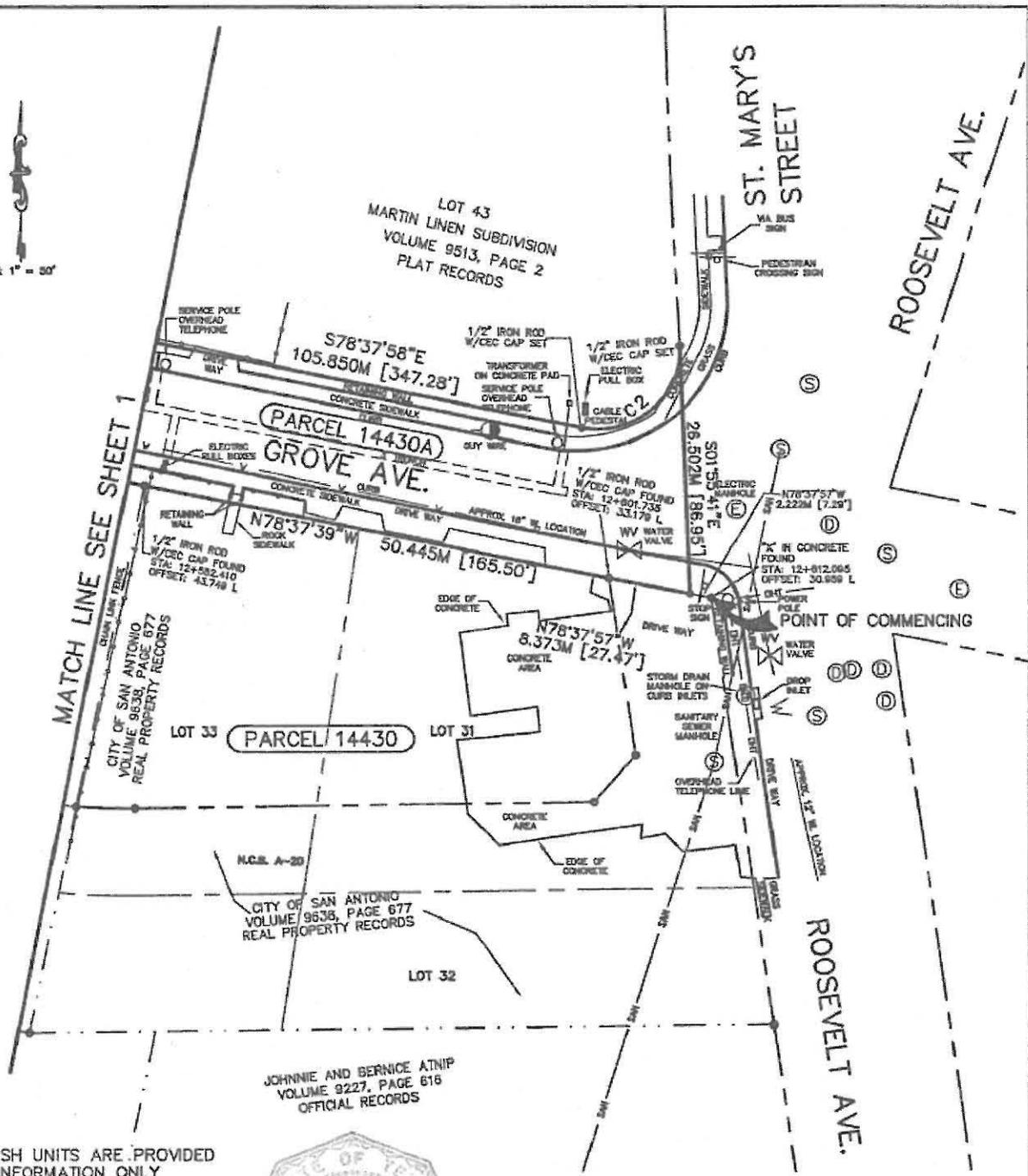
JOHNNIE AND BERNICE ATNP
 VOLUME 9227, PAGE 616
 OFFICIAL RECORDS

CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD
C1	23.942M [76.55']	49.300M [161.74']	27°49'30"	S84°19'59"W	23.707M [77.78']
C2	15.382M [50.47']	8.422M [27.63']	104°38'33"	N49°02'19"E	13.330M [43.73']

NOTE: ENGLISH UNITS ARE PROVIDED FOR INFORMATION ONLY

A LEGAL DESCRIPTION OF EVEN SURVEY DATE HEREIN ACCOMPANIES THIS PLAT

			CIVIL ENGINEERING CONSULTANTS DON DUBREK, INC. 11550 L.H. 10 WEST, SUITE 305 SAN ANTONIO, TEXAS 78250 P) 810.841.9099 F) 810.841.8440 TEXAS FIRM REGISTRATION NUMBER: ENGINEERING: F-2214 SURVEYING: 100410-00 Email: don@cectexas.com		
DIST:	BEING 0.2403 HECTARES (0.594 ACRES) OUT OF LOT 43, N.C.B. A-20, MARTIN LINEN SUBDIVISION, AS RECORDED IN VOLUME 9513, PAGE 2, PLAT RECORDS, BEXAR COUNTY, TEXAS	COUNTY: BEXAR			
ACCOUNT NO.		DATE OF SURVEY: MARCH 6, 2012			
	PARCEL 14430A	SHEET 1 OF 2			



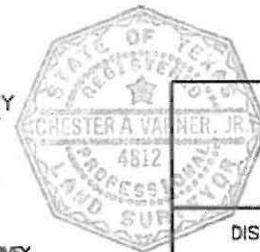
NOTE: ENGLISH UNITS ARE PROVIDED FOR INFORMATION ONLY

A LEGAL DESCRIPTION OF EVEN SURVEY DATE HEREIN ACCOMPANIES THIS PLAT

I HEREBY CERTIFY THAT THIS SURVEY WAS MADE ON THE GROUND, THAT THIS PLAT CORRECTLY REPRESENTS THE FACTS FOUND AT THE TIME OF THIS SURVEY AND THIS PROFESSIONAL SERVICE CONFORMS TO THE CURRENT TEXAS SOCIETY OF PROFESSIONAL SURVEY STANDARDS AND SPECIFICATIONS FOR A CATEGORY 1B, CONDITION 2 SURVEY. SURVEYED THIS THE 6TH DAY OF MARCH, 2012.

Chester A. Varner, P.L.S.

CHESTER A. VARNER
REGISTERED PROFESSIONAL LAND SURVEYOR
4812
TEXAS REGISTRATION NO.



3/33/2012

JOB NO. S0402700



CIVIL ENGINEERING CONSULTANTS
DON DUDEN, INC.
11560 L.H. 19 WEST, SUITE 390
SAN ANTONIO, TEXAS 78260
P) 210.841.0000 F) 210.841.0440
TEXAS FIRM REGISTRATION NUMBER:
ENGINEERING: F-2214
SURVEYING: 100410-00
Email: cec@cectexas.com

DIST:	BEING 0.2403 HECTARES (0.594 ACRES) OUT OF LOT 43, N.C.B. A-20, MARTIN LINEN SUBDIVISION, AS RECORDED IN VOLUME 9513, PAGE 2, PLAT RECORDS, BEXAR COUNTY, TEXAS	COUNTY: BEXAR
ACCOUNT NO.		DATE OF SURVEY: MARCH 6, 2012
	PARCEL 14430A	SHEET 2 OF 2

Exhibit C: Form of Deed

Notice of Confidentiality Rights: If You Are a Natural Person, You May Remove or Strike Any or All the Following Information from Any Instrument That Transfers an Interest in Real Property Before it Is Filed for Record in the Public Records: Your Social Security Number or Your Driver's License Number.

State of Texas }
 }
County of Bexar }

**Deed without Warranty
(and Assignment of Claims)**

Authorizing Ordinance:

Grantor:

Grantor's Address:

Grantee:

Grantee's Address:

Consideration: \$10 in hand paid and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged.

Property:

Grantor, for the Consideration, Grants, Sells, Bargains, and Conveys the Property to Grantee, together with, all and singular, the rights and appurtenances thereto in anywise belonging, to Have and To Hold unto Grantee and Grantee's successors and assigns forever.

The Property is conveyed together with any and all improvements, structures and fixtures located thereon, and with all rights, privileges, rights of way, and easements appurtenant thereto.

Grantor expressly disclaims any and all warranties arising by common law, statute (including without limitation the implied warranties of § 5.023, Texas Property Code or any successor statute), or otherwise. But Grantor represents that it has not previously conveyed the Property to anyone else.

Assignment of Claims

In addition to the conveyance of real estate addressed above, Grantor hereby assigns to Grantee all choate and inchoate statutory and common-law claims, if any, it may have against its predecessors in title and against any other potentially responsible person for environmental contamination of the Property now known or later found to exist.

In Witness Whereof, Grantor has caused its representative to hereunto set its hand:

Grantor:

THE STATE OF TEXAS ☆

COUNTY OF BEXAR ☆

This instrument was acknowledged before me this date by _____,
_____ of The Martin Linen Supply Company, a Texas corporation, in
the capacity therein stated and on behalf of that entity.

Date: _____

Notary Public, State of Texas

My Commission expires: _____

After Recording, Return To:

City Clerk
City of San Antonio
P.O. Box 839966
San Antonio, Texas 78283-3966
(Bexar County)

Exhibit D: Form of Deed for Property B, Tract 2

Notice of Confidentiality Rights: If You Are a Natural Person, You May Remove or Strike Any or All the Following Information from Any Instrument That Transfers an Interest in Real Property Before it Is Filed for Record in the Public Records: Your Social Security Number or Your Driver's License Number.

State of Texas }
 }
County of Bexar }

Deed Without Warranty

Authorizing Ordinance:

- Grantor:** City of San Antonio, a Texas municipal corporation
- Grantor's Mailing Address:** City Hall, 2nd Floor, 100 Military Plaza, San Antonio, TX 78205, Attn: City Clerk
- Consideration:** \$10 in hand paid and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged.
- Property:** A tract of land that is a closed portion of a public street known as Grove Avenue, such tract being described by metes and bounds on **Exhibit A** attached hereto and incorporated herein verbatim for all purposes.

Grantor, for the Consideration, Grants, Sells, Bargains, and Conveys the Property to the owner(s) of the abutting property (excluding, however, Grantor and any owner(s) of adjacent property constituting any part of the public right of way for St. Mary's Street or Roosevelt Avenue, if that ownership is different from the ownership of the other property abutting the Property), as their interests may appear, together with, all and singular, the rights and appurtenances thereto in anywise belonging, to Have and To Hold, unto such owners and their successors and assigns forever.

The Property is conveyed together with any and all improvements, structures and fixtures located thereon, and with all rights, privileges, rights of way, and easements appurtenant thereto.

Grantor expressly disclaims any and all warranties arising by common law, statute (including without limitation the implied warranties of § 5.023, Texas Property Code or any successor statute), or otherwise. But Grantor represents that it has not previously conveyed the Property to anyone else.

Grantor does not know whether its interest, if any, in the Property is an easement or the fee. By this instrument, Grantor intends that such interest as it may have in the Property pass to the adjoining owner(s) described above as if Grantor had a street easement, but Grantor does not warrant that it has any interest in the Property. Grantor names no specific grantees in this instrument, because it does not assume the burden of identifying the correct adjoining owners.

This deed does not release the right to remain in place of all presently existing water and wastewater lines and related facilities, electric transmission and distribution lines and related facilities, gas lines, communication lines and facilities of all types, or any other public utility lines and facilities, if any (individually, a "Utility", and collectively, the "Utilities"). A public utility or other owner or operator of a Utility is referred to herein as a "Utility Operator". Any person wanting removal of an existing utility line or facility must negotiate separately with the applicable Utility Operator. After the date of the ordinance authorizing this deed, no additional Utilities may be placed in the subject tract, but existing Utilities may continue to be used, repaired, augmented, and maintained in the ordinary course of business. This deed does not give up any right arising other than from the plat or other document creating the street or alley.

Grantee and Grantee's heirs, executors, administrators, successors and assigns, shall have the right to use and enjoy the surface of the Property for any purposes whatsoever, except insofar as said use and enjoyment unreasonably interferes with the rights hereby reserved in favor of public utilities; provided, however, in no event shall Grantee have the right to place permanent buildings upon the Property. Grantee specifically has the right (i) to grant additional easements or rights-of-way upon or across the Property to such other persons or entities and for such purposes as Grantee may desire, (ii) to extend roads along the Property, (iii) to construct or locate upon or across the Property fences, signs, parking facilities, pavement and other such items or materials (except for permanent buildings) and (iv) to use the Property for the disposal of surface water, rain or any excess water collecting upon Grantee's lands; provided that, in all such cases, no public utility shall be unreasonably disturbed in the use and enjoyment of the rights hereby reserved for its benefit.

In Witness Whereof, Grantor has caused its representative to set its hand:

City of San Antonio,
a Texas municipal corporation

By: _____

Printed
Name: _____

Title: _____

Date: _____

Approved As To Form:

City Attorney

State of Texas §

County of Bexar §

This instrument was acknowledged before me this date by _____,
of the City of San Antonio, a Texas municipal corporation, in the capacity therein stated
and on behalf of that entity.

Date: _____

Notary Public, State of Texas

My Commission expires: _____

After Recording, Return To:

City of San Antonio
P.O. Box 839966
San Antonio, Texas 78283-3966

Attachment II

Settlement Agreement

This Settlement Agreement (this "Agreement") is entered into between the City of San Antonio ("City") and The Martin Linen Supply Company ("Martin Linen") as of the date and year set forth at the end hereof.

Background:

The segment of Grove Avenue ("Segment") running between Roosevelt Avenue and Mission Road runs in front of Martin Linen's business.

City intends to close Segment and construct an alternate path of travel between Roosevelt and Mission.

The City already owns property at the southwest corner of Roosevelt and Grove Avenue, but the City intends to place the alternate path slightly south of the existing intersection.

The new path will be in part over property owned by Martin Linen, but it will also strand a portion of City property north of the new path, as depicted on **Exhibit A**. The Segment, for purposes of this Agreement, shall include the entire portion of Grove Avenue that runs from Roosevelt Avenue to the new path as shown on **Exhibit A**. The portion of the Segment that runs from the new path in a northeasterly direction is also sometimes shown and/or referred to as being an extension of Mission Road.

Rights and Obligations

Now Therefore, in consideration of the premises, the mutual covenants and promises contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. **Exchange Agreement.** The City and Martin Linen will enter into and perform under the Real Estate Exchange Contract attached hereto as **Exhibit B** (the "Exchange Agreement").
2. **"As-Is" Condition** Each party accepts the tract being acquired under the Exchange Agreement "as-is, where is" and on a "with all faults" basis, in its condition as of the date of closing under the Exchange Agreement (the "Closing"), without any warranties, representations or covenants of any kind other than the warranties set out in the deeds to be delivered at Closing. Without limiting the foregoing, neither party shall have any responsibility for any environmental contamination that may be found to exist on the tract conveyed by such party under the Exchange Agreement.
3. **Street Closure.** As a condition of this Agreement, the Segment must be formally closed when the alternate path is substantially completed. City agrees to use all reasonable efforts to formally close the Segment. Promptly upon closure of the

Segment the City shall execute and deliver to Martin Linen a deed to the Segment in the form that is attached to the Exchange Agreement. In the event the Segment is not formally closed on or before December 31, 2016, then either City or Martin Linen may, at its option, terminate this Agreement by providing written notice thereof to the other party. The ordinance closing the Segment will have a section reading substantially as follows:

This ordinance does not release the right to remain in place of all presently existing water and wastewater lines and related facilities, electric transmission and distribution lines and related facilities, gas lines, communication lines and facilities of all types, or any other public utility lines and facilities, if any. Any person wanting removal of an existing utility line or facility must negotiate separately with the utility operating the line or facility. After the date of this ordinance, no additional utility lines or facilities of any type may be placed in the subject tract, but existing ones may continue to be used, repaired, augmented, and maintained in the ordinary course of business. This ordinance does not give up any right arising other than from the plat or other document creating the street or alley.

4. Ancillary Construction. City will construct the following improvements (the “City Work”) not later than six months following the completion of the closure of the Segment, (i) a gate on the Segment, (ii) a metal rail fence, and (iii) a 13,000 square foot asphalt parking lot on the property conveyed by City to Martin Linen. The parking lot must be substantially completed before construction *of the alternate path for Grove Avenue*. Until construction of the parking lot is complete, Martin Linen may continue to park on the property it conveys to the City. The City Work is described and shown on **Exhibits C-1 and C-2** hereto. The City Work shall be constructed in accordance therewith, and in a good and workmanlike manner, free from material defects. The City shall promptly take any and all action to cause the removal of any lien affidavit filed of record asserting a mechanic’s or materialmen’s lien against any property owned by Martin Linen and which arises out of the City Work.

5. Appropriations. All obligations of the City under this Agreement are funded subject to the discretion of City Council whether to appropriate funding. If the City Council fails to appropriate money for any obligation under this Agreement, the City need not perform the obligation for which funding is not available. Martin thereupon may terminate this Agreement by providing 30 days prior written notice of termination to City, in which event this Agreement shall thereupon terminate.

6. Dispute Resolution.

6.01. As a condition precedent to bringing any action arising out of or relating to this Agreement or the Exchange Agreement, including an action for declaratory relief but not an action specifically excepted below, the disputants must first submit in good faith to mediation. The parties may not assert limitations, laches, waiver, and estoppel based upon attempts to mediate.

6.02. Filing suit on a claim that should be mediated hereunder waives the filer’s right to demand mediation. But one party’s waiver does not affect another party’s right. A defendant does not waive mediation for so long as, within a reasonable time after appearing, the defendant gives written notice to the plaintiff or its counsel of intent to require compliance with this paragraph.

6.03. Mediation must be conducted in San Antonio, Bexar County, Texas. The party desiring relief has the burden to initiate mediation. Waiting for another party to initiate mediation does not waive the right to it.

6.04. If the parties can otherwise agree on a mediator, they may do so. Alternatively, either party may petition any court of competent jurisdiction to appoint a mediator. The only predicate issues the court need consider before appointing a mediator are whether (i) the copy of the contract before the court is authentic and (ii) the contract was duly signed and delivered by all parties to be bound to mediate. If neither of those issues is denied under oath, the court may appoint a mediator upon motion, without trial.

6.05. Mediator fees must be borne equally. The parties need not mediate before going to court for either party to seek emergency injunctive relief.

7. Miscellaneous Provisions. These Miscellaneous Provisions apply equally to this Agreement and to the Exchange Agreement.

7.01. *Applicable Law.* **THE CONSTRUCTION OF THIS AGREEMENT AND THE RIGHTS, REMEDIES, AND OBLIGATIONS ARISING THEREUNDER ARE GOVERNED BY THE LAWS OF THE STATE OF TEXAS;** provided that the Texas conflicts of law rules must not be used to apply the laws of a jurisdiction other than Texas. The obligations performable hereunder by both parties are performable in San Antonio, Bexar County, Texas.

7.02. *Severability.* If any portion hereof is determined to be invalid or unenforceable, such determination does not affect the remainder hereof.

7.03. *Successors.* This Agreement inures to the benefit of and is binding on the heirs, representatives, successors, and permitted assigns of each party. This clause does not authorize any assignment not otherwise authorized.

7.04. *Integration.* **This Written Agreement And The Exchange Agreement Represent The Final Agreement And May Not Be Contradicted By Evidence Of Prior, Contemporaneous, or Subsequent Oral Agreements Of The Parties. There Are No Oral Agreements Between The Parties.**

7.05. *Modification.*

7.05.01. This Agreement may not be changed orally but only by a written agreement, signed by the party against whom enforcement of any modification is sought. Subject to the foregoing, any of the terms of this Agreement may be modified at any time by the party entitled to the benefit thereof, but no such modification, express or implied, affects the right of the modifying party to require observance of either (i) the same term or condition as it applies on a subsequent or previous occasion or (ii) any other term hereof.

7.05.02 The Director of the Capital Improvements Management Services Department may, without further action of City Council, agree on behalf of City

to extensions of deadlines or other non-material modifications to the rights and obligations of the parties under this Agreement.

7.06. *Third Party Beneficiaries.* This Agreement is intended for the benefit of the parties hereto and their successors and permitted assigns only. There are no third party beneficiaries hereof.

7.07. *Notices.* Any notice provided for or permitted hereunder must be in writing and by certified mail, return receipt requested, addressed to the parties at their respective addresses set forth on page 1 of the Exchange Agreement. If the addressee is a corporation, notices must be addressed to the attention of its President. The giving of notice is complete three days after its deposit, properly addressed and postage prepaid, with the United States Postal Service. Failure to use certified mail does not defeat the effectiveness of notice actually received, but such notice is given only upon actual receipt. Address for notice may be changed by giving notice hereunder.

7.08. *Counterparts.* This Agreement may be executed in multiple counterparts, each of which is an original, whether or not all parties sign the same document. Regardless of the number of counterparts, they constitute only one agreement. In making proof of this agreement, one need not produce or account for more counterparts than necessary to show execution by or on behalf of all parties.

7.09. *Further Assurances.* The parties must execute and deliver such additional documents and instruments as may be reasonably required to effect fully the provisions hereof. No such additional document(s), however, shall alter the rights or obligations of the parties as contained in this Agreement

7.10. *Survival.* The obligations of this Agreement that cannot be performed before termination of this Agreement or before Closing survive termination of this Agreement 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 Agreement, the Closing Documents control.

7.11. *Waiver of Consumer Rights.* **Both Parties Waive Their 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, the Parties Voluntarily Consent To This Waiver.**

7.12. *Termination.* In the event this Agreement terminates for any reason the Exchange Agreement shall also automatically terminate. In the event the Exchange Agreement terminates for any reason this Agreement shall also automatically terminate. Upon termination hereof for any reason the parties shall promptly unwind the transactions contemplated by this Agreement and the Exchange Agreement in a commercially reasonable manner to the extent reasonably possible

8. Prohibited Interests in Contracts.

8.01. The Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as defined in Section 2-52 of the Ethics Code, from having a financial interest in any contract with the City or any City agency such as city owned utilities. An officer or employee has a “prohibited financial interest” in a contract with the City or in the sale to the City of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale:

- (i) a City officer or employee;
- (ii) his parent, child or spouse;
- (iii) a business entity in which the officer or employee, or his parent, child or spouse owns (i) 10% or more of the voting stock or shares of the business entity, or (ii) 10% or more of the fair market value of the business entity;
- (iv) a business entity in which any individual or entity above listed is a (i) subcontractor on a City contract, (ii) a partner, or (iii) a parent or subsidiary business entity.

8.02. Martin Linen warrants and certifies as follows:

- (i) Martin Linen and its officers, employees and agents are neither officers nor employees of the City.
- (ii) Martin Linen has tendered to the City a Discretionary Contracts Disclosure Statement in compliance with the City’s Ethics Code.

8.03. Martin Linen acknowledges that City’s reliance on the above warranties and certifications is reasonable.

9. Public Information. Martin Linen acknowledges that this instrument is public information within the meaning of Chapter 552 of the Texas Government Code and accordingly may be disclosed to the public.

In Witness Whereof, the parties have caused their representatives to set their hands.

City of San Antonio, a Texas municipal corporation

The Martin Linen Supply Company, a Texas corporation

Signature: _____

Signature: _____

Printed
Name: _____

Printed
Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Approved as to Form:

City Attorney

Exhibit A

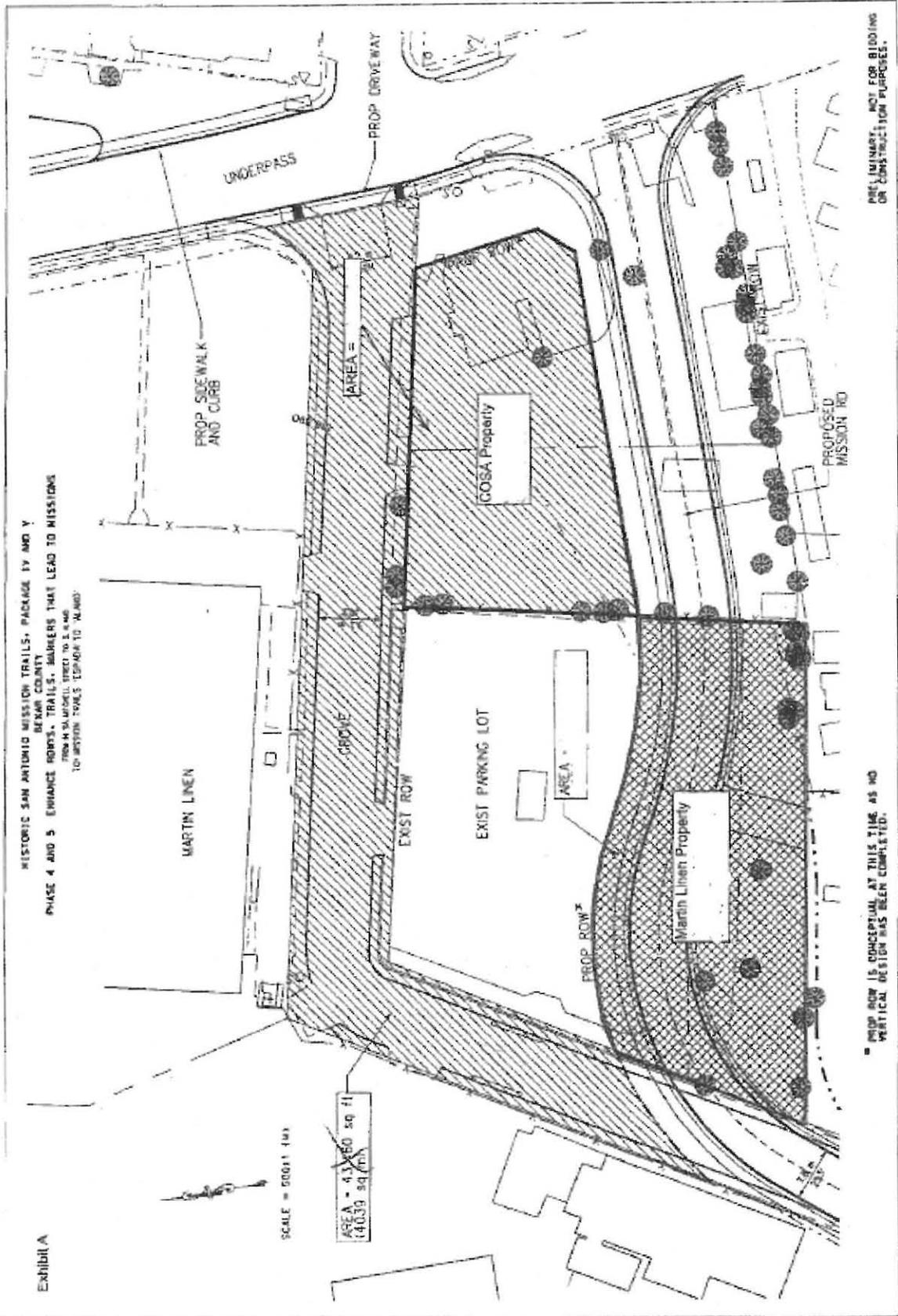


Exhibit B – Exchange Agreement

[See Attached]

