

Real Estate Sales Contract

3100 Roosevelt Ave. (Mission Four Drive-In Theater); Parcel No. 18192

This contract to buy and sell real property is between Seller and Buyer as identified below and is effective on the date ("Effective Date") Title Company acknowledges receipt of a signed copy of this contract. If the Earnest Money is paid by check and payment on presentation is refused, this contract automatically terminates.

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**Authorizing
Ordinance:**

Seller: Mid-Loop, Inc., a Texas corporation

EXECUTION COPY

Address: 606 Embassy Oaks, Suite 350, San Antonio, Texas
78216

Phone: (210) 496-1300 **Contact:** Mr. Sean Nasis, CFO

Fax: (210) 496-2720

Email: snasis@santikos.com

**Type of
Entity:** A Texas corporation

Seller's Counsel: Pulman, Bresnahan, Pullen & Cappuccio, LLP

Address: 2161 NW Military Hwy., Suite 400,
San Antonio, Texas 78213

Phone: (210) 222-9494 **Contact:** Mr. Brad Jones

Fax: (210) 892-1610

Email: bjones@pulmanlaw.com

Buyer: City of San Antonio

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

Phone: (210) 207-8234(Steve Hodges)/207-4039 (Kevin
Sadler)

Fax: (210) 207-4034

Email: ksadler@sanantonio.gov

**Type of
Entity:** A Texas municipal corporation

Buyer's Counsel: Kenneth L. Bennight, Jr.

Address: City Attorney's Office, P.O. Box 839966, San
Antonio, Texas 78283-3966

Phone: 210-207-6168

Email: kenneth.bennight@sanantonio.gov

Property: 25.965 acres of land, more or less, out of NCB 7675, City of San Antonio, Bexar County, Texas, known as Santikos Mission Four Drive-In Theatre located at 3100 Roosevelt Avenue and more fully described in **Exhibit A** ("Land"), together with improvements to the Land ("Improvements"), but expressly excluding those items removed by Seller during

the Removal Period (as defined herein).

Title Company: Chicago Title Insurance Company

Address: 270 N. Loop 1604 E, #110 San Antonio, Tx 78232

Phone: (210) 482-3753 **Contact:** Mr. Todd Rasco

Fax: (210) 482-3758

Email: rascot@ctt.com

Independent Consideration: \$100.00

Purchase Price: \$2.83 per square foot of total area of Land as shown on the Survey to be prepared as set forth herein.

Earnest Money: \$50,000.00

Surveyor: Stephen G. Cook Engineering, Inc.

Survey Category: Category 1A Texas Land Title Survey

County for Performance: Bexar

1. Deadlines and Other Dates

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

1.01	Earnest Money Deadline	Five (5) Business days after Effective Date
1.02	Delivery of Title Commitment	30 days after the Effective Date
1.03	Delivery of Survey	30 days after Effective Date
1.04	Title and Survey Objection Deadline	20 days after the receipt of Title Commitment
1.05	End of Inspection Period	60 days after the Effective Date
1.06	Closing Date	20 days after the Inspection Period

1.07 Closing Time

10:00 a.m. on the Closing Date

The deadlines may be altered by the mutual agreement of the parties in writing. Buyer's consent may be made by the Director of Asset Management without further authorization of City Council.

2. Closing Documents

2.01. At closing, Seller will deliver the following items:

Special Warranty Deed in the form attached hereto as **Exhibit D**

IRS Nonforeign Person Affidavit in the form attached hereto as **Exhibit E**, but if Title Company is, for any reason, unsatisfied with the form, Seller will accept back-up withholding

Evidence of Seller's authority to close this transaction

Notices, statements, and certificates as specified in **Exhibit C**

2.02. At closing, Buyer will deliver the following items:

Evidence of Buyer's authority to consummate this transaction

Purchase Price

2.03. The documents listed above are collectively known as the "Closing Documents."

2.04. The deed may except from warranty (not from conveyance) items reflected in Schedule B of the latest effective title commitment. It may not except rights of parties in possession, survey-related matters (except to the extent reflected on the latest effective title commitment), or other rights not arising out of a recorded instrument.

3. Exhibits.

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

Exhibit A—Description of the Land

Exhibit B—Representations; Environmental Matters

Exhibit C—Notices, Statements, and Certificates

Exhibit D—Special Warranty Deed

Exhibit E—FIRPTA Affidavit

4. Purchase and Sale of Property

Seller will sell and convey the Property to Buyer, and Buyer will buy and pay Seller for the Property. For a period of thirty (30) days after Closing (the "Removal Period"), Seller shall have the right, but not the obligation, to remove from the Property any of the improvements, any components or parts of the improvements (including structural items), any furniture, equipment, trade fixtures, any other fixtures, any personal property including, without limitation, all of the movie screens, projectors, and concessions, whether located on the Land or affixed to the improvements situated thereon or part of the electrical, plumbing and/or heating, ventilating and air condition system; including, without limitation, any materials, supplies, inventory or other items associated with or incorporated into the Property including, without limitation, pylon signs, sign cabinets and sign faces. Upon the expiration of the Removal Period, Seller shall deliver the Property to Buyer in its then condition AS IS WHERE IS and WITH ALL FAULTS, as more fully described in this Agreement. Seller shall have no obligation to demolish or raze any improvements situated on the property or to remove any remaining portion of the improvements or any of the furniture, fixtures, equipment and personal property described above, and Seller and Buyer agree that after the expiration of the Removal Period, all improvements, fixtures, equipment and personalty remaining on the Land shall be deemed abandoned by Seller, shall become the property of the Buyer, and that Seller shall have no claim, interest, obligation, duty, responsibility or liability with respect to such property whatsoever.

5. Interest on Earnest Money

Buyer may direct Title Company to invest the Earnest Money in an interest-bearing account in a federally insured financial institution by giving notice to Title Company and satisfying Title Company's requirements for investing the Earnest Money in an interest-bearing account. Any interest earned on the Earnest Money will be paid to the party that becomes entitled to the Earnest Money. Accrued interest is a credit against the purchase price at closing.

6. Title and Survey

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

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6.02. *Title Commitment; Title Policy.* "Title Commitment" means a Commitment for Issuance of an Owner Policy of Title Insurance by Title Company, stating the condition of title to the Land. The "effective date" stated in the Title Commitment must be after the Effective Date of this contract.

6.03. *Survey.* "Survey" means an on-the-ground, staked plat of survey and metes-and-bounds description of the Land showing the square footage of total area of Land sufficient for calculation of the Purchase Price, prepared by Surveyor or another surveyor satisfactory to Title Company, dated after the Effective Date, and certified to comply with the current standards and specifications as published by the Texas Society of Professional Surveyors for the Survey Category.

6.05. *Delivery of Title Commitment, Survey.* Seller must deliver the Title Commitment and the Survey by the deadline stated in section 1.

6.06. *Title Objections.*

(a) Buyer has until the Title and Survey Objection Deadline to review the Survey and Title Commitment and notify Seller in writing of Buyer's objections to any of them ("Title Objections").

(b) If Buyer notifies Seller of any Title Objections as provided for herein, Seller has five (5) days from receipt of Buyer's notice to notify Buyer whether Seller agrees to cure the Title Objections before closing ("Cure Notice"). If Seller does not timely give its Cure Notice or timely gives its Cure Notice but does not agree to cure all the Title Objections before closing, Buyer may, within five (5) days after the deadline for the giving of Seller's Cure Notice, notify Seller that this contract is terminated.

(c) Buyer is deemed to have approved all matters reflected by the Survey and Title Commitment to which Buyer has made no Title Objection by the Title and Survey Objection Deadline. Buyer is further deemed to have approved Title Objections that Seller does not elect to cure, if Buyer does not terminate the contract as provided for herein. The matters that Buyer either approves or is deemed to have approved are "Permitted Exceptions" and shall appear in the deed delivered at Closing.

(d) In absence of timely notice of termination, Buyer will proceed to close, subject to Seller's obligations to resolve the items listed in Schedule C of the Title Commitment, remove the liquidated liens, remove all exceptions that arise by, through, or under Seller after the Effective Date, and cure only the Title Objections that Seller has agreed to cure in the Cure Notice. At or before closing, Seller must resolve the items that are listed on Schedule C of the Title Commitment, remove all liquidated liens, remove all exceptions that arise by, through, or under Seller after the Effective Date of this contract, and cure the Title Objections that Seller has agreed to cure.

7. Inspection Period

7.01. *Entry onto the Property.* Buyer may enter the Property before closing to inspect it, subject to the following:

- a. Buyer may not unreasonably interfere with existing operations or occupants of the Property;
- b. if the Property is altered because of Buyer's inspections, Buyer must return the Property to its preinspection condition promptly after the alteration occurs; and
- c. Buyer must deliver to Seller copies of all inspection reports that Buyer prepares or receives from third-party consultants or contractors within three days of their preparation or receipt.

7.02. *Extension of Inspection Period.* Upon written notice to Seller prior to expiration of the Inspection Period which notice shall include a letter from a reputable licensed engineer clearly stating that the results of the Phase I Environmental Assessment completed with respect to the Property require the completion of a Phase II Environmental Assessment, Buyer may extend the Inspection Period for a period of not more than forty-five (45) days for the sole purpose of completing a Phase II Environmental Survey (the "Phase II"). As a condition to such notice, Buyer must waive all title, property condition and all other due diligence objections to the Property other than the Phase II.

7.03. *Inspection Period.* Except for those matters that arise from the negligence of Seller or Seller's agents or employees, Buyer is responsible for any claim, liability, encumbrance, cause of action, and expense caused by Buyer's inspections, studies or assessments, including any property damage or personal injury.

7.04. *Buyer's Right to Terminate.* Buyer may terminate this contract for any reason by notifying Seller in writing before the end of the Inspection Period, provided however, in the event Buyer exercises its right to extend the Inspection Period as provided for in Section 7.02, Buyer will have waived all title, property condition and all other diligence objections to the Property and may only terminate this contract due to unsatisfactory results of the Phase II.

7.05 BUYER ACKNOWLEDGES AND AGREES, THAT EXCEPT AS OTHERWISE SPECIFICALLY STATED HEREIN, SELLER HEREBY SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY OR REPRESENTATION, ORAL OR WRITTEN, PAST, PRESENT, OR FUTURE, OF, AS TO, OR CONCERNING (a) THE NATURE AND CONDITION OF THE PROPERTY AND IMPROVEMENTS OR OTHER ITEMS CONVEYED

HEREUNDER, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, THE SUITABILITY THEREOF AND OF THE PROPERTY OR OTHER ITEMS CONVEYED HEREUNDER FOR ANY AND ALL ACTIVITIES AND USES WHICH BUYER MAY ELECT TO CONDUCT THEREON, THE EXISTENCE OF ANY ENVIRONMENTAL HAZARDS OR CONDITIONS THEREON (INCLUDING BUT NOT LIMITED TO THE PRESENCE OF ASBESTOS OR OTHER HAZARDOUS MATERIALS) OR COMPLIANCE WITH APPLICABLE ENVIRONMENTAL LAWS, RULES OR REGULATIONS; (b) THE NATURE AND EXTENT OF ANY RIGHT-OF-WAY, LIEN, ENCUMBRANCE, LICENSE, RESERVATION, CONDITION OR OTHERWISE; AND (c) THE COMPLIANCE OF THE PROPERTY OR OTHER ITEMS CONVEYED HEREUNDER OR ITS OPERATION WITH ANY LAWS, ORDINANCES OR REGULATIONS OF ANY GOVERNMENTAL ENTITY OR BODY. BUYER ACKNOWLEDGES THAT AS OF THE EXPIRATION OF THE FEASIBILITY PERIOD AND CLOSING DATE, IT WILL HAVE INSPECTED THE PROPERTY OR OTHER ITEMS CONVEYED HEREUNDER AND THAT BUYER IS RELYING SOLELY ON BUYER'S OWN INVESTIGATION OF THE SAME AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY OR ON BEHALF OF SELLER. THE CONVEYANCE IS MADE ON AN "AS IS", "WHERE IS" AND "WITH ALL FAULTS" BASIS, AND BUYER EXPRESSLY ACKNOWLEDGES THAT, EXCEPT AS OTHERWISE SPECIFIED HEREIN, SELLER HAS MADE NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE PROPERTY, ANY OTHER ITEM TO BE CONVEYED OR ANY PORTION THEREOF, ALL SUCH REPRESENTATIONS AND WARRANTIES, AS WELL AS ANY IMPLIED WARRANTIES BEING HEREBY EXPRESSLY DISCLAIMED.

8. Independent Consideration.

As independent consideration for this agreement, Seller acknowledges receipt from Buyer of \$100. This sum is not a credit against the Purchase Price and is not refundable under any circumstance.

9. Representations.

The parties' representations stated in **Exhibit B** are true and correct as of the Effective Date and shall be true and correct in all material respects on the Closing Date.

10. Condition until Closing; Cooperation.

10.01. *Condemnation.* Seller will notify Buyer promptly after Seller receives notice that any part of the Property has been or is threatened to be condemned or otherwise taken by a governmental or quasi-governmental authority.

Buyer may terminate this contract if the condemnation would materially affect Buyer's intended use of the Property by giving notice to Seller within fifteen days after receipt of Seller's notice to Buyer (or before closing if Seller's notice is received less than fifteen days before closing). If Buyer does not terminate this contract, (a) Buyer and Seller will each have the right to appear and defend their respective interests in the Property in the condemnation proceedings, (b) any award in condemnation will be assigned to Buyer, and (c) if the taking occurs before closing, the description of the Property will be revised to delete the portion taken.

10.02. *Claims; Hearings.* Seller will notify Buyer promptly of any claim or administrative hearing that is threatened, filed, or initiated before closing that affects the Property.

10.03. *Cooperation.* Seller will use commercially reasonable efforts to cooperate with Buyer (a) before and after closing, to transfer the applications, permits, and licenses held by Seller and used in the operation of the Property and to obtain any consents necessary for Buyer to operate the Property after closing and (b) before closing, with any reasonable evaluation, inspection, audit, or study of the Property prepared by, for, or at the request of Buyer.

11. Termination.

11.01. If Buyer terminates this contract in accordance with any of Buyer's rights to terminate expressly set forth herein, Seller will, within five days of receipt of Buyer's termination notice, authorize Title Company to deliver the Earnest Money to Buyer, less \$100, which will be paid to Seller as consideration for the right granted by Seller to Buyer to terminate this contract.

11.02. If Seller terminates this contract in accordance with any of Seller's rights to terminate, Buyer will, within five days of receipt of Seller's termination notice, authorize Title Company to pay and deliver the Earnest Money to Seller.

12. Closing.

12.01. *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. *Payment of Purchase Price.* Buyer will have caused to be timely delivered to the Title Company a City check such that the Purchase Price and other amounts that Buyer is obligated to pay under this contract will be available in immediately certifiable funds. The Earnest Money will be applied to the Purchase Price.

EXECUTION COPY

- c. *Disbursement of Funds; Recording; Copies.* Title Company will be instructed to disburse the Purchase Price and other funds in accordance with this contract, record the deed and the other Closing Documents directed to be recorded, and distribute documents and copies in accordance with the parties' written instructions.
- d. *Possession.* Seller will deliver possession of the Property to Buyer, subject to the Permitted Exceptions existing at closing.

12.02. *Transaction Costs*

- a. *Seller's Costs.* Seller will pay the basic charge for the Title Policy; one-half of the escrow fee charged by Title Company; the costs to prepare the deed; the costs to obtain, deliver, and record releases of all liens to be released at closing; the costs to record all documents to cure Title Objections agreed to be cured by Seller; certificates or reports of ad valorem taxes; and Seller's expenses and attorney's fees.
- b. *Buyer's Costs.* Buyer will pay one-half of the escrow fee; the costs to obtain, deliver, and record all documents other than those to be recorded at Seller's expense; Title Company's inspection fee to delete from the Title Policy the customary exception for parties in possession; the additional premium for removing the survey and encroachment exception, the costs to obtain the Survey; the costs of work required by Buyer to have the survey reflect matters other than those required under this contract; and Buyer's expenses and attorney's fees.
- c. *Ad Valorem Taxes.* Ad valorem taxes for the Property for the calendar year of closing will be prorated between Buyer and Seller as of the Closing Date in accordance with § 26.11 of the Texas Tax Code. Seller's portion of the prorated taxes will be paid to Buyer at closing as an adjustment to the Purchase Price. Seller will promptly notify Buyer of all notices of proposed or final tax valuations and assessments that Seller receives after the Effective Date and after closing. All taxes due as of closing will be paid at closing.
- d. *Postclosing Adjustments.* If errors in the prorations made at closing are identified within ninety days after closing, Seller and Buyer will make postclosing adjustments to correct the errors within fifteen days of receipt of notice of the errors.
- e. *Brokers' Commissions.* Seller must pay any commission owing to a broker claiming through Seller.

12.03. *Issuance of Title Policy.* Seller will cause Title Company to issue the Title Policy to Buyer as soon as practicable after closing.

13. Default and Remedies.

13.01. *Seller's Default.* If Seller fails to perform any of its obligations under this contract or if any of Seller's representations is not true and correct in any material respect as of the Closing Date ("Seller's Default"), Buyer may elect either of the following as its sole and exclusive remedy:

a. *Termination; Liquidated Damages.* Buyer may terminate this contract by giving written notice to Seller on or before the Closing Date and Closing Time and have the Earnest Money, less \$100 Independent Consideration, returned to Buyer.

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

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

a. *Termination; Liquidated Damages.* Seller may terminate this contract by giving written notice to Buyer. The Earnest Money shall thereupon be payable to Seller without need of joinder of Buyer.

b. *Specific Performance.* Seller may enforce specific performance of Buyer's obligations under this contract.

13.03. *Liquidated Damages.* The parties agree that just compensation for the harm that would be caused by either party's default cannot be accurately estimated or would be very difficult to accurately estimate and that the Earnest Money is a reasonable forecast of just compensation to the nondefaulting party for the harm that would be caused by a default.

14. Miscellaneous Provisions.

14.01. *Applicable Law.* **The Construction of This Agreement and The Rights, Remedies, and Obligations Arising Under it Are Governed By The Laws of The State of Texas.** The Texas conflicts of law rules must not be used to cause the application of the laws of a jurisdiction other than Texas. The obligations performable by both parties are performable in San Antonio, Bexar County, Texas.

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

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

14.04. *Integration.* **This written agreement represents the final agreement between the parties 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.**

14.05. *Modification.* 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.

14.06. *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.

14.07. *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 in the preamble. Notice is complete three days after 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 effective only on actual receipt. Address for notice may be changed by giving notice.

14.08. *Counterparts.* This Agreement may be executed in multiple counterparts, each of which shall be 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, it is not necessary to produce or account for more counterparts than are necessary to show execution by or on behalf of all parties.

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

14.10. *Survival.* The obligations of this contract that cannot be performed before closing will survive closing, and the doctrine of merger does not apply. In

case of conflict between the Closing Documents and this contract, the Closing Documents control.

14.11. *Ambiguities Not to Be Construed against Party Who Drafted Contract.* The rule of construction that ambiguities in a document will be construed against the party who drafted it will not be applied in interpreting this contract.

15. Prohibited Interest in Contracts.

15.01. 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.

15.02. Seller warrants and certifies as follows:

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

15.03. Seller acknowledges that City's reliance on the above warranties and certifications is reasonable.

16. Public Information.

Seller acknowledges that this instrument and all documents ancillary to it are public information within the meaning of Chapter 552 of the Texas Government Code and accordingly may be disclosed to the public.

17. Noncash Charitable Contribution.

Buyer acknowledges that Seller has agreed to sell the Property for a value substantially less than market value and such additional value realized by Buyer may constitute a noncash charitable contribution to Buyer. Buyer agrees to execute at Closing an IRS Form 8283 evidencing such noncash charitable contribution to Buyer by Seller in an amount based upon the appraisal of the Property obtained by Seller. Buyer makes no representation or warranty as to the amount, if any, of charitable contribution that Seller may realize in connection with this sale.

18. City Council Approval.

The parties acknowledge that the obligations of Buyer under this contract are expressly contingent upon the City Council of San Antonio authorizing, approving and ratifying this contract and the purchase of the Property. Buyer covenants to Seller to submit this contract for formal City Council approval on or before October 22, 2007, and in the event this contract is not heard or approved by City Council on or before such date (including the authorizing of the funds necessary to close on the purchase of the Property), Seller may terminate this contract at its option and at any time thereafter, by providing written notice to Buyer in which event Buyer shall receive the Earnest Money less the Independent Consideration.

19. Tax-Deferred Exchange.

The parties agree to cooperate in effecting the other party's exchange under §1031 of the Internal Revenue Code; provided, however, (i) the exchange shall be at no expense to the cooperating party; (ii) the exchange shall not delay the Closing Date for transfer of the Property; and (iii) cooperating party shall not be required to acquire title to any proposed exchange properties or to incur any liability to accommodate such party's exchange.

20. Assignment.

Buyer shall have no right to assign this contract or any rights hereunder without Seller's prior written consent, which may be withheld in its sole discretion.

21. Restrictive Covenant.

As material consideration and inducement of Seller for entering into the transaction contemplated by this Agreement, Seller shall convey the property subject to the following restrictive covenant, which shall appear in the special warranty deed at Closing (the "Restrictive Covenant"): "Grantee agrees, as a covenant running with the land, that in no event shall the land be used for the operation of a Movie Theater (as defined herein) for a period of twenty (20) years after the recordation of this Deed. The term "Movie Theater" shall mean the showing of motion pictures to the general public for profit. This restriction is to run with the land, and shall be binding upon Grantee, and Grantee's heirs, successors, assigns or legal representatives, and in the event Grantee, or its successors or assigns shall violate or attempt to violate said restrictive covenant, it shall be lawful for Grantor, and Grantor's heirs, assigns or legal representatives, to prosecute any proceedings at law or in equity against the

person or persons violating or attempting to violate this restrictive covenant, either to prevent them from doing so, or to recover damages for such violation, or both. However, under no circumstances shall title to the Property revert to Grantor and its successors or assigns in the event Grantee or its heirs, assigns or legal representatives violate this restrictive covenant." This restrictive covenant shall be a Permitted Exception.

22. Effective Date.

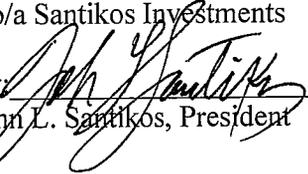
The effective date of the Agreement (the "Effective Date") is the date the Title Company acknowledges receipt of the Agreement as evidenced by the signature of an authorized representative of the Title Company in the space provided for such acknowledgment on the signature pages hereof.

Seller:

Buyer:

Mid-Loop, Inc., a Texas corporation
d/b/a Santikos Investments

City of San Antonio, a Texas municipal corporation

By: 
John L. Santikos, President

By: _____

Title: _____

Printed Name: _____

Date: Oct 5, 07

Date: _____

Title Company Acknowledgment and Receipt of Contract

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

Upon Title Company's receipt of the earnest money from Buyer, it will complete and deliver to both parties an Earnest Money Receipt in substantially the form appearing on the next page.

Chicago Title Insurance Company

By: _____

Printed
Name: _____

Title: _____

Date: _____

Earnest Money Receipt

This Earnest Money Receipt pertains to the following Real Estate Sales Contract:

Effective Date:

Authorizing Ordinance:

Seller: Mid Loop, Inc.

Buyer: City of San Antonio

Property: 25.965 acres of land, more or less, out of NCB 7675, City of San Antonio, Bexar County, Texas, known as Santikos Mission Four Drive-In Theatre located at 3100 Roosevelt Avenue

Earnest Money: \$50,000.00

By causing its representative to sign below, Title Company acknowledges receipt from or for the account of Buyer of the amount of Earnest Money stated above in the form of a check on the dated stated below.

Date: _____

Chicago Title Insurance Company

By: _____

Printed
Name: _____

Title: _____

Date: _____

Exhibit A

25.965 acres of land being Lot 43 (12,951 acres), N.C.B. 7675, Mission Drive-In Theatres as recorded in Volume 8100, Page 118 of the Deed and Plat Records of Bexar County, Texas and 13.014 acres out of the San Jose Mission Lands, County Block 4001, N.C.B. 7675 as recorded in Volume 7173, Page 685 and 686 in the Deed and Plat Records of Bexar County, Texas and being more particularly described as follows:

BEGINNING at an iron pin found in the apparent north right-of-way of San Jose Drive and the apparent east right-of-way of U.S. Highway 281 (Roosevelt Avenue), thence N 02° 26' 14" E, 75.23 feet to the Point of Beginning;

THENCE along said east right-of-way line of U.S. 281 N 02° 26' 14" E, 104.16 feet to the P.C. of a curve to the left;

THENCE with said curve to the left whose radius is 11,519.3 feet and whose central angle is 02° 52' 00", a distance of 576.34 feet to the P.T. of said curve;

THENCE N 00° 25' 46" W, a distance of 99.34 feet to an angle point;

THENCE N 30° 36' 29" E, a distance of 124.35 feet to an angle point, said angle point being in the south right-of-way line of East White Avenue;

THENCE along said south right-of-way line of East White Avenue N 61° 39' 31" E, a distance of 379.38 feet to an angle point;

THENCE S 28° 27' 57" E, a distance of 158.83 feet to an angle point;

THENCE N 75° 34' 44" E, a distance of 303.15 feet to an angle point;

THENCE N 61° 24' 52" E, a distance of 44.96 feet to an angle point;

THENCE S 39° 09' 15" E, a distance of 720.45 feet to an angle point;

THENCE S 34° 57' 33" W, a distance of 135.96 feet to an angle point;

THENCE S 34° 43' 37" W, a distance of 749.65 feet to the P.C. of a curve to the left;

THENCE along said curve to the left whose tangent bears N 39° 46' 17" W and whose radius is 411.26 feet and whose central angle is 24° 03' 27", a distance of 172.69 feet to the P.T. of said curve;

THENCE N 63° 49' 44" W, a distance of 92.26 feet to the P.C. of the curve to the left;

THENCE along said curve to the left whose radius is 586.0 feet and whose central angle is 16° 47' 17" a distance of 171.70 feet to the P.T. of said curve to the left;

THENCE N 80° 37' 01" W, a distance of 221.99 feet to an angle point;

THENCE N 76° 14' 54" W, a distance of 122.10 feet to an angle point;

THENCE N 87° 33' 46" W, a distance of 50.75 feet to the Point of Beginning and containing 25.965 acres of land, more or less.

Exhibit B

Representations;

A. Seller's Representations to Buyer

Seller represents to Buyer, to the best of its knowledge, that the following are true and correct as of the Effective Date and will be true and correct in all material respects on the Closing Date.

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

2. *Litigation.* There is no litigation currently pending or threatened against Seller affecting the Property or Seller's ability to perform its obligations under this contract.

3. *Violation of Laws.* Seller has received no written notice of violation of any law, ordinance, regulation, or requirements affecting the Property.

4. *Condemnation.* Seller has not received notice of any pending or threatened condemnation proceedings affecting the Property.

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

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

For the purposes of this contract, "knowledge" means an individual shall be deemed to have "knowledge" of, to "know" or to have "known" a particular fact or other matter only if such individual is actually and presently aware of such fact or other matter, without any obligation to make or to have made any investigation with respect thereto. Seller shall be deemed to have "knowledge" of, to "know" or to have "known" a particular fact or other matter if only if John L. Santikos has knowledge of such fact or other matter.

EXECUTION COPY

The representations and warranties of Seller set forth in this Exhibit "B" shall survive the recordation of the deed for a period of twelve (12) months only. Notwithstanding anything to the contrary in this Exhibit "B" or in the contract, Buyer shall have no claim for any breach of a representation or warranty by Seller as to which Buyer has knowledge of the untruth or inaccuracy thereof on the Effective Date or prior to Closing unless Buyer asserts such claim prior to Closing.

B. Buyer's Representations to Seller

Buyer represents and warrants to Seller that Buyer is duly organized, validly existing and in good standing under the laws of the State of Texas, and has all requisite corporate power and authority to execute, deliver and perform its obligations under this contract and to consummate the transactions hereby and thereby. The execution, delivery and performance by Buyer of this contract and the consummation by it of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action. Buyer represents and warrants to Seller that it has all funds earmarked or in place necessary to closing on the purchase of the Property.

Exhibit C

Notices, Statements, and Certificates

The following notices, statements, and certificates are attached for delivery to Buyer, and Buyer acknowledges receipt of the notices, statements, and certificates by executing this contract:

Notice concerning underground storage tanks, described in section 334.9 of title 30 of the Texas Administrative Code

Exhibit D

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER

SPECIAL WARRANTY DEED

DATE: _____

GRANTOR: _____

GRANTOR'S MAILING ADDRESS:

GRANTEE: _____

GRANTEE'S MAILING ADDRESS:

CONSIDERATION:

For the sum of TEN (\$10.00) DOLLARS and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Grantor.

PROPERTY:

SEE EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN FOR ALL PURPOSES

RESERVATIONS FROM AND EXCEPTIONS TO CONVEYANCE AND WARRANTY:

All matters of record in the Official Public Records of Real Property of _____ County, Texas including, but not limited to the following:

SEE EXHIBIT "B" ATTACHED HERETO AND INCORPORATED HEREIN FOR ALL PURPOSES

Grantor, for the consideration and subject to the reservations to conveyance and warranty, grants, sells, and conveys to Grantee the property, together with all and

singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's heirs, executors, administrators, successors, or assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, except as to the reservations from and exceptions to warranty, when the claim is by, through, or under Grantor but not otherwise.

GRANTEE ACKNOWLEDGES AND AGREES, THAT EXCEPT AS OTHERWISE SPECIFICALLY STATED HEREIN, GRANTOR HEREBY SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY OR REPRESENTATION, ORAL OR WRITTEN, PAST, PRESENT, OR FUTURE, OF, AS TO, OR CONCERNING (a) THE NATURE AND CONDITION OF THE PROPERTY AND IMPROVEMENTS OR OTHER ITEMS CONVEYED HEREUNDER, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, THE SUITABILITY THEREOF AND OF THE PROPERTY OR OTHER ITEMS CONVEYED HEREUNDER FOR ANY AND ALL ACTIVITIES AND USES WHICH GRANTEE MAY ELECT TO CONDUCT THEREON, THE EXISTENCE OF ANY ENVIRONMENTAL HAZARDS OR CONDITIONS THEREON (INCLUDING BUT NOT LIMITED TO THE PRESENCE OF ASBESTOS OR OTHER HAZARDOUS MATERIALS) OR COMPLIANCE WITH APPLICABLE ENVIRONMENTAL LAWS, RULES OR REGULATIONS; (b) THE NATURE AND EXTENT OF ANY RIGHT-OF-WAY, LIEN, ENCUMBRANCE, LICENSE, RESERVATION, CONDITION OR OTHERWISE; AND (c) THE COMPLIANCE OF THE PROPERTY OR OTHER ITEMS CONVEYED HEREUNDER OR ITS OPERATION WITH ANY LAWS, ORDINANCES OR REGULATIONS OF ANY GOVERNMENTAL ENTITY OR BODY. GRANTEE ACKNOWLEDGES THAT IT HAS INSPECTED THE PROPERTY OR OTHER ITEMS CONVEYED HEREUNDER AND THAT GRANTEE IS RELYING SOLELY ON GRANTEE'S OWN INVESTIGATION OF THE SAME AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY OR ON BEHALF OF GRANTOR. THE CONVEYANCE IS MADE ON AN "AS IS", "WHERE IS" AND "WITH ALL FAULTS" BASIS, AND GRANTEE EXPRESSLY ACKNOWLEDGES THAT, EXCEPT AS OTHERWISE SPECIFIED HEREIN, GRANTOR HAS MADE NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE PROPERTY, ANY OTHER ITEM TO BE CONVEYED OR ANY PORTION THEREOF, ALL SUCH REPRESENTATIONS AND WARRANTIES, AS WELL AS ANY IMPLIED WARRANTIES BEING HEREBY EXPRESSLY DISCLAIMED.

GRANTOR:

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF _____ §

On this the _____ day of _____ before me the undersigned
Notary Public, personally appeared _____ who
acknowledged that he is the _____ of
_____ and that he executed the foregoing special
warranty deed for the purposes therein contained by signing his name as such officer.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND
OFFICIAL SEAL.

Notary Public, State of Texas

AFTER RECORDING, PLEASE RETURN TO:

Exhibit E

NONFOREIGN AFFIDAVIT -- ENTITY
(Pursuant to 26 U.S.C. Section 1445 & Treas. Reg. Section 1.1445(b) (2) (iii))

Date: _____, 2007

Transferor:
a

Transferor's Office Address:

Transferor's U.S. Taxpayer Identification Number:

Transferee:
a

Properties: See attached Exhibit "A".

Section 1445 of the Internal Revenue Code provides that a transferee of U.S. real property interest must withhold tax if the transferor is a foreign person. To inform Transferee that withholding of tax is not required upon the disposition of a U.S. real property interest by Transferor, I certify on behalf of Transferor that the contents of this affidavit are true.

Transferor is not a foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations).

Transferor is not a disregarded entity as defined in §1.1445-2(b)(2)(iii).

Transferor understands that this certification may be disclosed to the Internal Revenue Service by Transferee and that any false statement contained in this affidavit could be punished by fine, imprisonment, or both.

Under penalties of perjury I declare that I have examined this affidavit and to the best of my knowledge and belief it is true, correct, and complete, and I further declare that I have authority to sign this document on behalf of Transferor.

[Transferor signature block]

[Corporate Seal]

EXECUTION COPY

STATE OF *
*
COUNTY OF *

The foregoing instrument was acknowledged before me this ____ day of _____, 2007 by _____, as _____ of _____, a _____, on behalf of the _____ . He is personally known to me.

(NOTARY SEAL)

Signature of Notary Public

Typed or Printed Name of Notary
Commission No.:
My Commission Expires: