

## PURCHASE AND SALE AGREEMENT

### 1. TERMS SUMMARY.

Date of Agreement, i.e., date of full execution (for reference purposes and for calculation of deadlines) November 6, 2013.

This Agreement includes the Property Disclosure Statement.

Offer Expiration Date: November 8, 2013.

Buyer: Lobo Development Corporation, a New Mexico non-profit corporation formed under the University Research Park and Economic Development Act.

Seller: First Baptist Church of Albuquerque, a New Mexico not for profit corporation.

4101 Paseo del Norte NW

Albuquerque, NM 87114

Property: First Baptist Church located at NW corner of Central Avenue and Broadway NE including approximately 6.96 acres of land, all buildings and all other improvements.

Legal Description: Tracts A, B, C and D, lands of the First Baptist Church, Albuquerque, New Mexico pursuant to plat dated September 27, 1988 and recorded in Bernalillo County, New Mexico in Plat Book C37, Folio 107; such property being generally depicted on Exhibit A.

Purchase Price: \$6,650,000.00 (plus the reduced rent pursuant to the Noon Day Lease (as defined below)).

Earnest Money: \$72,000.00

Title Company: Stewart Title of Albuquerque, LLC (Gail Torino)

Address: 6759 Academy Rd., NE, Albuquerque, NM 87109

Phone: 828-1700

Facsimile: 821-7403

Email: gail.torino@stewart.com

Inspection Period: Until December 31, 2013.

Survey Type: A current ALTA survey shall be obtained by Buyer.

Environmental Site Assessment: Buyer, at Buyer's expense, may obtain such environmental assessments, reviews and tests as are desired by Buyer during the Inspection Period.

Closing Date: At a mutually acceptable time and date which is on or before January 31, 2014.

Conveyance Documents:

A. General Warranty Deed

B. Bill of Sale

C. General Assignment of Approvals, Contracts and Development Rights

D. Noon Day Lease

**2. PROPERTY.** Seller agrees to sell and Buyer agrees to buy the Property for the Purchase Price pursuant to the terms of this Purchase and Sale Agreement ("Agreement"). The parties agree that if the legal description of the Property in this

Agreement is not accurate, this Agreement shall not be invalid and the legal description shall be revised consistent with the Survey in a manner acceptable to Buyer, Seller and Title Company. The Property includes all fixtures and permanent improvements located at the Property including all mechanical systems, elevators, electrical systems, plumbing systems, heating, ventilating and air conditioning systems and equipment, sprinkler systems, security systems, fire detection systems, telephone distribution systems (lines, jacks and connections only), floor coverings, window coverings, signs, paving and landscaping. The Property also includes all of Seller's interest in all approvals, contracts, government approvals, site plans, documents, governmental approvals, improvements, licenses, permits, easements, rights-of-way, streets, alleys, access rights, water rights, air rights, development rights, zoning rights and variances, and all other estates, rights, titles, interests, servitudes, tenements, and appurtenances of any nature whatsoever, in any way now or hereafter belonging to, relating to or pertaining to the Property.

**3. EARNEST MONEY.** Within **ten (10) days** of the Date of Agreement, Buyer shall deliver the Earnest Money to the Title Company, to be held in escrow pursuant to the terms of this Agreement. The Earnest Money shall be held in a federally insured, interest bearing account selected by Title Company. Subject to the provisions of this Agreement, the Earnest Money and all accrued interest is to be applied toward the Purchase Price at the Closing.

**4. DISCLOSURE AND DELIVERY OF INFORMATION.** Within **ten (10) days** of the Date of Agreement, Seller shall deliver to Buyer a fully and accurately completed Property Disclosure Statement in the form attached to this Agreement. Within **ten (10) days** of the Date of Agreement, Seller shall provide to Buyer true, correct and complete copies, to the extent that they are in Seller's control or possession, of all documents and information related to the Property including but not limited to the following: warranties, contracts, environmental information, environmental test results, environmental notices, environmental studies, environmental audits, other documents evidencing environmental condition, physical inspection reports, maintenance information, construction drawings, leases, lease accounts and payment histories, property expense information, plans, governmental approvals, site plats, prior surveys, tax assessments and tax bills for the past two (2) years, government and quasi-governmental notices, access permits and agreements, a schedule of all lawsuits, engineering reports, hydrology reports, drainage information, grading information, soils reports, utility reports and information, construction drawings, building plans and specifications, building permits (including permits for renovation, reconstruction and repair, if any) certificates of occupancy, elevator inspections and such other information, notices, correspondence, agreements and other materials, if any, related to the Property.

**5. INSPECTION PERIOD.** Buyer shall have the period of time set forth above as the Inspection Period to review the Property. During the Inspection Period, Buyer shall review all of the information regarding the Property provided by Seller. In addition, during the Inspection Period, Buyer may perform such other inspections and review such other information as is desired by Buyer. Such inspections shall be at Buyer's expense. Such inspections and reviews may include, but are not limited to, physical inspection of the Property, environmental inspection and testing of the Property, soil inspection, review of governmental approvals and permits related to the Property,

zoning, title, survey, appraisal, leases, financial information related to the Property, service agreements, management contracts, and other agreements related to the Property. During the Inspection Period, Buyer is specifically entitled to review the following:

**A. Physical Inspection.** Buyer, at Buyer's election and expense, may obtain a physical inspection of the Property.

**B. Title.** Within **ten (10) days** of the Date of Agreement, Buyer shall obtain a title commitment ("Title Commitment") from Title Company. All costs associated with the Title Commitment, unless otherwise specified in this Agreement, shall be paid for by Buyer. Along with the Title Commitment, Title Company shall provide to Buyer copies of all documents listed as exceptions, a property tax search, a special assessment search and copies of all plats related to the Property. Buyer shall be entitled to review title to the Property during the Inspection Period.

**C. Survey.** The ALTA Survey of the Property shall be obtained by Buyer. Buyer shall pay the cost of the ALTA survey (regardless of whether or not the Closing occurs). The Survey shall be done by a surveyor acceptable to Buyer. The Survey shall be obtained as soon as practicable. Survey shall be prepared consistent with the American Land Title Association/American College on Survey and Mapping Standards, for Urban Surveys (2011), including Table A Optional Survey Responsibilities and Specifications Item No. 1, 2, 3, 4, 7(a), 7(b)(1), 7(c), 8, 9, 10, 11(a), 11(b), 14, 16, 17 and 18. The Survey shall be certified to Seller, Buyer and Title Company. The "Flood Zone" status of the Property shall be included on the Survey.

**D. Leases.** During the Inspection Period, Buyer may review all leases, subleases, lease guaranties, licenses, concession agreements and other rental or occupancy arrangements, if any, (collectively "Existing Leases") affecting the Property.

**E. Environmental Site Assessment.** Buyer, at Buyer's election and expense, may obtain an environmental tests, audits, studies and site assessments of the Property.

**F. Soil and Drainage Inspection.** Buyer, at Buyer's election and expense, may obtain soil and drainage inspections and tests concerning the Property.

**G. Appraisal.** Buyer, at Buyer's election and expense, may obtain an appraisal ("Appraisal") of the Property. The parties to this Agreement understand and acknowledge that Buyer is prohibited from paying more than "appraised value" for the Property.

**6. BUYER'S ENTRY.** Buyer and its agents, employees and contractors, may enter onto the Property to review, test and inspect the Property at any time or times prior to the Closing.

**7. BUYER'S OBJECTION.** Prior to the end of the Inspection Period, Buyer may disapprove the Property and/or any item related to the Property. In such event, Buyer, at Buyer's election, may terminate this Agreement, negotiate with Seller a mutually

acceptable reduction in the Purchase Price, or give notice to Seller requesting that Seller cure the items disapproved by Buyer. Even if Buyer does not formally disapprove a monetary encumbrance, Seller shall have the obligation, at Seller's expense, to satisfy and remove at or before the Closing all monetary encumbrances disapproved by Buyer. Regarding disapproval by Buyer of items other than monetary encumbrances, within **five (5) days** of Buyer's notice requesting Seller's cure, Seller shall provide notice to Buyer of Seller's proposed cure and the time period necessary for Seller to effectuate the cure. Upon receipt of the response from Seller, Buyer shall within **ten (10) days** elect to either terminate this Agreement or accept Seller's proposed cure. If Buyer elects to terminate this Agreement, the Earnest Money, including all accrued interest, shall be delivered to Buyer. If Buyer agrees to Seller's proposed cure, the Closing Date shall be extended, if necessary, consistent with the time period specified for Seller's cure.

**8. SELLER'S REPRESENTATIONS AND WARRANTIES.** Seller makes the following representations and warranties to Buyer as of the Date of Agreement and as of the Closing:

**A.** Seller is the sole owner of the Property, and Seller has the full right, power and authority to sell the Property to Buyer as provided in this Agreement.

**B.** Seller is not aware of any adverse soil, topography, hydrology or drainage condition at the Property, other than soil and ground water contamination as noted in environmental assessments delivered by Seller to Buyer.

**C.** In conjunction with the delivery of documents, Seller will disclose to Buyer all environmental information regarding the Property, including all documents and information related to the existing soil contamination and the possible existence of asbestos at the Property. Except for the foregoing, Seller is not aware of any environmental condition, environmental contamination, hazardous materials and/or hazardous substances at the Property.

**D.** Other than property tax notices, Seller has not received any notice in the past two (2) years from any governmental or quasi-governmental entity which has not been disclosed in writing by Seller to Buyer.

**E.** Seller is not aware that the Property has ever been used as a dump, landfill or other similar use. Seller is aware that there is or has been at least one underground storage tank located on the Property.

**F.** All information and documents provided by Seller to Buyer regarding the Property are true, correct and complete.

**G.** Seller is not aware of any unpaid liens or assessments, or items which could result in a lien, related to the Property; provided, however, Seller advises Buyer that a recorded mortgage and related loan documents exist from Seller in favor of the Church Finance Corporation.

H. Water service, electric service, natural gas, telephone service, and public sewer service are presently available to the Property.

I. The Property has access to Broadway Boulevard, Central Avenue and Tijeras Avenue.

J. No work has been performed which has not been paid for or which could give rise to any mechanic's or materialmen's lien being filed against the Property.

K. Except for the State of New Mexico Environmental Department notices covering the soil and ground water contamination at the Property (which Seller has disclosed to Buyer in writing), no lawsuit or other claim related to the Property is pending or threatened against Seller and/or the Property.

L. Seller will not violate, enter into or modify any lease or other agreement related to the Property, without Buyer's prior written approval. Buyer is aware that Seller will be entering into an Easement Agreement with BNSF.

M. As of the Closing Date, no lease exists regarding the Property (other than a month to month parking lease agreement with Lovelace Medical Center (which can be terminated prior to the Closing) and the Noon Day Lease) and no person other than Seller has any right to possess or occupy all or any portion of the Property.

N. The Property has never been used as a cemetery or burial ground.

O. To the best of Seller's knowledge, the Property does not contain any archeological site.

P. No unpaid impact fee, special assessment, entitlement fee, and/or access fee, exists regarding the Property.

Q. Except as disclosed in writing by Seller to Buyer, all operating systems at the Property, including all mechanical systems, electrical systems, plumbing systems, heating, ventilating and air conditioning systems and equipment, sprinkler systems, security systems, fire detection systems, telephone distribution systems and elevators, are in good and operating condition.

R. INTENTIONALLY DELETED.

S. Seller's affiliated non-profit corporation, Noon Day Ministries, a New Mexico corporation, is the sole operator of Noon Day Ministries.

Seller's representations and warranties shall survive the Closing.

**9. PRORATIONS, ADJUSTMENTS AND TRUST FUNDS.** At the Closing, the following shall occur:

**A. Taxes, Assessments, Unpaid Existing Impact Fees.** Applicable real property taxes shall be prorated through the Closing Date, based upon the latest tax

information available to Title Company. Seller shall pay all special assessments, impact fees, standby charges, prorata charges and other similar charges and/or assessments related to the Property existing as of the Closing.

**B. Insurance.** All insurance obtained by Seller will terminate on the Closing Date. Buyer is advised to obtain appropriate insurance related to the Property effective as of the Closing Date.

**10. MATERIAL CHANGE.** No Material Change, as hereinafter defined, shall have occurred before the Closing with respect to the Property that has not been approved in writing by Buyer. For purposes of this Agreement, "Material Change" shall include, among other things, a change in the status of a use, occupancy, tenants, environmental remediation, financial condition or physical condition of the Property. In the event of a Material Change, Buyer, at Buyer's election, may terminate this Agreement within **twenty (20) days** of receiving notice from Seller of such Material Change.

**11. RISK OF LOSS.** In the event of damage or destruction of all or any portion of the Property by wind, water, fire or other casualty, Seller will promptly notify Buyer of the nature and extent of such damage or destruction. In such event, Buyer, in its sole discretion, within **thirty (30) days** of such notice, may either terminate this Agreement, negotiate a mutually acceptable reduction in the Purchase Price, obtain an assignment of insurance proceeds from Seller (with a corresponding reduction in the Purchase Price) or apply insurance proceeds actually received by Seller as of the Closing to the Purchase Price. Prior to the Closing, risk of loss with respect to the Property shall be on Seller. After the Closing, risk of loss with respect to the Property shall be on Buyer.

**12. CONDEMNATION.** Promptly upon obtaining knowledge of any threatened or filed condemnation proceeding against all or any portion of the Property, Seller or Buyer will notify the other party of such proceeding. In such event, Buyer, in its sole discretion, may either terminate this Agreement, negotiate a mutually acceptable reduction in the Purchase Price, obtain an assignment of condemnation proceeds from Seller (with a corresponding reduction in the Purchase Price) or apply condemnation proceeds actually received by Seller as of the Closing to the Purchase Price.

**13. CLOSING.** The closing ("Closing") shall occur on the Closing Date. All documents shall be delivered by the respective parties to Title Company to be held in escrow pending the Closing. Each document shall be duly executed and, if the document is to be recorded, duly acknowledged. For the Closing, Seller shall deliver the following:

**A.** The General Warranty Deed, subject only to the title items not objected to by Buyer during the Inspection Period.

**B.** An affidavit executed by Seller providing that Seller is not a "foreign person" as established by Internal Revenue Code Section 1445 or successor statutes.

**C.** The General Assignment of Approvals, Contracts and Development Rights.

- D. The Bill of Sale covering fixtures and personal property at the Property.
- E. The Noon Day Lease.
- F. Other applicable closing documents required or specified by this Agreement.
- G. Closing statement and other closing documents required or prepared by Title Company for Seller.

For the Closing, Buyer shall deliver the following:

- A. The Purchase Price.
- B. Other applicable closing documents required or specified by this Agreement.
- C. Documents, if any, related to Buyer's financing for the Property.
- D. The Noon Day Lease.
- E. Closing statement and other closing documents required or prepared by Title Company for Buyer.

Promptly after the Closing, Title Company shall issue to Buyer a standard New Mexico form Owner's Title Insurance Policy, effective as of the Closing Date, in the amount of the Purchase Price, insuring title to the Property vested in Buyer, in a form consistent with the Title Commitment, and subject only to exceptions not objected to by Buyer during the Inspection Period. Buyer shall pay the premium for the standard New Mexico form Owner's Title Insurance Policy and all endorsements, deletions/modifications of Schedule B, II items and/or extended coverages selected by Buyer to the Owner's Title Insurance Policy.

All documents shall be in a form mutually acceptable to Buyer and Seller. Prorations shall be handled at the Closing as set forth in this Agreement. Buyer and Seller shall each pay for one-half of the escrow charges and/or closing fees of Title Company. Buyer shall pay the cost of recording all documents transferring the Property to Buyer. All other Closing costs, if any, shall be handled as is otherwise agreed to in writing by Buyer and Seller.

**14. POSSESSION.** Possession of the Property shall be delivered by Seller to Buyer at the Closing.

**15. DEFAULT AND REMEDIES.** Before exercising any remedy, the non-defaulting party shall give the defaulting party **ten (10) days** written notice specifying the default, and the defaulting party shall be permitted to cure the default in such period. If a default occurs under this Agreement then this Agreement may be terminated at the option of the non-defaulting party. If Buyer is the defaulting party, Seller's sole remedy shall be to terminate this Agreement and retain the Earnest Money, including all accrued interest;

provided, however, Buyer shall be responsible to Seller for all physical damage to the Property caused by Buyer in conjunction with its inspection and review of the Property. Buyer shall have no liability to Seller for lost profits, consequential damages, special damages and/or punitive damages). If Seller is the defaulting party, Buyer shall have all rights and remedies available at law, in equity, pursuant to his Agreement and/or otherwise. Without limiting the foregoing, Buyer shall have the right of specific performance and, as referenced above, the right to terminate this Agreement and receive the Earnest Money, including all accrued interest. All remedies of Buyer are cumulative. Furthermore, if Seller defaults under this Agreement, then Seller shall be liable to Buyer for all costs and expenses, including but not limited to reasonable attorneys' fees, incurred by Buyer as a result of Seller's default.

**16. REAL ESTATE BROKERS.** Seller advises Buyer that the Property is listed for sale with Maestas and Ward. There is a reduced commission if the Closing occurs under the provisions of this Agreement. Seller is responsible for all real estate commissions earned by Maestas and Ward; provided, however, in addition to the Purchase Price, Buyer will pay at Closing, if the Closing occurs pursuant to this Agreement, one (1%) percent of Purchase Price plus gross receipts tax, to be applied by Seller toward the commission owed to Maestas and Ward. The parties represent and acknowledge to each other that no real estate broker (other than Maestas and Ward) is involved in the transaction covered by this Agreement. Each party shall be responsible to the other party for all damages incurred by such party if the foregoing representation is not true.

**17. FURTHER ACTION.** Buyer and Seller agree to take such other and further action, and execute such additional documents, as are reasonably necessary to consummate the sale pursuant to this Agreement (at no cost to the party asked to take such action) or which are reasonably required by the Title Company in conjunction with the Closing.

**18. BACK UP OFFERS.** Seller may solicit and/or accept back-up offers to purchase the Property.

**19. NOTICES.** Any notice required or permitted to be given under this Agreement shall be in writing and may be either hand-delivered, sent by recognized overnight courier (for next day delivery) or mailed, postage prepaid, certified mail, return receipt requested, addressed to the parties at their respective addresses set forth below. If any notice is hand-delivered, it shall be deemed given upon delivery. If any notice is sent by recognized overnight courier, it shall be deemed given upon delivery by the courier. If any notice is mailed, it shall be deemed given **three (3)** business days after deposit in the United States mail. A party may change its address for notices by sending a notice to the other party pursuant to the terms of this paragraph. **FACSIMILE AND EMAIL COMMUNICATIONS SHALL NOT BE USED FOR NOTICES PURSUANT TO THIS AGREEMENT.**

**20. AUTHORITY.** Each party signing this Agreement represents to the other party that it has full legal power, authority and right to execute, deliver and perform the obligations under this Agreement. Each party represents to the other party that the transactions contemplated by this Agreement and each person signing this Agreement



and/or any document at the Closing has been duly authorized by all requisite action and that no remaining action or third-party consent is required. Seller represents to Buyer that it is duly formed, validly existing and in good standing under the laws of the state of New Mexico, and qualified to do business in New Mexico.

**21. AMENDMENT.** This Agreement cannot be amended except by a written document executed by the party against whom such amendment is to be enforced.

**22. INVALIDITY.** If any provision of this Agreement is determined to be invalid, ineffective, inoperative, unenforceable, or contrary to law, all of the remaining provisions of this Agreement shall remain in full force and effect.

**23. ASSIGNMENT.** Buyer may assign this Agreement to a related or affiliated entity in which the University of New Mexico is involved, without Seller's prior written consent. Upon such assignment by Buyer, the new entity shall be substituted as "Buyer" in this Agreement and Lobo Development Corporation automatically shall be released from all liability pursuant to this Agreement. Except for an assignment by Buyer consistent with the foregoing, no party may otherwise assign this Agreement without the prior written consent of the other party.

**24. ATTORNEY REVIEW.** Buyer and Seller each acknowledge and agree that this Agreement is a legally binding document and that each party has had a full opportunity to have its respective attorney review, revise and negotiate this Agreement. Consequently, neither party shall be deemed to have had the responsibility of drafting this Agreement if this Agreement at any time is construed or interpreted.

**25. GOVERNING LAW.** This Agreement shall be governed by the law of the State of New Mexico.

**26. WAIVER.** No waiver or failure by any party to enforce any breach of this Agreement shall be considered to be a waiver of any subsequent breach, regardless of the time, nature or form of the subsequent breach. All waivers must be in writing to be effective.

**27. ENTIRE AGREEMENT.** All prior discussions, events, or representations, warranties and agreements regarding the Property are hereby superseded and replaced by this Agreement. The parties to this Agreement affirm that the terms and provisions of this Agreement accurately reflect their intent. All exhibits and addenda to this Agreement are incorporated into this Agreement as operative provisions.

**28. TIME OF THE ESSENCE.** Time is of the essence under this Agreement.

**29. CAPTIONS AND DEFINED TERMS.** The headings and captions contained in this Agreement are for convenience and reference purposes only and shall not define, limit or otherwise affect the terms and conditions of this Agreement. Capitalized words shall have the definition specified in this Agreement, including the definitions set forth in the "Terms" paragraph.

**30. LIMITATION OF REAL PROPERTY INDEMNIFICATIONS.** To the extent applicable, if at all, the indemnifications, if any, contained in this Agreement are subject to and limited by the provisions of Section 56-7-1 of the New Mexico Statutes.

**31. DURATION.** If this Agreement is not fully executed by both Buyer and Seller on or before the Offer Expiration Date, the offer evidenced by this partially executed document shall be automatically withdrawn.

**32. COUNTERPARTS.** This Agreement may be executed by Buyer and Seller in counterparts, each of which shall be deemed an original, and all of which together shall constitute one (1) document.

**33. NOON DAY MINISTRIES.** Noon Day Ministries presently uses and occupies the gymnasium building located on the western portion of the Property. During the Inspection Period, Buyer and Seller shall negotiate the form and terms of a lease ("Noon Day Lease") of the gymnasium building by Buyer to Seller for a period of twelve (12) months following the Closing Date at the same rental rate as the existing lease between Seller and Noon Day Ministries, Inc. If the form and terms of the Noon Day Lease are not agreed upon prior to the expiration of the Inspection Period, either party may terminate this Agreement and, in such event, the Earnest Money, including all accrued interest, shall be returned to Buyer.

**34. CONTINGENCY.** Buyer's obligation pursuant to this Agreement and Buyer's obligation to the purchase of the Property is conditioned and contingent upon approval of the transaction covered by this Agreement and this Agreement (including all amendments) by the Board of Directors of Lobo Development Corporation and the Regents of the University of New Mexico. If this Agreement is assigned by Lobo Development Corporation to the Regents of the University of New Mexico, Buyer's obligation to purchase the Property is conditioned upon approval of the transaction covered by this Agreement by the Regents of the University of New Mexico, the New Mexico Department of Education and the New Mexico State Board of Finance. Buyer shall endeavor to obtain all of the approvals as soon as reasonably possible. If Buyer is unable to obtain all of the above approvals, Buyer may terminate this Agreement.

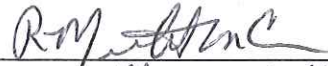
**35. CLOSING EXTENSION.** Buyer may extend the Closing Date up to two (2) months by paying a non-refundable extension fee to Seller of \$36,000.00 per month ("Extension Fee"). The Extension Fee shall not apply to the Purchase Price.

**36. LIMITATION.** Notwithstanding any other provision of this Agreement, Buyer's liabilities are subject to the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1, et seq., NMSA 1978, as amended.

**37. CHURCH APPROVAL.** This Agreement is neither final nor binding on Seller until it is approved by the congregation of Seller in a regular or special business meeting. Seller shall hold such meeting and advise Buyer of the vote at such meeting within **twenty one days (21)** of the Date of Agreement. If this Agreement is not approved by the congregation of Seller in a timely manner, this Agreement may be terminated by Buyer and, in such event, the Earnest Money, including all accrued interest, shall be returned to Buyer.


SELLER:

FIRST BAPTIST CHURCH OF  
ALBUQUERQUE


By:   
Print Name: MICHAEL M. COOL  
Its: SR PASTOR  
Execution Date: 11/6/13  
Address: 4101 PASSEO DEL NORTE NW  
ALBUQUERQUE, NM 87114  
Phone: 505 - 247 - 3611  
Facsimile: 505 - 247 - 0345  
Email: michael@fbcabq.com

BUYER:

LOBO DEVELOPMENT CORPORATION

By:   
Print Name: DAVID W. HARRIS  
Its: President  
Execution Date: 11/6/13  
Address: c/o Real Estate Office  
Attn: Thomas M. Neale  
Interim Director of Real Estate  
2811 Campus Blvd. NE  
MSCOS-3595  
Albuquerque, NM 87131-3181  
Phone: (505) 277-4620  
Facsimile: (505) 277-6290  
Email: tneale@unm.edu

REVIEWED AND APPROVED BY:

By:   
THOMAS M. NEALE, University of New Mexico  
Interim Director of Real Estate

APPROVED AS TO FORM FOR BUYER:

HURLEY, TOEVS, STYLES, HAMBLIN &  
PANTER, P.A.

By:   
MARK STYLES

**PROPERTY DISCLOSURE STATEMENT- COMMERCIAL**

This Property Disclosure Statement ("Statement") discloses Seller's current, actual knowledge of the condition of the Property (described below) as of the date signed by Seller. This Statement does not relieve Seller of the obligation to disclose a condition of the Property that may not be addressed on this form and/or a change in any condition of the Property occurring after the date of this Statement. This Statement is not a substitute for inspection by Buyer. Conditions may exist which are unknown to Seller. This Statement does not relieve a Buyer of the responsibility to independently review and investigate the Property. Seller understands and intends that the information and representations provided in this Statement will be relied upon by Buyer. This Statement covers the First Baptist Church property located at NW corner of Central Avenue and Broadway NE, including approximately 6.96 acres of land, all buildings and other improvements ("Property"). Seller, to the best of Seller's current, actual knowledge, represents, warrants and certifies to Buyer, and Buyer's agents, contractors, inspectors and lenders, as follows regarding the Property:

**1. Material Physical Defects.** There are not any material physical defects in the Property, any improvements at the Property, and/or structures on the Property (including, but not limited to the roof), except (if there are no exceptions write "NONE"):\_\_\_\_\_

\_\_\_\_\_

**2. Physical Damage.** The Property has not suffered any material casualty, fire damage or other damage, except (if there are no exceptions write "NONE"):\_\_\_\_\_

\_\_\_\_\_

**3. Equipment.** The mechanical systems, electrical systems, plumbing systems, heating, ventilating and air conditioning systems and equipment, sprinkler systems, security systems, fire detection systems, telephone distribution systems (lines, jacks and connections only), elevators, and other similar equipment and fixtures existing on the Property are in good operating order and condition, except (if there are no exceptions write "NONE"):\_\_\_\_\_

\_\_\_\_\_

**4. Soil Conditions.** The Property does not have any slipping, sliding, settling, flooding, ponding or any other grading, drainage or soil problems, except (if there are no exceptions write "NONE"):\_\_\_\_\_

\_\_\_\_\_

**5. Utilities and Assessments.** The Property is served by the following utilities (check the appropriate boxes) \_\_\_\_\_ water service, \_\_\_\_\_ electric service, \_\_\_\_\_ natural gas, \_\_\_\_\_ telephone service, \_\_\_\_\_ public sewer service and other:\_\_\_\_\_

\_\_\_\_\_. Owner represents and warrants that all costs and assessments related to such utilities have been fully

paid. The following telecommunications services are available at the Property: \_\_\_\_\_  
\_\_\_\_\_.

**6. Compliance with Laws.** No aspect or condition of the Property violates applicable laws, rules, regulations, codes, or covenants, conditions or restrictions, except (if there are no exceptions write "NONE"): \_\_\_\_\_  
\_\_\_\_\_.

**7. Improvements.** No improvements or alterations have been made to the Property without any permit where a permit was required, except (if there are no exceptions write "NONE"): \_\_\_\_\_  
\_\_\_\_\_. The following certificates of occupancy have been issued regarding the Property: \_\_\_\_\_  
\_\_\_\_\_.

**8. Actions, Suits or Proceedings.** No action, suit or proceeding is pending or threatened before any court, arbitration tribunal, governmental agency, quasi-governmental agency, commission, board, bureau, or instrumentality that would affect the Property or the right or ability of an owner or tenant to convey, occupy or utilize the Property, except (if there are no exceptions write "NONE"): \_\_\_\_\_  
\_\_\_\_\_.

**9. Governmental Proceedings.** No existing or threatened condemnation, environmental, zoning, redevelopment agency plan or other land use regulation proceeding exists, except (if there are no exceptions write "NONE"): \_\_\_\_\_  
\_\_\_\_\_.

**10. Contracts.** No service contract or other contract exists affecting the Property, except (if there are no exceptions write "NONE"): \_\_\_\_\_  
\_\_\_\_\_.

**11. Unrecorded Title Matters.** No unrecorded claim, encumbrance, covenant, condition, restriction, easement, lien, charge or other matter exists regarding the Property, except (if there are no exceptions write "NONE"): \_\_\_\_\_  
\_\_\_\_\_.

**12. Leases.** No lease, sublease or other tenancy agreement exists affecting the Property, except (if there are no exceptions write "NONE"): \_\_\_\_\_  
\_\_\_\_\_.

13. **Options.** No option to purchase, option to lease, right of first refusal, right of first offer or other similar agreement exists regarding the Property, except (if there are no exceptions write "NONE"): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

SELLER:

FIRST BAPTIST CHURCH OF ALBUQUERQUE

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its: \_\_\_\_\_

By signing below, Buyer acknowledges receipt of this Statement. By signing below, however, Buyer has not indicated approval or disapproval of the Property and/or the information contained in this Statement.

BUYER:

LOBO DEVELOPMENT CORPORATION

By: \_\_\_\_\_

Print Name: DAVID W. HARRIS

Its: President

Execution Date: \_\_\_\_\_

Address: c/o Real Estate Office

Attn: Thomas M. Neale  
Interim Director of Real Estate  
2811 Campus Blvd. NE MSCOS-3595  
Albuquerque, NM 87131-3181  
Phone: (505) 277-4620  
Facsimile: (505) 277-6290  
Email: tneale@unm.edu

**REVIEWED AND APPROVED BY:**

By: \_\_\_\_\_

THOMAS M. NEALE, University of New Mexico  
Interim Director of Real Estate

**APPROVED AS TO FORM FOR BUYER:**

HURLEY, TOEVS, STYLES, HAMBLIN &  
PANTER, P.A.

By:   
\_\_\_\_\_

MARK STYLES

# Exhibit A

