

**GALILEO AT 25TH, A CONDOMINIUM COMMUNITY
PURCHASE CONTRACT**

Seller: Galileo at 25th, Ltd., a Texas limited partnership

Seller's Address: c/o 405 Canyon Rim, Austin, Texas 78746

Buyer: _____

Buyer's Address: _____

Buyer's Telephone(s): _____

Buyer's e-mail(s): _____

Unit: Legal Description: Unit _____, Galileo at 25th Condominiums, a condominium project in Travis County, Texas, created by the Declaration of Condominium Regime for Galileo at 25th Condominiums (the "**Condominium Declaration**"), recorded under Document No. 2008141368 of the Official Public Records of Travis County, Texas.

No of Parking Permit(s): _____

Project: Galileo at 25th Condominiums

Unit Address: 910 W. 25th Street, Unit #_____, Austin, Texas 78705

Purchase Price: \$ _____ **Earnest Money:** \$ _____

Option Fee: \$ _____

Escrow Agent: Heritage Title Company of Austin, Inc., Attn: Amy Bruce, 401 Congress Avenue, Ste 1500, Austin, Texas 78701; Tel: (512) 505-5000, Facsimile No. 512-505-5024, e-mail: abruce@heritage-title.com

Effective Date: (to be filled in with date last party signs): _____

1. **Property.** Seller agrees to sell and convey to Buyer, and Buyer agrees to buy from Seller, the Unit, which is created by the Condominium Declaration. The Unit is described in the Condominium Declaration and Condominium Information Statement (defined below) and includes the common area interests allocated therein to the Unit.

2. **Purchase Price.** Buyer agrees to pay Seller the full amount of the Purchase Price stated above, on or before the Closing Date (defined below). Buyer may obtain financing for a portion of the Purchase Price, with the remainder to be paid by Buyer in cash. If Buyer intends to finance a portion of the Purchase Price, the parties will attach a **Financing Addendum** to this Contract. If the parties do not execute and attach a **Financing Addendum**, Buyer's obligations hereunder shall not be subject to any financing contingency, and Seller may require Buyer to provide satisfactory documentation of Buyer's ability to pay the Purchase Price in cash. Seller may terminate this Contract if Buyer does not provide such evidence acceptable to Seller within five (5) days after Seller's request for same, in which event the Earnest Money will be returned to Buyer.

3. **Earnest Money and Option Fee.** On or before the Effective Date, Buyer will deliver to Escrow Agent at the address shown above a check payable to Escrow Agent for the full amount of the Earnest Money. Escrow Agent will place the money in an escrow account. Any interest earned on the

escrow account will be paid to Seller. On or before the Effective Date, Buyer will deliver to Seller a check payable to Seller for the full amount of the Option Fee, if any. The Option Fee is given to Seller in consideration of Seller's grant of the Option (defined below). The Option Fee is non-refundable but will be credited to the Purchase Price in the event of Closing.

4. **Purchase Expenses.** Unless provided otherwise by this Contract, closing costs will be allocated between Seller and Buyer in the customary manner for this type of transaction.

a. Seller's Expenses include: (1) the cost of an owners policy of title insurance issued pursuant to Paragraph 16 below, the cost of releasing existing liens, tax statements, and the preparation of a special warranty deed; (2) any other expense expressly stated in this Contract to be paid by Seller; and (3) if applicable, Seller-approved expenses that FHA or VA prohibits Buyer from paying.

b. Buyer's Expenses include: (1) All expenses incident to Buyer's financing, to the extent the lender allows such expenses to be paid by purchasers; (2) the cost of recording fees, the mortgagee title policy, the escrow fee, the tax deletion and any EPA endorsement; (3) any other expenses expressly stated in this Contract to be paid by Buyer; and (4) 2 months regularly budgeted common expense assessments to provide operating funds and replacement reserves for the Association (defined in Paragraph 28).

c. General. Exceptions to the allocations of this Paragraph should be stated in the **Special Provisions Addendum**. Current taxes, governmental assessments, and condominium assessments for common expenses will be prorated through the Closing Date.

5. **Notice of Property Tax Liability.** If the Unit is not separately assessed for property taxes on the Closing Date, this provision applies, controls over any tax proration provision to the contrary, and survives Closing. Property is appraised for tax purposes on January 1 of each year. If the Unit was created during the tax year, it will not be separately taxed until the next tax cycle. Therefore, the Unit will be taxed as part of the property owned by Seller on January 1. At Closing, Buyer will be charged for a prorated portion of the estimated property taxes for the then-current year. The proration is based on the part at the year that Buyer will own the Unit and on the size of the Unit in relation to the size of all Units in the tax parcel. Seller will hold Buyer's tax payment in trust until Seller receives the tax statement, which Seller will timely pay to avoid penalty, using Buyer's tax payment. Buyer and Seller agree to reconcile the difference between the estimated taxes and the actual tax statement. Accordingly, Seller will refund to Buyer any prorated overpayment, and Buyer will pay Seller any prorated shortfall.

6. **Buyer's Circumstances.** Buyer's failure or refusal to close due to a change in Buyer's circumstance, whether or not under Buyer's control -- such as loss or change of employment or devaluation of investments -- constitutes a default by Buyer.

7. **Insulation.** Federal Trade Commission Regulations require Seller to give Buyer certain information about the Unit's insulation. This required information regarding the insulation in the Unit is set forth in the attached **Insulation Disclosure Addendum**. The values and thicknesses are based on information provided by the insulation manufacturer. Seller has made no independent tests or measurements of the insulation used or to be used in connection with the Unit or the Project.

8. **Option Period/Inspection.** In consideration of the Option Fee paid by Buyer, Buyer shall have _____ (___) days after the Effective Date within which to inspect the Unit (the "**Option Period**"). Buyer may terminate this Contract for any reason by notice delivered to Seller during the Option Period. If Buyer does not terminate this Contract during the Option Period Buyer shall be deemed to have accepted the Unit. If no dollar amount is stated as the Option Fee, or if Buyer does not pay the Option Fee to Seller by the Effective Date, this Paragraph 8 shall be deemed deleted from this Contract and Buyer will not have the right to terminate this Contract under this Paragraph 8. Buyer acknowledges that Seller is not required to install or provide any fixture or appliance not actually installed in Unit at time of inspection, unless otherwise specified in a Special Conditions Addendum.

9. **Warranties.** Seller is providing a limited one-year warranty on the Unit (the "**Limited Warranty**"), a copy of which is attached. Seller makes no other express warranty in connection with the improvements, fixtures, or personal property located on or made a part of the Unit or the Project. Seller agrees to assign to Buyer without recourse, at Closing, any assignable warranties on manufactured products. **Buyer understands that the Limited Warranty is the only warranty given by Seller to Buyer relating to the Unit and that the Limited Warranty requires that any disputes thereunder be arbitrated; Buyer hereby consents to arbitration of such disputes. Buyer further understands and agrees that proper maintenance of the Unit is required to ensure (i) that the Limited Warranty remains in effect and (ii) the proper performance of the Unit. Buyer and Seller acknowledge and agree that a request for warranty performance shall not be construed as a notice of construction defect under the Texas Residential Construction Liability Act ("RCLA"), and that any notice under RCLA shall be separately sent to Seller in the manner required by RCLA.**

10. **Adjacent Land Use.** Seller is neither responsible for nor has control of the use of the land adjacent to or in the vicinity of the Project and makes no representations or warranties with respect to the use or future use of the land adjacent to or in the vicinity of the Project. Seller also has no control over and is not responsible for any easements on, adjacent to, or in the vicinity of the Project. Buyer understands that individuals, corporations, and/or utilities may have specific rights granted by those easements, if any, including but not limited to, access to and use of the land described by the easements, even though the use of any easement may not be evident at the present time.

11. **Warranties Disclaimer.** **TO THE EXTENT PERMITTED BY LAW SELLER HEREBY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES AS TO THE UNIT AND THE PROJECT, INCLUDING IMPLIED WARRANTIES ARISING FROM CUSTOM, USAGE, COURSE OF TRADE, STATUTORY OR CASE LAW, COMMON LAW, OR OTHERWISE, AND FURTHER INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS.** This provision will survive Closing or the termination of this Contract.

12. **Promotional Aids.** In connection with this purchase, Seller or its agents may have shown Buyer model units, floor plans, sketches, drawings, and scale models of Units or the Project (collectively, "**Promotional Aids**"). Buyer understands and agrees that the Promotional Aids are conceptual, subject to change, for display purposes only, and may not be duplicated exactly. Buyer acknowledges that measurements shown on plats, plans, and drawings are approximate and that actual dimensions may not be exactly as shown. Buyer further acknowledges that improvements, fixtures, and decorating elements in model units are for display and illustration purposes only and are not considered part of the Unit being purchased. **THE UNIT NEED NOT BE BUILT, IMPROVED, OR DECORATED IN THE SAME MANNER AS A MODEL.**

13. **Closing.** The Closing of the sale will be on or before _____, 200_ (the "**Closing Date**"). Buyer may specify the exact Closing Date by at least three (3) days' notice to Seller and Escrow Agent but the Closing Date may not occur later than the date set out in the first sentence. Closing will occur at the office of Escrow Agent. If Seller approves a request by Buyer or Buyer's lender to delay or reschedule Closing, the Purchase Price shall increase by a daily amount equal to the product of the Purchase Price stated above, multiplied by the interest rate on Seller's loan for the Project, converted to a per diem basis, and all costs to be prorated pursuant to this Contract shall be prorated as of the original Closing Date.

14. **Possession.** Seller will deliver possession of the Unit to Buyer on Closing and Seller's receipt of the Purchase Price. Without a written lease between the parties, Buyer's possession prior to Closing is a tenancy at sufferance. On the earlier of Closing or Buyer's first occupancy of the Unit, Seller shall be released from any further obligation or duty for the maintenance of insurance coverage with respect to the Unit and/or the care, repair, maintenance and condition of the Unit, except as outlined in the Limited Warranty.

15. **Casualty Loss.** If any part of the Unit is damaged or destroyed by fire or other casualty loss, Seller shall have the option to restore the Unit to its previous condition as soon as reasonably possible, but in any event within 12 months after the date of damage or destruction, or to terminate this Contract by notice to Buyer delivered within 6 months after the date of damage or destruction. If Seller attempts to restore the Unit but does not complete the work within the 12-month period, Buyer may terminate this Contract and receive a refund of the Earnest Money, or Buyer and Seller may amend this Contract to extend the time for performance and the Closing Date.

16. **Title and Title Policy.** Within 5 days after the Effective Date, Seller will furnish to Buyer a commitment for title insurance (the "**Commitment**") issued by Escrow Agent through an underwriter of Escrow Agent's selection. Buyer, at Buyer's expense, may obtain legible copies of all documents reflected as exceptions to title in the Commitment. Any items constituting an encumbrance upon or adversely affecting title to the Unit as reflected by the Commitment shall constitute an exception to title. Within five (5) days after receipt by Buyer of the Commitment (the "**Title Review Period**"), Buyer shall notify Seller in writing ("**Buyer's Objection Notice**") of its objection to any such exceptions to title ("**Title Objections**"). Seller shall have ten (10) days ("**Seller's Cure Period**") after receipt of Buyer's Objection Notice during which to cure such Title Objections but Seller shall not be obligated to incur any cost or expense in connection therewith. If Seller fails to cure the Title Objections to Buyer's reasonable satisfaction prior to the end of Seller's Cure Period, Buyer may, at its option, terminate this Contract by written notice to Seller delivered within one (1) business day after expiration of Seller's Cure Period ("**Buyer's Termination Period**"). If Buyer timely terminates this Contract, the Earnest Money will be refunded to Buyer and neither Seller nor Buyer shall have any further rights or obligations hereunder. If Buyer does not timely make any Title Objections, or if Buyer does not terminate this Contract within Buyer's Termination Period, all exceptions to title disclosed in the Commitment shall be deemed accepted by Buyer. The phrase "**Permitted Exceptions**" shall mean the Condominium Documents (defined below), any additional documents described in the Condominium Information Statement, and those exceptions to title set forth in the Commitment and which have been accepted or deemed accepted by Buyer. Seller will convey title to Buyer by special warranty deed, subject to the Permitted Exceptions. If Seller is unable because of any defect in title to convey title at Closing, Seller is expressly released from all liability for damages, and Seller, at Seller's option, may either (1) correct the defect if it can be done within a reasonable time and at a reasonable cost, or (2) terminate this Contract and return the Earnest Money to Buyer. In accordance with the Real Estate License Act of Texas, Buyer is advised to obtain a policy of title insurance or to have Buyer's attorney examine an abstract covering the Unit.

17. **Notice of Association, Assessment, and Lien.** As a purchaser of property in a condominium regime, Buyer is obligated to be a member of the Association. By accepting title to the Unit, Buyer agrees to be subject to the Condominium Documents, as each may be amended from time to time. These documents govern the use and occupancy of the Project. Buyer is obligated to pay assessments to the Association. That obligation is secured by an assessment lien against the Unit. The amount of the assessments is subject to change. Buyer's failure to pay assessments to the Association may result in foreclosure of the Unit. This notice is given in the spirit of Section 5.012 Texas Property Code, although not required.

18. **Dispute.**

a. Prior to Closing. If a pre-Closing dispute relating to this transaction cannot be completely resolved to the satisfaction of both parties prior to Closing, then Seller may, in giving written notice to Buyer, terminate this Contract and refund the Earnest Money to Buyer, plus \$500.00, as liquidated damages, notwithstanding anything to the contrary in this Contract. Buyer will have no cause of action against Seller because of such termination.

b. After Closing. Any cause of action relating to (1) this Contract or the breach thereof, (2) the sales transaction represented by this Contract, (3) construction of the Unit or other improvement in the Project, (4) representations or warranties, express or implied (including claims derived from any alleged act or omission of Seller's brokers and agents), and (5) the Condominium Information Statement or Condominium Documents, must be brought by Buyer not later than 2

years after the day the cause or action accrues. The parties agree to mediate post-Closing disputes in accordance with applicable mediation rules of the American Arbitration Association (the "AAA"). The mediation will occur in Austin, Texas, and will be administered by the regional office of the AAA that is closest to the property. Mediators must have at least 5 years of experience serving as AAA mediators or arbitrators and must have technical knowledge or expertise appropriate to the subject matter of the dispute. If the dispute is not resolved by mediation, Buyer agrees that Seller, solely at Seller's option, may submit the dispute to binding arbitration in accordance with applicable arbitration rules of the AAA, and any court having jurisdiction may confirm and enter the arbitration award as the court's judgment. Mediation of the dispute is an express condition precedent to arbitration of the dispute. This provision survives Closing or termination of this Contract.

19. **Default.** If Buyer fails to comply with this Contract, Buyer will be in default and Seller may (i) terminate this Contract and receive the Earnest Money as liquidated damages, thereby releasing both parties from this Contract, or (ii) bring suit against Buyer for actual damages, if any. In enforcing this Contract or pursuing its remedies, Seller may recover its fees and expenses from Buyer, including attorney's fees. If Seller fails or refuses to comply with this Contract, Seller will be in default and Buyer may terminate this Contract and receive the Earnest Money as the sole remedy, thereby releasing both parties from this Contract. Delay or failure to take action with regard to a default is not a waiver of default by the non-defaulting party.

20. **Seller's Rights, Seller's Disclosures.** As developer of the Project, Seller reserved certain rights, including the right to add and withdraw land. Seller also reserved rights to perform construction work and repairs in the Project; to maintain sales, management, leasing, and construction offices, models, and signs; to create limited common elements; to assign and/or sell parking spaces and storage units, to amend the Condominium Declaration for certain purposes; and to exercise any other rights granted to Seller by the Condominium Declaration.

As described in the Condominium Information Statement and Condominium Declaration, the Project is a mixed-use condominium development which will contain commercial units (located on the first level of the building) which may be used for restaurant, bar, clubs, retail, or other commercial uses. Vibrant, urban mixed-use development of this type will create additional noise, odors, and other nuisances that would not be present in developments limited to residential use. Further, residential units located on the second level of the building (*i.e.* immediately above the commercial space) will likely experience additional noise, odors, and/or nuisances.

Seller has constructed the Project to at least the minimum standards required by building codes established by the City of Austin, including those which establish minimum sound transmission standards between floors and/or demising walls between units. Construction of the Project in accordance with such standards may result in sound transmission between floors or between units being in excess of that which would exist had greater standards (in excess of the minimum code required) been utilized in such construction.

21. **Assignment.** This Contract is personal to Buyer, who may not assign this Contract without Seller's prior written consent. Seller's refusal to consent to an assignment will not entitle Buyer to terminate this Contract or give rise to any claim against Seller for damages. Seller may assign its rights under this Contract.

22. **Force Majeure.** If Seller is delayed in delivering title, or Closing the sale for reasons beyond Seller's control, the time for performance will be extended for the period of the delay, provided the maximum period for performance does not exceed 24 months after the Effective Date. Reasons beyond Seller's control include, without limitation, impossibility of performance, acts of God, fire or other casualty loss, strikes, boycotts, non-availability of materials or labor for which no substitute of equal quality and price is available, and acts of governmental agencies asserting jurisdiction over the Project.

23. **Environmental Disclaimer.** Seller makes no warranties, express or implied, about the existing or future health hazards or environmental conditions on the Project, in the Unit, or from adjacent

sources, including, but not limited to, exposure to radon gas, electric and magnetic fields, shifting or instability of the soil and contamination of the Unit or the surrounding air, water or soil from any sources or in any manner. Buyer is advised that the continued presence of moisture on components of the Unit can cause the propagation of mold, which may cause allergenic reactions and other health problems in some individuals. Upon assuming possession of the Unit, Buyer is responsible for implementing an inspection and maintenance program for the identification and elimination of moisture in the Unit that could give rise to the growth of mold or other conditions detrimental to functioning of the Unit or the health of its occupants. Any leak or the presence of moisture that is covered by the Limited Warranty will be corrected pursuant to the Limited Warranty, but Buyer's failure to implement an effective maintenance program or failure to promptly notify Seller of warranty claims will negate Seller's responsibility (if any) for any property damage, personal injury, or other loss, damage or liability resulting directly or indirectly from the presence of mold or other harmful organisms. Buyer is advised to consult with an environmental specialist of Buyer's choice before signing this Contract. This provision survives Closing or the termination of this Contract.

24. **No Other Agreements.** This Contract constitutes the entire agreement between Buyer and Seller, superseding all prior understandings and agreements of any kind between the parties.

25. **No Recording.** Buyer may not file this Contract or any memorandum or notice of this Contract in any public record. If Buyer so files, Seller may terminate this Contract and file a notice of termination.

26. **Brokers.** Seller has a written commission agreement with Elaina Eiser of Real Estate Gain ("**Listing Broker**") for the Unit. Unless Buyer has signed a separate Buyer's representation agreement, the Listing Broker does not represent Buyer in any capacity whatsoever and does not undertake or assume any duty toward Buyer. Buyer agrees that it will not rely upon any act or omission of Listing Broker in entering into this Contract. Unless a **Brokers Addendum** is signed by the parties and made part of this Contract, the parties agree that Buyer is not represented by any real estate broker or agent and that no broker or agent other than the Listing Broker (if applicable), is entitled to a brokerage fee or commission of any kind.

27. **Additional Seller Representations.** Representations made by Seller in the Condominium Information Statement are incorporated herein by reference. Seller is not a "foreign person," as defined by the Internal Revenue Service regulations for reporting sales transactions.

28. **Condominium Information Statement and Condominium Documents.** At Closing, Buyer will acknowledge in writing Buyer's receipt of the "**Condominium Information Statement**" (as required by, and defined in, the Texas Property Code). If Chapter 207 of the Texas Property Code, titled Disclosure of Information by Property Owners Association, applies to this transaction, the CIS constitutes the resale certificate required by Chapter 207, although this is not a resale transaction and Seller rather than the Association issues the CIS (the Condominium Information Statement sometimes is referred to herein as the "**CIS**"). (Buyer chooses and initials one of the following statements).

_____ [] Buyer has not received the CIS before signing this Contract. Seller will deliver a copy of the CIS to Buyer before Closing. Buyer shall have a period ending 5 days after Seller delivers the CIS to Buyer within which Buyer may terminate this Contract and obtain full refund of the Earnest Money by delivering notice of termination to Seller by a method set forth in Paragraph 29 below.

_____ [] Buyer received the CIS before signing this Contract, and BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE CIS. The budget included with the CIS has been prepared in accordance with generally accepted accounting principles and is based upon assumptions that, to the best of Seller's knowledge and belief are reasonable, for the initial year of operation of the Project. Buyer acknowledges that such budget does not constitute a representation or warranty on Seller's part as to actual costs. SELLER HEREBY ADVISES BUYER TO READ THE CIS BEFORE SIGNING THIS CONTRACT.

BUYER ACKNOWLEDGES SELLER'S RECOMMENDATION THAT BUYER READ THE CIS BEFORE SIGNING THIS CONTRACT.

The term Condominium Documents means the Condominium Declaration, the Certificate of Formation, Bylaws and any Rules of the Association formed or to be formed to manage the Project (the "**Association**"). (Buyer chooses and initials one of the following statements).

_____ [] Buyer has not received the Condominium Documents before signing this Contract. Seller will deliver a copy of the Condominium Documents to Buyer before Closing. Buyer shall have a period ending 5 days after Seller delivers the Condominium Documents to Buyer within which Buyer may terminate this Contract and obtain full refund of the Earnest Money by delivering notice of termination to Seller by a method set forth in Paragraph 29 below.

_____ [] Buyer received the Condominium Documents before signing this Contract, and BUYER ACKNOWLEDGES RECEIPT OF A COPY OF THE CONDOMINIUM DOCUMENTS. SELLER HEREBY ADVISES BUYER TO READ THE CONDOMINIUM DOCUMENTS BEFORE SIGNING THIS CONTRACT. BUYER ACKNOWLEDGES SELLER'S RECOMMENDATION THAT BUYER READ THE CONDOMINIUM DOCUMENTS BEFORE SIGNING THIS CONTRACT.

29. **Termination Notice.** Any notice of Contract termination to be given by one party to another must be in writing and must be hand-delivered with signed receipt or mailed by certified mail return receipt requested. Notices to Seller must be sent to Seller's address as stated above or at such other address as Seller may have notified Buyer. If Buyer has a real estate agent, a notice sent to Buyer's real estate agent constitutes delivery of notice to Buyer. Because Seller may have numerous representatives all of whom may not be knowledgeable about a notice of Contract termination, Buyer's continued dealings with Seller's representatives may not be construed as Seller's waiver, modification, or withdrawal of Seller's notice of termination.

30. **Legal Binding Contract.** This Contract is binding on Seller only if signed by an authorized officer or agent of Seller on the signature line below. After signed by Buyer and Seller, this is a legally binding contract that may not be cancelled except as expressly provided in this Contract. Buyer is advised to READ IT CAREFULLY. It is Buyer's duty to ensure that all matters deemed by Buyer to be important to the purchase of the Unit are covered by this Contract. If Buyer does not understand the effect of this Contract, Buyer is advised to consult an attorney BEFORE signing. Sales agents and real estate brokers may not give legal advice.

31. **Miscellaneous Provisions.** This Contract may be signed in multiple counterparts, or in multiple originals. This Contract must be construed and enforced according to the laws of the State of Texas. The effect of a general statement is not limited by the enumeration of specific matters similar to the general. Paragraph captions are inserted only for convenience and are in no way to be construed as defining or modifying the text to which they refer. Unless the context provides otherwise, a reference to a gender includes all genders, similarly, a reference to the singular includes the plural, the plural the singular where the same would be appropriate. The rule of construction that ambiguities in a document are construed against the party who drafted it will not be applied in interpreting this Contract.

32. **Confidentiality.** Buyer shall keep all terms, conditions, and covenants of this Contract confidential. Buyer shall not disclose any term, condition or covenant of this Contract except as necessary for the purchase, financing or accounting of the transaction and/or management of Buyer's personal business affairs. Buyer and Buyer's agents, consultants, employees and vendors shall be bound by this restriction.

33. **Back Up Offers.** Unless expressly stated otherwise in a *Special Provisions Addendum*, Seller may continue showing the Unit for sale and may receive, negotiate and accept back-up offers.

34. **Addenda.** The following marked addenda are attached to this Contract and incorporated herein for all purposes:

- Your Limited One-Year Warranty
- Insulation Disclosure Addendum
- Financing Addendum
- Brokers Addendum

- Standard Decorations Addendum
- Special Provisions Addendum
- Other_____

BUYER REPRESENTS THAT BUYER HAS READ AND UNDERSTANDS THIS CONTRACT, INCLUDING THE AGREEMENTS FOR MEDIATION AND/OR ARBITRATION RELATED TO THIS CONTRACT. BUYER REPRESENTS THAT BUYER IS NOT RELYING UPON ANY VERBAL STATEMENT, PROMISE OR CONDITION NOT SPECIFICALLY SET FORTH IN THIS CONTRACT OR ANY ADDENDA HERETO. BUYER ACKNOWLEDGES THAT THERE ARE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, BY SELLER, ITS EMPLOYEES, OWNERS, PARTNERS, SHAREHOLDERS, OFFICERS, DIRECTORS OR AGENTS EXCEPT AS STATED HEREIN. THIS CONTRACT CANNOT BE MODIFIED OR AMENDED EXCEPT BY A WRITTEN AGREEMENT SIGNED BY THE PARTIES. IF ANY COURT OR ARBITRATOR DECLARES ANY PROVISION OF THIS CONTRACT TO BE VOID AND UNENFORCEABLE, THEN ONLY THAT PROVISION SHALL BE UNENFORCEABLE, WITH THE REMAINDER OF THIS CONTRACT REMAINING VALID AND ENFORCEABLE. BUYER ACKNOWLEDGES THAT SELLER IS RELYING ON THESE REPRESENTATIONS AND WOULD NOT ENTER INTO THIS CONTRACT WITHOUT THIS UNDERSTANDING.

This Contract may be subject to Chapter 27, Texas Property Code. The provisions of that chapter may affect your right to recover damages arising from the performance of this Contract, If you have a complaint concerning a construction defect arising from the performance of this Contract and that defect has not been corrected through normal warranty service, you must provide notice regarding the defect to Seller by certified mail return receipt requested not later than the 80th day before the date you file suit to recover damages in a court of law. The notice must refer to Chapter 27, Texas Property Code, and must describe the construction defect. If requested by Seller, you must provide Seller an opportunity to inspect and cure the defect as provided by Section 27.004, Texas Property Code.

Buyers:

Printed Name: _____

Date signed: _____

Printed Name: _____

Date signed: _____

SELLER: GALILEO AT 25TH, LTD., a Texas limited partnership

BY: Land Plus Concepts, LLC, a Texas limited liability company, General Partner

By: _____
Earle V. Britton, President

Date Signed: _____

RECEIPT OF EARNEST MONEY acknowledged by _____ on
the _____ day of _____, 20____. Buyer's check no. _____
in the amount of \$_____.

**LIMITED WARRANTY ADDENDUM
GALILEO AT 25TH, A CONDOMINIUM COMMUNITY
LIMITED WARRANTY**

LEGAL RIGHTS OF BUYER: This warranty gives you specific legal rights other rights under the laws of the State of Texas.

ISSUED TO: _____ ("**Buyer**")

PREMISES WARRANTED: Unit No. _____ of Galileo at 25th, a Condominium Community (the "**Unit**")

EFFECTIVE DATE: _____

Galileo at 25th, Ltd. ("**Seller**") warrants your Unit against defective materials and workmanship for a period of one (1) year after the Effective Date. As to Project common elements, this Limited Warranty applies to defects in materials or workmanship that arise within one (1) year from the date of the recording of the first deed conveying a Unit in the Project. BUYER ACCEPTS THIS LIMITED WARRANTY IN LIEU OF ALL OTHER WARRANTIES, WHATSOEVER, WHETHER EXPRESSED OR IMPLIED BY LAW. EXCEPT FOR THE EXPRESS WARRANTY GRANTED BY THIS LIMITED WARRANTY, SELLER HEREBY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES TO THE MAXIMUM EXTENT ALLOWED BY LAW, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES ARISING FROM CUSTOM, USAGE, COURSE OF TRADE, STATUTORY OR CASE LAW, COMMON LAW OR OTHERWISE, AND FURTHER INCLUDING IMPLIED WARRANTIES OF GOOD AND WORKMANLIKE CONSTRUCTION, AND MERCHANTABILITY AND FITNESS. BUYER ACKNOWLEDGES AND AGREES THAT SELLER IS RELYING ON THIS WAIVER AND WOULD NOT SELL THE UNIT TO BUYER WITHOUT THIS WAIVER. Anything contained in this Limited Warranty to the contrary notwithstanding, all "**Consumer Products**" (as such term is used and/or defined by the Federal Trade Commission) that are included in the Unit are hereby EXCLUDED from all rights, obligations, terms, and conditions of this Limited Warranty. All assignable warranties by manufacturers, general contractor, subcontractors, or suppliers of such consumer products are hereby assigned to Buyer and shall be in force according to their own terms. This warranty does not include ordinary wear and tear, abuse, neglect, or general maintenance connected with Unit ownership, and/or Acts of God, nature, war, and riot.

THIS LIMITED WARRANTY IS NON-TRANSFERABLE. ANY OBLIGATION UNDER IT TERMINATES IF THE UNIT IS RESOLD OR SHALL CEASE TO BE OCCUPIED BY THE BUYER TO WHOM IT IS ORIGINALLY ISSUED.

Capitalized terms used in this Limited Warranty and not otherwise defined herein have the meanings set forth in the Contract for the Unit between Buyer and Seller.

WARRANTY CONDITIONS AND PROCEDURES ARE AS FOLLOWS:

The following warranty conditions and procedures are outlined to insure orderly and systematic handling of each service request.

1. LATENT DEFECTS:

A latent defect in construction is defined as a defect that becomes apparent after the thirty-day break-in period and up to the end of the warranty period (the warranty period being one year from the date of Closing). It is stressed, however, that normal characteristic behavior of building materials, wear and tear, minor or routine noises related to operation of building mechanical, electrical and plumbing systems, general maintenance, and like items, will not constitute latent defects. Further, as in any multiple floor building, there will be certain sound and noise transmission between floors and walls. Such noise transmission is normal and to be expected and shall not constitute latent defects.

Procedure: Should it appear that a possible latent defect (non-emergency) has developed, outline all pertinent details in a letter addressed to Seller. Following the receipt of said letter, a designated employee of Seller will make an inspection. If a latent defect exists, remedial action will be scheduled within a reasonable time.

2. CONSUMER PRODUCTS:

Consumer Products (as such term is used and defined by the Federal Trade Commission) that are covered by the Magnusson-Moss Warranty Act when sold as part of a home are EXCLUDED from this Limited Warranty. Such Consumer Products are covered by manufacturers' and/or suppliers' warranties, if any.

Procedure: To insure prompt attention please refer to the subcontractor roster, if any, and/or written warranties which have been provided to you. If a problem arises with respect to said consumer product, contact the service department of the applicable equipment supplier, or subcontractor noted thereon. A telephone call, particularly on an emergency item, should insure attention; however, if the service is lacking, please advise the Seller.

IMPORTANT NOTE: READ ALL BULLETINS, MANUALS AND WARRANTIES CONCERNING YOUR APPLIANCES AND/OR OTHER EQUIPMENT. EXPERIENCE DICTATES CAUTION IN CHECKING PROBABLE CAUSES FOR EQUIPMENT OR APPLIANCE MALFUNCTIONS; OFTEN IT MAY BE THAT THE ITEM IS NOT BEING OPERATED PROPERLY. ACCURATE APPRAISAL WILL AID IN EXPEDITING CORRECTIVE ACTION IF A SERVICE REQUEST IS IN ORDER. HOWEVER, UNDUE SERVICE OR INSPECTION REQUESTS MUST BE CHARGED FOR ON THE BASIS OF TIME AND/OR MATERIAL INVOLVED.

NON-WARRANTABLE CONDITIONS:

This Limited Warranty does not cover, and it hereby specifically excludes, the following items:

1. Any consequential or secondary damages and/or losses which may arise from or out of any and all defects including, but not limited to, personal injury or damage to personal property.
2. Prior to completion, any labor and/or material furnished by Buyer which is not included in the total contract price or which is part of any allowance and is paid for by Buyer, is excluded from this Limited Warranty.
3. Any addition, alteration, remodeling, and/or repair performed by or under the supervision of Buyer that has an adverse effect on any warrantable condition shall invalidate this Limited Warranty as to such warrantable condition.
4. Consumer Products (as such term is used and defined by the Federal Trade Commission) that are covered by the Magnusson-Moss Warranty Act when sold as part of a home are EXCLUDED from this Limited Warranty.
5. Cracks, Separations, Shrinkage and Warping:
 - a. Minor cracks in balconies and patios or other concrete structures in a Unit due to normal expansion or contraction of concrete or the soil on which it is laid; cracks in mortar or separation between mortar and bricks or concrete due to normal shrinkage in either mortar or brick and concrete.
 - b. Minor opening of joints of resilient flooring, vinyl or rubber tile, wood flooring, or other floor coverings due to normal expansion and contraction.

- c. Sheetrock or Drywall, Paneling, and Molding: Slight visible defects, such as nail pops, seam lines and cracks due to normal shrinkage are common in plaster and sheetrock or drywall installations. Minor cracks and separations in paneling and moldings may appear and are normal.
 - d. Minor cracking or loss of grouting between tile or between tile and other material after thirty (30) days.
 - e. Small cracks in hard floor coverings (including but not limited to terrazzo, Mexican tile, and brick).
 - f. Exterior wood can develop minor cracks, separations, shrinkage, or warping and such are non-warrantable conditions.
6. Floor squeaks.
 7. Discoloration, non-uniformity of, or appearance of brick.
 8. Marble, Granite or other stone-type material (Natural or Man-made); variation in color or appearance of such items is a normal condition. Stones are a product of nature. It is not possible to guarantee that color and markings of a large natural stone deposit will be present in every small sample, nor that every characteristic of the sample will be uniformly present in other samples. A sample, therefore, serves only to indicate in a general way, the color, markings and texture usually found in a variety of species of stone. Natural stones are a beautiful and practical product for a building finish. Because of their inherent characteristics, no two installations will ever be identical.
 9. Broken Glass.
 10. Mirror Defects: Except latent silvering failure.
 11. Wood Finishes (Interior and Exterior): variation in color or appearance of woods is a normal condition.
 12. Warping of wood doors and cabinet doors and other wood-trim items which does not affect their function.
 13. Chips, scratches, loss of finish, or mars in tile, marble (plastic or natural), resilient flooring, woodwork, walls, porcelain, brick, mirrors, plumbing fixtures, plastic laminate, glass, or any other materials not noted on pre-move-in inspection.
 14. Spots on carpeting not recognized on pre-move-in inspection. Minor fading due to variety of exposure to light and slight dye lot variance.
 15. Dripping Faucets: toilet adjustments after thirty (30) days.
 16. Plumbing stoppage due to foreign material being deposited in the line by Buyer (or Buyer's guests or invitees) or other Unit owners (or their guests or invitees); whether in this Unit, in other Units, or in the common elements.
 17. Service company meter problems, service lines installed by the City or any service company and backfilling or slumping thereof.

18. Utility lines (water, chilled water, sewer, gas, and electric) installed by Seller after ninety (90) days.
19. Minor and routine noises associated with the operation of the building's mechanical, electrical or plumbing systems, including "pipe banging", and water noise within pipes.
20. Shrubbery, trees, plants, grass, etc. Existing natural trees are also non-warrantable.
21. Paint: conditions of color fastness and mildew shall not be warrantable.
22. Any damage or condition resulting from Buyer's failure to maintain the Unit and all fixtures thereof.

TERMS AND PROVISIONS:

This limited warranty expressly EXCLUDES remedy for damage or defect caused by modifications not executed by Seller, improper or insufficient maintenance, improper operation, normal wear and tear under normal usage.

Any dispute, controversy, claim or other matter in question between Buyer and Seller arising out of or related to this warranty (herein called a "Claim") shall be settled by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association (the "**AAA**") currently in effect.

Notice of demand for arbitration shall be filed in writing with the other party and with the AAA. A demand for arbitration shall be made within a reasonable time after the Claim has arisen and in no event shall it be made after expiration of the one-year warranty period. No arbitration arising out of or relating to this Warranty shall include, by consolidation, joinder or in any other manner, any person or entity other than Buyer and Seller, unless it is shown at the time the demand for arbitration is filed that (1) such person or entity is substantially involved in a common question of fact or law, (2) the present of such person or entity is required if complete relief is to be accorded in arbitration, and (3) the interest or responsibility of such person or entity in the matter is not insubstantial.

A party who files a notice of demand for arbitration must assert in the demand all Claims then known to that party. When a party fails to include a Claim through oversight, inadvertence or excusable neglect, or when a Claim has matured or been acquired subsequently, the arbitrator may permit amendment.

This agreement to arbitrate shall be specifically enforceable under applicable law in any court having jurisdiction thereof. The prevailing party shall be entitled to recover from the non-prevailing party or parties, its costs incurred in connection with the proceeding, including reasonable attorneys fees. The award rendered by the arbitrator shall be final and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

If any clause or provision of this warranty is illegal, invalid or unenforceable under present or future laws, it is the intention of Buyer and Seller that the remainder of this Warranty shall not be affected thereby, and by the giving and acceptance of this Warranty, Buyer and Seller declare that this Warranty would have been given and accepted without such unenforceable portion.

GALILEO AT 25TH, LTD., a Texas limited partnership

By: Land Plus Concepts LLC, a Texas limited liability company, General Partner

By: _____

Its: _____

ACCEPTED AND AGREED TO:

Buyer

**GALILEO AT 25TH, A CONDOMINIUM COMMUNITY
BROKERS ADDENDUM
TO PURCHASE CONTRACT**

NOTE: Do not use this Addendum unless Buyer is represented by an "outside" broker.

Buyer: _____
Unit: _____

This Addendum applies to the Contract because Buyer is represented by a real estate broker.

1. **Listing Broker.** Seller is represented by the below-named Listing Broker. Seller will pay Listing Broker a fee specified by a separate agreement between them. The Listing Broker is Real Estate Gain. The Agent of the Listing Broker is Elaina Eiser, who may be reached at her brokerage office (512) _____ ext. ____, or by e-mail at _____'.

2. **Other Broker (or Agent).** Buyer is working with the Other Broker (or agent). The Other Broker (or agent) represents Buyer only as Buyer's agent.

Other Broker (or Agent): _____

Other Broker (or Agents') Address: _____

Phones: _____

Fax: _____

e-mail(s): _____

License No.: _____

3. **Commission.** All commissions are made and paid pursuant to the terms of the written commission agreement between Seller and the Listing Broker. One of the terms of that agreement is that a commission is not payable until the Closing and funding of the sale of a Unit. In other words, if the sale does not close and fund, for any reason or no reason, neither Seller nor the Listing Broker is responsible for paying any fee or commission to any person in connection with this contact or the transaction contemplated by this Contract.

4. **Other Brokers (or agents') Fee.** The Other Broker (or agent) will be paid by the Listing Broker, who agrees to pay Other Broker (or agent) a fee of 3 percent of the contract purchase price when the Listing Broker's fee is received. Escrow agent is authorized and directed to pay Other Broker from Listing Broker's fee at Closing.

5. **Indemnification.** Buyer and/or Other Broker (or agent) hereby release, indemnify, and hold Seller harmless against all losses, damages, costs, and expenses of claims made by any other broker or agent who claims dealings with Listing and/or Other Broker (or agent) in connection with this transaction. This covenant will survive Closing.

Elaina Eiser, Agent of Listing Broker

Date Signed: _____

Date Signed: _____

OTHER BROKER (or agent)

Date Signed: _____

BUYER 1

Date Signed: _____

BUYER 2

Date Signed: _____

SELLER'S REPRESENTATIVE

**GALILEO AT 25TH, A CONDOMINIUM COMMUNITY
FINANCING ADDENDUM
TO PURCHASE CONTRACT**

Buyer: _____
Unit: _____

This Addendum applies to the Contract because Buyer expects to obtain financing for \$_____ of the Purchase Price (the "**Loan Amount**"). Buyer will pay the remainder of the Purchase Price in cash.

Subject to the conditions of this Addendum, Buyer shall have the unrestricted right to terminate this Contract by giving written notice of termination to Seller within _____ (__) days after the Effective Date of this Contract (the "**Financing Period**") that Buyer is unable to obtain approval for a firm commitment for financing for the Loan Amount (the "**Financing Contingency**"). If Buyer gives written notice of termination within the Financing Period, the Earnest Money shall be refunded to Buyer. If Buyer does not provide written notice of termination within the Financing Period, this Contract and Buyer's obligations hereunder shall no longer be subject to any Financing Contingency regardless of whether Buyer has obtained financing approval, and regardless of whether Buyer obtained financing approval that subsequently was withdrawn or cancelled due to change in Buyer's circumstances, whether or not such cancellation is within Buyer's control (*e.g.*, loss or change in employment or devaluation of investments).

The Financing Contingency is expressly made subject to the following conditions:

1. Within five (5) days after the Effective Date of this Contract, Buyer shall notify Seller of the date Buyer submitted an application for financing, and the name, address, and contact information of the lender from whom Buyer seeks financing. Buyer authorizes any lender to release to Seller any credit information required by Seller, and authorizes Seller and lender to share with each other, or any third party deemed appropriate by them, such credit information. If Buyer fails to timely deliver such a notice, Seller may terminate this Contract by notice to Buyer, in which event the Earnest Money, less \$1,000 which shall be deducted from the Earnest Money and paid to Seller as consideration for Seller's time in connection with this Contract, shall be refunded to Buyer.
2. If Buyer intends to seek FHA insured financing, Buyer must notify Seller at the time this Contract is executed, and the following disclosure shall apply: Notwithstanding any other provisions of this Contract, if FHA valuation of the Unit is unknown, Buyer is not obligated to complete the purchase of the Unit and will not forfeit the Earnest Money or incur any other penalty unless Buyer is given a written statement issued by the Federal Housing Commissioner, Department of Veterans Affairs, or a Direct Endorsement Lender, stating that the Unit has an appraised value of not less than the Purchase Price. However, Buyer has the privilege and option to proceed with consummation of this Contract without regard to the amount of the appraised valuation. The appraised value is used to determine the maximum loan amount that HUD will insure. HUD does not warrant the value or condition of the Unit. Buyer should satisfy himself that the price and the condition of the Unit are acceptable. Seller shall have no obligation to pay any purchase expense which FHA prohibits a Buyer from paying unless Seller has approved the payment of such expense as reflected in this Contract (or Special Provisions Addendum).
3. If Buyer intends to seek VA insured financing, Buyer must notify Seller at the time this Contract is executed, and the following disclosure shall apply: Notwithstanding any other provisions of this Contract, Buyer is not obligated to complete the purchase of the Unit and will not forfeit the Earnest Money or incur any other penalty if the Purchase Price exceeds the reasonable value of the Unit established by the Department of Veterans Affairs ("**VA**"). However, Buyer has the privilege and option to proceed with consummation of this Contract

without regard to the amount of the reasonable value established by VA. If Buyer elects to complete the purchase at an amount that exceeds the reasonable value established by VA, Buyer will pay the excess amount in cash for a source that Buyer agrees to disclose to VA and which Buyer represents will not be from borrowed funds except as approved by VA. Seller shall have no obligation to pay any purchase expense which VA prohibits a Buyer from paying unless Seller has approved the payment of such expense as reflected in this Contract (or Special Provisions Addendum).

4. Buyer acknowledges and agrees that Seller has no contractual relationship with Buyer's lender and shall not be obligated or bound to execute or deliver any agreements, certificates, estoppels, documents for project approval, or any other information requested or required by Buyer's lender in connection with the Closing and funding of Buyer's loan, whether during the lender's loan review and approval process, prior to Closing, at Closing, after Closing, or otherwise, and shall have no liability to Buyer or Buyer's lender for its failure or refusal to do so.

BUYER 1

Date Signed: _____

BUYER 2

Date Signed: _____

SELLER'S REPRESENTATIVE

Date Signed: _____

**GALILEO AT 25TH, A CONDOMINIUM COMMUNITY
INSULATION DISCLOSURE ADDENDUM
TO PURCHASE CONTRACT**

As required by Federal Trade Commission Regulations, the information relating to the insulation installed or to be installed in the Unit being purchased under this Contract is as follows:

- (i) Exterior walls will generally have 3 5/8" fiberglass unfaced batt insulation which will have an R-Value of not less than 13;
- (ii) Demising or party walls between Units will generally have 3 5/8" fiberglass unfaced batt insulation which will have an R-Value of not less than 11;
- (iii) Corridor walls separating a Unit from common area corridors will generally have 3 5/8" fiberglass unfaced batt insulation which will have an R-Value of not less than 11;
- (iv) The mid-floors will have 3 5/8" fiberglass unfaced batt insulation which will have an R-Value of not less than 11; and
- (v) The sixty floor ceiling will have 9 1/2" fiberglass unfaced batt insulation with an R-Value of not less than 30 to attic space.

All stated R-Values are based upon information provided by the manufacturer of the insulation (R-Value means resistance to heat flow, the higher the R-Value, the greater the insulating power). The Insulation Information was furnished to Seller by the installer and/or manufacturer of the insulation and if there is a change in Insulation Information, Seller will furnish to Buyer a written statement of such information.