



TEXAS ASSOCIATION OF REALTORS®
NEW RESIDENTIAL CONDOMINIUM CONTRACT
 (Completed Construction)

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1. **PARTIES:** THORNTON CITY HOMES, INC., a Texas corporation (Seller) agrees to sell and convey to _____ (Buyer) and Buyer agrees to buy from Seller the property described below.

2. **PROPERTY AND CONDOMINIUM INFORMATION STATEMENT:**

A. "Property" means the Condominium Unit _____, in Building _____, of Thornton City Homes Condominiums, a condominium project located at 2308-2314 Thornton Road/78704 (Address/Zip Code), City of Austin, Travis County, Texas described in the Condominium Declaration and Plat and any amendments thereto of record in said County, together with:

- (1) the improvements, fixtures, and all other real property located thereon;
- (2) the following described related accessories (non-fixtures), if any: window air conditioning units, stove, fireplace screens, curtains and rods, blinds, window shades, draperies and rods, controls for satellite dish systems, controls for garage door openers, entry gate controls, door keys, mailbox keys and artificial fireplace logs; and
- (2) such Unit's undivided interest in the Common Elements designated by the Declaration, including those areas reserved as Limited Common Elements appurtenant to the Unit and such other rights to use the Common Elements which have been specifically assigned to the Unit in any other manner.

There are 1 parking areas assigned to the Property which are described as: one parking garage as described in the Condominium Information Statement described below.

B. "Condominium Information Statement" means the information defined by §82.153, Texas Property Code and if the Property is a conversion building the additional information required by §82.154, Texas Property Code. *(Check one box only.)*

- (1) Buyer has received a copy of the Condominium Information Statement. Buyer is advised to read the Condominium Information Statement before signing this contract.
- (2) Buyer has not received a copy of the Condominium Information Statement. Seller shall deliver the Condominium Information Statement to Buyer within _____ days after the effective date of this contract. Buyer may cancel this contract before the 6th day after Buyer receives the Condominium Information Statement by hand-delivering or mailing written notice of the cancellation to Seller by certified United States mail, return receipt requested.

C. Seller is required under §82.153(c), Texas Property Code, to amend the Condominium Information Statement to reflect a material and substantial change in its contents. If the change may adversely affect Buyer:

- (1) Seller shall furnish a copy of the amendment to Buyer before closing; and
- (2) Buyer may cancel this contract by providing written notice to Seller before the 6th day after Buyer receives the amendment or before closing, whichever is earlier.

3. SALES PRICE:

- A. Cash portion of Sales Price payable by Buyer at closing\$ _____
- B. Sum of all financing described below (excluding any loan funding fee or mortgage insurance premium)\$ _____
- C. Sales Price (Sum of A and B)\$ _____

4. FINANCING: The portion of Sales Price not payable in cash will be paid as follows:

- A. **THIRD PARTY FINANCING:** One or more third party mortgage loans in the total amount of \$ _____ (excluding any loan funding fee or mortgage insurance premium).

- (1) Property Approval: If the Property does not satisfy the lender's underwriting requirements for the loan(s), this contract will terminate and the earnest money will be refunded to Buyer.

- (2) Financing Approval: (*Check one box only.*)

- (1) This contract is subject to Buyer being approved for the financing described in the attached Third Party Financing Condition Addendum.

- (2) This contract is not subject to Buyer being approved for financing and does not involve FHA or VA financing.

- B. **SELLER FINANCING:** A promissory note from Buyer to Seller of \$ _____ secured by vendor's and deed of trust liens, and containing the terms and conditions described in the attached TREC (Texas Real Estate Commission) Seller Financing Addendum. If an owner policy of title insurance is furnished, Buyer shall furnish Seller with a mortgagee policy of title insurance.

5. EARNEST MONEY: Upon execution of this contract by both parties, Buyer shall deposit an amount equal to one percent (1.0%) of the Sales Price as earnest money with Independence Title Company, as escrow agent, at 300 W. 6th Street, Suite 120, Austin, Texas 78701, Attention: Kelli Burns, (address). Buyer shall deposit additional earnest money of \$ _____ with escrow agent within _____ days after the effective date of this contract. If Buyer fails to deposit the earnest money as required by this contract, Buyer will be in default.

6. TITLE POLICY:

- A. **TITLE POLICY:** Seller shall furnish to Buyer at Seller's Buyer's expense an owner's policy of title insurance (Title Policy) issued by Independence Title Company (Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:

- (1) restrictive covenants common to the platted subdivision in which the Property is located;

- (2) the standard printed exception for standby fees, taxes and assessments;

- (3) liens created as part of the financing described in Paragraph 4;

- (4) terms and provisions of the Condominium Information Statement including the assessments and platted easements;

- (5) reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing;

- (6) the standard printed exception as to marital rights;

- (7) the standard printed exception as to waters, tidelands, beaches, streams, and related matters; and

- (8) the standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements.

B. COMMITMENT:

- (1) Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer:
 - (a) a commitment for title insurance (Commitment); and
 - (b) at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions.
- (2) Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer at Buyer's address shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or the Closing Date, whichever is earlier.

C. OBJECTIONS:

- (1) Buyer may object in writing to defects, exceptions, or encumbrances to title: disclosed in the Commitment other than items 6A(1) through 6A(8) above; or which prohibit the following use or activity: Residential Use.
- (2) Buyer must object not later than the earlier of: (i) the Closing Date; or (ii) five (5) days after Buyer receives the Commitment and Exception Documents. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived.
- (3) Provided Seller is not obligated to incur any expense, Seller shall cure the timely objections of Buyer or any third party lender within 15 days after Seller receives the objections and the Closing Date will be extended as necessary. If objections are not cured within such 15-day period, this contract will terminate and the earnest money will be refunded to Buyer unless Buyer waives the objections.

D. TITLE NOTICES:

- (1) **ABSTRACT OR TITLE POLICY:** Broker advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.
- (2) **STATUTORY TAX DISTRICTS:** If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49 of the Texas Water Code requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.
- (3) **TIDE WATERS:** If the Property abuts tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract.
- (4) **ANNEXATION:** If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.
- (5) **PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER:** Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you

will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.

7. PROPERTY CONDITION:

- A. ACCESS, INSPECTIONS AND UTILITIES: Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make such inspections. Seller shall pay for turning on existing utilities for inspections.
- B. ACCEPTANCE OF PROPERTY CONDITION: Buyer accepts the Property in its present condition; provided Seller, at Seller's expense, shall complete the following specific repairs and treatments; and make the following improvements: None
- C. WARRANTIES: Except as expressly set forth in writing or in this contract, or provided by law, Seller makes no other express warranties. Seller agrees to assign to Buyer at closing all assignable manufacturer warranties.
- D. INSULATION: As required by Federal Trade Commission Regulations, the information relating to the insulation installed or to be installed in the Property is as follows: *(Check one box only.)*
- (1) as shown in the attached specifications.
- (2) as follows:
- (a) Exterior walls of improved living areas: insulated with batt insulation to a thickness of 3¼ inches, which yields an R-Value of R13.
 - (b) Walls in other areas of the Property: insulated with batt insulation to a thickness of 5¼ inches, which yields an R-Value of R19.
 - (c) Ceilings in improved living areas: insulated with batt insulation to a thickness of 6¾ inches, which yields an R-Value of R22.
 - (d) Floors of improved living areas not applied to a slab foundation: insulated with batt insulation to a thickness of 5¼ inches, which yields an R-Value of R19.
 - (e) Other insulated areas: insulated with blown insulation to a thickness of 12 inches, which yields an R-Value of R30.
- All stated R-Values are based on information provided by the manufacturer of the insulation.
- E. LENDER REQUIRED REPAIRS AND TREATMENTS: Unless otherwise agreed in writing, neither party is obligated to pay for lender required repairs or treatment for wood destroying insects. If the parties do not agree to pay for the lender required repairs or treatments, this contract will terminate and the earnest money will be refunded to Buyer. If the cost of lender required repairs and treatments exceeds 5% of the Sales Price, Buyer may terminate this contract and the earnest money will be refunded to Buyer.
- F. COMPLETION OF REPAIRS, TREATMENTS, AND IMPROVEMENTS: Unless otherwise agreed by the parties in writing, Seller shall complete all agreed repairs, treatments, and improvements (Work) prior to the Closing Date. All required permits must be obtained and all Work must be performed by persons who are licensed or otherwise authorized by law to provide such Work. At Buyer's election, any transferable warranties received by Seller with respect to the Work will be transferred to Buyer at Buyer's expense. If Seller fails to complete any Work prior to the Closing Date, Buyer may do so and receive reimbursement from Seller at closing. The Closing Date will be extended up to 15 days, if necessary, to complete the Work.
- G. ENVIRONMENTAL MATTERS: Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes of other environmental hazards or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property.

If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.

H. **RESIDENTIAL SERVICE CONTRACTS:** Buyer may purchase a residential service contract from a residential service company licensed by TREC. If Buyer purchases a residential service contract, Seller shall reimburse Buyer at closing for the cost of the residential service contract in an amount not exceeding \$ N/A. Buyer should review any residential service contract for the scope of coverage, exclusions, and limitations. **The purchase of a residential service contract is optional. Similar coverage may be purchased from various companies authorized to do business in Texas.**

I. **CONVERSIONS:** The Property is is not a conversion building as defined by §82.003, Property Code. If the Property is a conversion building, the Condominium Conversion Addendum is attached.

8. **BROKERS' FEES:** All obligations of the parties for payment of brokers' fees are contained in separate written agreements.

9. **CLOSING:**

A. The closing of the sale will be on or before _____ or within 7 days after objections to matters under Paragraph 6C have been cured, whichever date is later (Closing Date). If either party fails to close this sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.

B. At closing:

- (1) Seller shall execute and deliver a general warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 and shall furnish tax statements or certificates showing no delinquent taxes on the Property;
- (2) Buyer shall pay the Sales Price in good funds acceptable to the escrow agent; and
- (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents and other documents required of them by this contract, the Commitment or law necessary for the closing of the sale and the issuance of the Title Policy.

C. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back-up offers.

D. All covenants, representations, and warranties in this contract survive closing.

10. **POSSESSION:**

A. Seller shall deliver to Buyer possession of the Property in its present or required condition, ordinary wear and tear excepted:

- (1) upon closing and funding.
- (2) according to a temporary residential lease form promulgated by TREC or other written lease required by the parties.

B. Any possession by Buyer prior to closing or by Seller after closing which is not authorized by a written lease will establish a tenancy at sufferance relationship between the parties. *Consult your insurance agent prior to change of ownership or possession because insurance coverage may be limited or terminated. The absence of a written lease or appropriate insurance coverage may expose the parties to economic loss.*

11. SPECIAL PROVISIONS: *(Insert only factual statements and business details applicable to this sale.)*

SEE SPECIAL PROVISIONS ADDENDUM

12. SETTLEMENT AND OTHER EXPENSES:

A. The following expenses must be paid at or prior to closing as follows:

(1) Expenses payable by Seller (Seller's Expenses):

- (a) releases of existing liens, including prepayment penalties and recording fees; lender, FHA or VA completion requirements; tax statements or certificates; preparation of deed; one-half of escrow fee; and other expenses payable by Seller under this contract; and
- (b) Seller shall also pay an amount not to exceed \$None to be applied in the following order: Buyer's Expenses which Buyer is prohibited from paying by FHA, VA, Texas Veteran's Housing Assistance Program, or other governmental loan programs; and then to other Buyer's Expenses.

(2) Expenses payable by Buyer (Buyer's Expenses):

- (a) loan origination, discount, buy-down, and commitment fees (Loan Fees);
- (b) expenses incident to any loan, such as: appraisal fees, loan application fees, credit report fees, fees to prepare loan documents, interest on the notes from date of disbursement to one month prior to date of first monthly payments, recording fees for any lender-required documents, mortgagee title policy with lender-required endorsements, loan-related inspection fees, fees for lender-required photos, fees for amortization schedules, all prepaid items (required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments), final compliance inspection fees, courier fees, repair inspection fees, warehouse fees, underwriting fees, wire transfer fees, EPA endorsement fee; and tax deletion fee;
- (c) one-half of escrow fee;
- (d) recording fees for the deed and any deed of trust;
- (e) fees for copies of easements and restrictions; and
- (f) other expenses payable by Buyer under this contract.

(3) Any condominium owners' association fees resulting from the transfer of the property will be paid by Seller Buyer.

B. Buyer shall pay any Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender.

C. If any expense exceeds an amount stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veterans Housing Assistance Program Loan, or other governmental loan program regulations.

13. PRORATIONS:

A. PRORATIONS: Taxes for the current year, maintenance fees, regular condominium assessments, dues and rents will be prorated through the Closing Date. The prorations may be calculated taking into consideration any change that will affect the current year's taxes. If taxes

for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer will be obligated to pay taxes for the current year. Cash reserves from regular condominium assessments for deferred maintenance or capital improvements established by the condominium owners' association will not be credited to Seller. Any special assessment due and unpaid at closing will be the obligation of Seller.

- B. ROLLBACK TAXES: If the construction of the Property or Seller's change in use of the Property or the Property's common elements before closing results in the assessment of additional taxes, penalties, or interest (Assessments) for periods prior to closing, the Assessments will be the obligation of Seller. Obligations imposed by this paragraph will survive closing.

14. CASUALTY LOSS:

- A. Except as provided by Paragraph 14B, if any part of the Property is damaged or destroyed by fire or other casualty, Seller shall restore the same to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may:
- (1) terminate this contract and the earnest money will be refunded to Buyer;
 - (2) extend the time for performance up to 15 days and the closing will be extended as necessary;
- or
- (3) accept the Property in its damaged condition with an assignment of insurance proceeds that is acknowledged by the insurer and receive credit from Seller at closing in the amount of the deductible under the insurance policy.
- B. If any part of the Common Elements or the Property's Limited Common Elements is damaged or destroyed by fire or other casualty loss, Buyer will have 7 days from receipt of notice of such casualty loss within which to notify Seller in writing that the contract will be terminated unless Buyer receives written confirmation from the condominium owners' association that the damaged condition will be restored to its previous condition within a reasonable time at no cost to Buyer. Unless Buyer gives such notice within such time, Buyer will be deemed to have accepted the Property without confirmation of such restoration. Seller shall have 7 days from the date of receipt of Buyer's notice within which to cause to be delivered to Buyer such confirmation. If required by Buyer and written confirmation is not delivered to Buyer as required above, Buyer may terminate this contract and the earnest money will be refunded to Buyer.
- C. Seller's obligations under this Paragraph 14 are independent of any other obligations of Seller under this contract.

15. DEFAULT:

- A. If Buyer fails to comply with this contract, Buyer will be in default, and Seller may:
- (1) enforce specific performance, seek such other relief as may be provided by law, or both; or
 - (2) terminate this contract and receive earnest money as liquidated damages, thereby releasing both parties from this contract.
- B. If, due to factors beyond Seller's control, Seller fails, within the time allowed, to make any non-casualty repairs or deliver the Commitment, Buyer may:
- (1) extend the time for performance up to 15 days and the Closing Date will be extended as necessary; or
 - (2) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.

- C. If Seller fails to comply with this contract for a reason other than a reason stated in Paragraph 15B, Seller will be in default and Buyer may:
- (1) enforce specific performance, seek such other relief as may be provided by law, or both; or
 - (2) terminate this contract and receive earnest money, thereby releasing both parties from this contract.

16. MEDIATION: It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will will not be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. A party is not precluded from seeking equitable relief from a court of competent jurisdiction.

17. ATTORNEY'S FEES: The prevailing party in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding incurred by the prevailing party.

18. ESCROW:

- A. The escrow agent is not:
- (1) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract;
 - (2) liable for interest on the earnest money; and
 - (3) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as escrow agent.
- B. At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer.
- C. Upon termination of this contract, the party entitled to the earnest money may request the other party to execute a release of earnest money and deliver it to the party entitled to the earnest money. Upon receipt of the release, the escrow agent shall disburse the earnest money in accordance with the release.
- D. If the party who is not entitled to the earnest money refuses or fails to execute the release (as provided by Paragraph 18C) within 7 days after receiving the request for the release, the party entitled to the earnest money may make written demand for the earnest money to the escrow agent. The escrow agent shall send a copy of the demand to the other party. If the escrow agent does not receive written objection to the demand from the other party within 15 days after sending a copy of the demand to the other party, escrow agent may disburse the earnest money to the party making the demand. Notice of any objection will be deemed effective upon receipt by the escrow agent. Escrow agent's notice to a party under this Paragraph 18 is effective when sent in compliance with Paragraph 21.
- E. If the party entitled to the earnest money brings an action in a court of law to recover the earnest money, after the party entitled to the earnest money has attempted to obtain a release under Paragraphs 18C and 18D, and a court finds that the other party wrongfully failed or refused to execute a release, the party entitled to the earnest money shall be entitled to recover from the other party:
- (1) the earnest money;
 - (2) liquidated damages in the amount of three times the amount of the earnest money; and
 - (3) reasonable attorney's fees and costs necessary to bring the action.
- F. Any disbursement of the earnest money shall be reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and the escrow agent may pay such amount to the creditors.

G. If the escrow agent complies with the provisions of this Paragraph 18, each party hereby releases the escrow agent from all adverse claims related to the disbursement of the earnest money.

19. REPRESENTATIONS: Seller represents: (i) that as of the Closing Date there will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds; and (ii) Seller has no knowledge of any misrepresentation or errors in the Condominium Information Statement or any material changes in the information contained therein. If any representation in this contract is untrue on the Closing Date, Seller will be in default.

20. FEDERAL TAX REQUIREMENT: If Seller is a "foreign person", as defined by applicable law, or if Seller fails to deliver an affidavit that Seller is not a "foreign person", then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver such amount to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if cash in excess of specified amounts is received in the transaction.

21. NOTICES: All notices from one party to the other must be in writing and are effective when mailed to, hand-delivered at, or transmitted by facsimile or electronic transmission as follows:

To Buyer at:

Telephone: _____

Facsimile: _____

Email: _____

To Seller at:

THORNTON CITY HOMES, INC.
608 West 24th Street
Austin, Texas 78705

Telephone: (512) 275-1919

Facsimile: (512) 275-9911

Email: mitch@texanproperties.net

22. AGREEMENT OF PARTIES: This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda which are a part of this contract are:

- (1) Third Party Financing Condition Addendum;
- (2) Seller Financing Addendum;
- (3) Condominium Information Statement;
- (4) Condominium Conversion Addendum;
- (5) Addendum for Seller's Disclosure of Information on Lead-based Paint and Lead-based Paint Hazards;
- (6) Environmental Assessment, Threatened or Endangered Species, or Wetlands Addendum;
- (7) Buyer's Temporary Residential Lease;
- (8) Addendum for Sale of Other Property by Buyer;
- (9) Addendum for "Back-Up" Contract;
- (10) Addendum for Coastal Area Property;
- (11) Addendum for Property Located Seaward of the Gulf Intracoastal Waterway; and
- (12) SPECIAL PROVISIONS ADDENDUM

(Note: Counsel for the Texas Association of REALTORS® (TAR) has determined that any of the foregoing addendum which are promulgated by TREC or published by TAR are appropriate for use with this form.)

23. TERMINATION OPTION: For nominal consideration, the receipt of which is hereby acknowledged by Seller, and Buyer's agreement to pay Seller \$NONE (Option Fee) within 2 days after the effective date of this contract, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within N/A days after the effective date of this contract. If no dollar amount is stated as the Option Fee or if Buyer fails to pay the Option Fee within the time prescribed, this paragraph will not be part of this contract and Buyer shall not have the unrestricted right to terminate this contract. If Buyer gives notice of termination within the time specified, the Option Fee will not be refunded, however, any earnest money will be refunded to Buyer. The Option Fee will will not be credited to the Sales Price at closing. **Time is of the essence and strict compliance with the time for performance stated herein is required.**

24. CONSULT AN ATTORNEY: Real estate licensees cannot give legal advice. **READ THIS CONTRACT CAREFULLY.** If you do not understand the effect of this contract, consult your attorney **BEFORE** signing.

Buyer's
Attorney is: _____

Seller's
Attorney is: _____

Telephone: _____

Telephone: _____

Fax: _____

Fax: _____

Email: _____

Email: _____

EXECUTED the _____ day of _____, 20____ (THE EFFECTIVE DATE).
(BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)

This contract is subject to Chapter 27 of the 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 the notice required by Chapter 27 of the Texas Property Code to the contractor by certified mail, return receipt requested, not later than the 60th day before the date you file suit to recover damages in a court of law or initiate arbitration. The notice must refer to Chapter 27 of the Texas Property Code and must describe the construction defect. If requested by the contractor, you must provide the contractor an opportunity to inspect and cure the defect as provided by Section 27.004 of the Texas Property Code.

Buyer

Buyer

Seller

THORNTON CITY HOMES, INC., a Texas corporation

By: _____

Name: _____

Title: _____

BROKER INFORMATION AND RATIFICATION OF FEE

Listing Broker has agreed to pay Other Broker _____ of the total sales price when Listing Broker's fee is received. Escrow Agent is authorized and directed to pay Other Broker from Listing Broker's fee at closing.

Other Broker _____ License No. _____
 represents Seller as Listing Broker's subagent
 Buyer only as Buyer's agent

Listing Broker _____ License No. _____
 represents Seller and Buyer as an intermediary
 Seller only as Seller's agent

Associate _____ Phone _____

Listing Associate _____ Phone _____

Broker's Address _____

Listing Associate's Office Address _____ Fax _____

City _____ State _____ Zip _____

City _____ State _____ Zip _____

Fax _____

Email _____

Email _____

Selling Associate _____ Phone _____

Selling Associate's Office Address _____ Fax _____

City _____ State _____ Zip _____

Email _____

CONTRACT AND EARNEST MONEY RECEIPT

Receipt of Contract and \$ _____ Earnest Money in the form of _____ is acknowledged.

Escrow Agent: _____

Date: _____

By: _____

Email: _____

Address: _____

Telephone: _____

City, State, Zip: _____

Fax: _____

OPTION FEE RECEIPT

Receipt of \$ _____ (Option Fee) in the form of _____ is acknowledged.

 Seller or Listing Broker

 Date

**SPECIAL PROVISIONS ADDENDUM TO
NEW RESIDENTIAL CONDOMINIUM CONTRACT
(Completed Construction)**

**BY AND BETWEEN _____, AS BUYER,
AND THORNTON CITY HOMES, INC., AS SELLER,
COVERING UNIT _____ IN THE THORNTON CITY HOMES CONDOMINIUMS
LOCATED AT 2308-2314 THORNTON ROAD, AUSTIN, TEXAS 78704**

Buyer and Seller agree that the provisions set forth in this Special Provisions Addendum are incorporated into the New Residential Condominium Contract (Completed Construction) by and between Buyer and Seller (the "Base Contract") as if set forth therein in their entirety. In the event of any conflict between any provision set forth in this Special Provisions Addendum and any provision set forth in the Base Contract, the provision set forth in this Special Provisions Addendum shall control.

- A. **CONDITION OF PROPERTY.** It is understood and agreed that Seller has not built the Property or the Thornton City Homes Condominiums development of which the Property is a part (the "Condominium Development") to the precise specifications or designs of any model, rendering or drawing or to the specifications of Buyer. Any model, rendering or drawing is provided for illustrative purposes only and shall not constitute an agreement or commitment on the part of Seller to deliver the Property or the Condominium Development in exact accordance with any model, rendering or drawing. Any consultation with Buyer with respect to the specifications of the Property or the Condominium Development shall not be deemed a waiver of Seller's rights under Paragraph B below. None of the items of furnishings shown in any model or depicted in any rendering or drawing are included in this contract unless Seller herein or hereafter specifically agrees in writing to deliver the same to Buyer by inclusion as optional items or by subsequent written instrument. The Property is being sold unfurnished and will contain only the appliances and equipment installed at the time of the final inspection of the Property by Buyer and Seller as described above. Buyer hereby acknowledges and agrees that Buyer is not relying upon any promotional materials provided to Buyer in connection with this purchase and that Buyer is relying solely on the information contained in the Condominium Information Statement and this contract.
- B. **MODIFICATION OF CONDOMINIUM.** Buyer acknowledges and agrees that Seller has the right to modify the Condominium Development and the Condominium Information Statement (i) as may be required by any law, statute, regulation or governmental authority, the Title Company or the holder of any lien against any portion of the Condominium Development or the real property on which the Condominium Development is located; and (ii) as Seller deems necessary or desirable, provided that no such modification shall materially increase Buyer's share of common expenses or increase the Sales Price payable by Buyer pursuant to this contract. In the event of any modification or amendment of the Condominium Information Statement, Seller shall provide Buyer a copy of such modification or amendment.
- C. **DEED.** Paragraph 9B(1) is amended and restated in its entirety to read as follows: "Seller shall execute and deliver a special warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 and shall furnish tax statements or certificates showing no delinquent taxes on the Property;"
- D. **DEFAULT.** Paragraph 15C of the Base Contract is amended and restated in its entirety to read as follows: "If Seller fails to comply with this contract for a reason other than a reason stated in Paragraph 15B, Buyer's sole remedy shall be termination of this contract and receipt of the earnest money, thereby releasing both parties from this contract."
- E. **BUYER LEASES.** If Buyer intends to purchase the Property for lease to a third party, Buyer shall bear all costs of leasing the Property and shall not rely on Seller to locate any tenants for Buyer or enter into any lease agreements on behalf of Buyer. Failure of Buyer to enter into a lease agreement

with respect to the Property shall not constitute a default on the part of either Buyer or Seller and shall not create a right on the part of Buyer or Seller to terminate this contract.

- F. **BROKER.** Buyer acknowledges that the principal of Seller is a licensed real estate broker in the State of Texas.
- G. **TITLE.** EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE DEED DELIVERED BY SELLER TO BUYER, BUYER HEREBY WAIVES ANY AND EVERY CLAIM OR CAUSE OF ACTION AGAINST SELLER AND ITS AGENTS, EMPLOYEES, REPRESENTATIVES, DIRECTORS AND OFFICERS, RELATING TO OR ARISING OUT OF TITLE TO THE PROPERTY (INCLUDING ALL IMPLIED WARRANTIES), AND BUYER HEREBY AGREES TO PROCEED SOLELY AND EXCLUSIVELY AGAINST THE TITLE COMPANY IN THE EVENT OF ANY SUCH CLAIM, AND HEREBY INDEMNIFIES AND HOLDS SELLER, ITS AGENTS, EMPLOYEES, REPRESENTATIVES, DIRECTORS AND OFFICERS HARMLESS IN CONNECTION WITH ANY SUCH CLAIM.
- H. **NO SELLER WARRANTY; DEFECTS.** BUYER ACKNOWLEDGES AND AGREES THAT SELLER IS NOT MAKING, AND SPECIFICALLY DISCLAIMS, ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY AND THE CONDOMINIUM DEVELOPMENT, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OR REPRESENTATIONS AS TO (i) MATTERS OF TITLE (EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE DEED DELIVERED BY SELLER TO BUYER), (ii) ENVIRONMENTAL MATTERS, (iii) ZONING OR BUILDING ENTITLEMENTS TO WHICH THE PROPERTY, THE CONDOMINIUM DEVELOPMENT OR ANY PORTION OF ANY THEREOF MAY BE SUBJECT, (iv) USAGES OF ADJOINING PROPERTY, (v) THE USE OF THE PROPERTY OR THE CONDOMINIUM DEVELOPMENT OR COMPLIANCE OF THE PROPERTY OR THE CONDOMINIUM DEVELOPMENT WITH FEDERAL, STATE OR LOCAL ORDINANCES, (vi) THE MERCHANTABILITY OF THE PROPERTY OR (vii) THE FITNESS OF THE PROPERTY FOR ANY PARTICULAR PURPOSES. BUYER HAS CONDUCTED AND/OR WILL CONDUCT SUCH INSPECTIONS AND INVESTIGATIONS OF THE PROPERTY AND THE CONDOMINIUM DEVELOPMENT AS BUYER DEEMS NECESSARY, INCLUDING, BUT NOT LIMITED TO, THE PHYSICAL AND ENVIRONMENTAL CONDITIONS THEREOF AND SHALL RELY UPON SAME. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT UPON CLOSING SELLER SHALL CONVEY TO BUYER AND BUYER SHALL ACCEPT THE PROPERTY "AS IS, WHERE IS" WITH ALL FAULTS. BUYER'S AGREEMENT TO PURCHASE THE PROPERTY WITHOUT REPRESENTATIONS AND WARRANTIES WAS A MATERIAL FACTOR IN DETERMINING THE PURCHASE PRICE OF THE PROPERTY. BUYER FURTHER ACKNOWLEDGES AND AGREES THERE ARE NO ORAL AGREEMENTS, WARRANTIES OR REPRESENTATIONS MADE BY SELLER, AN AGENT OF SELLER OR ANY THIRD PARTY WITH RESPECT TO THE PROPERTY OR THE CONDOMINIUM DEVELOPMENT. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT SELLER IS NOT AND WILL NOT AT ANY TIME BE THE BUILDER, CONTRACTOR OR CONSTRUCTION SUPERVISOR WITH RESPECT TO THE PROPERTY OR THE CONDOMINIUM DEVELOPMENT OR ANY PART OF ANY THEREOF, THAT SELLER MAKES NO CONSTRUCTION WARRANTIES TO BUYER AND THAT BUYER SHALL LOOK SOLELY TO THE BUILDER AND CONTRACTOR FOR RELIEF FROM OR CORRECTION OF ANY CONSTRUCTION DEFECT. THIS PARAGRAPH H SHALL EXPRESSLY SURVIVE THE CLOSING, SHALL NOT MERGE WITH THE PROVISIONS OF ANY CLOSING DOCUMENTS AND SHALL BE INCORPORATED INTO THE DEED TO BE CONVEYED AT CLOSING.
- I. **ARBITRATION.** Any arbitrable dispute (defined below) between Seller and Buyer (the "Parties") shall be settled by arbitration, in accordance with the Commercial Arbitration Rules, then obtaining, of the American Arbitration Association. Any arbitration hereunder shall be before at least three arbitrators associated with the American Arbitration Association and selected in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The award of the arbitrators, or of a majority of them, shall be final, and judgment upon the award rendered may be entered in any court, state or federal, having jurisdiction. "Arbitrable disputes" include any controversy or claim

between the Parties including any claim based on contract, tort or statute, arising out of or relating to this Contract and all past, present and future agreements involving the Parties, any transaction contemplated hereby, and any aspect of the past, present or future relationship of the Parties. Depositions may be taken or other discovery obtained in any arbitration under this Contract. For purposes of this provision, the term "the Parties" shall also include individual officers, employees and legal counsel of the Parties. Any aggrieved Party shall serve a written notice of intention to arbitrate to any and all opposing Parties and to an American Arbitration Association office within the State of Texas within fifteen (15) days after a dispute has arisen. A dispute is deemed to have arisen upon receipt of a written demand or service of judicial process. Such notice of intention to arbitrate may be informal and need not comply with Rule 6 of the American Arbitration Association. Any arbitrator selected shall be knowledgeable in the subject matter of the dispute. Qualified retired judges shall be selected whenever possible through panels maintained by the American Arbitration Association. All Parties in an arbitration proceeding shall pay an equal share of the arbitrators' fees. All statutes of limitations which would otherwise be applicable shall apply to any arbitration proceeding hereunder. In any arbitration proceeding subject to these provisions, the arbitrators, or a majority of them, are specifically empowered to decide (by documents only, or with a hearing, at the arbitrator's sole discretion) prehearing motions which are substantially similar to pre-hearing motions to dismiss and motions for summary adjudication. The Federal Arbitration Act shall govern the interpretation, enforcement, and proceedings pursuant to the arbitration clause in this Contract. The arbitrators, or a majority of them, shall award attorneys' fees and costs to the prevailing Party pursuant to the terms of this Contract. Venue of any arbitration proceeding hereunder will be in Travis County, Texas. The provisions of this Section shall survive any termination, amendment, or expiration of this Contract, unless the Parties otherwise expressly agree in writing.