

REAL ESTATE CONTRACT
689 East Clam Circle, Port Isabel, Cameron County, Texas

1. **PARTIES.** The names and addresses of the parties to this Real Estate Contract ("**Contract**") are:

a. **Purchaser:** _____

b. **Seller:** Board of Regents of The University of Texas System
Real Estate Office
210 West 7th Street
Austin, Texas 78701
Attention: Philip Bible
Telephone No.: (512) 499-4247
Fax No.: (512) 499-4388
Email: pbible@utsystem.edu

2. **DEFINED TERMS.** As used in this Contract, the following terms shall have the meanings set forth herein:

- a. **Closing:** The closing, funding and consummation of Seller's conveyance of the Property to Purchaser.
- b. **Closing Date:** That date agreed upon by the parties for Closing, which date shall be no later than _____ days after the expiration of the Feasibility Period.
- c. **Days:** All references to "days" in this Contract shall refer to calendar days, except as otherwise expressly provided herein.
- d. **Deed:** The special warranty deed by which Seller shall convey the Land and the Improvements to Purchaser at Closing, which deed shall be substantially of the form attached as **Exhibit B** hereto.
- e. **Effective Date:** The date this Contract is signed by the last to sign of Purchaser or Seller. If one party fails to date its execution of this Contract, the Effective Date shall be the date shown for the other party's execution. Each party agrees to give notice to the other party immediately upon execution of this Contract.
- f. **Escrow Deposit:** _____ U.S., together with any interest earned thereon in accordance with the terms of this Contract.

- g. Feasibility Period:** The period commencing on the Effective Date and expiring at 5:00 p.m. Austin, Texas time on the _____ day thereafter.
- h. Independent Contract Consideration:** \$100.00 U.S., which amount is taken out of the Escrow Deposit in accordance with Section 6, below.
- i. Property:** The real and personal property to be conveyed by Seller to Purchaser at Closing, as described in Section 3, below.
- j. Purchase Price:** _____ U.S.
- k. Title Company:** Edwards Abstract and Title Co
3111 W. Freddy Gonzalez Drive, Edinburg, TX 78539
phone (956) 383-4951
Diana Kaufold: diana.kaufold@edwards-titleco.com
- l. Title Policy:** A Texas Standard Form T-1 Texas Owner's Policy of Title Insurance
- m. Underwriter:** The title insurance underwriting company associated with the Title Company that at Closing will underwrite the Title Policy on the Land (as defined in Section 3.a) issued in favor of Purchaser.

3. PROPERTY. Seller agrees to sell, convey, grant and assign to Purchaser, and Purchaser agrees to purchase and pay for, the following real and personal property (collectively, the "**Property**"):

a. Land. A tract of land located in Cameron County, Texas, commonly known as 689 East Clam Circle and more particularly described on the attached **Exhibit A**, together with all rights and interests appurtenant thereto, including all of Seller's right, title and interest in and to (i) adjacent streets, alleys, rights-of-way and easements exclusively serving the Land; and (ii) any adjacent strips or gores of real estate; SAVE AND EXCEPT all oil, gas and other minerals from the Land, which are reserved by Seller, together with all rights owned by Seller (if any) of ingress and egress upon the Land for the purpose of exploring, developing and drilling the mineral estate.; and

b. Improvements. Any and all buildings, fixtures and improvements located on the Land and all rights, titles and interests appurtenant to such building, fixtures and improvements (collectively, the "**Improvements**"); and

c. Leases. Seller's interest in any and all leases, licenses, use and/or other agreements of any kind or nature pertaining to the right of any person to occupy or use any whole or part of the Land or the Improvements (collectively, the "**Leases**"), and all prepaid rents and deposits made by tenants holding under the Leases; and

d. Third Parties. In the event that Seller's conveyance and assignment to Purchaser at Closing of any of the matters comprising the Property requires the consent of a third party to effect a valid assignment of Seller's interest, Seller agrees to use commercially reasonable efforts to obtain

the written consent of such third party for the conveyance and assignment to Purchaser. Seller shall not be obligated to incur any expenses in obtaining such consent(s).

4. PURCHASE PRICE. Subject to the terms and conditions of this Contract, Purchaser agrees to pay the Purchase Price to Seller at Closing in cash or other good and immediately available United States Federal funds satisfactory to Seller and the Title Company.

5. ESCROW DEPOSIT. Purchaser shall deliver the Escrow Deposit to Title Company on or before the **fifth business day** after the Effective Date. The Title Company shall hold the Escrow Deposit in a federally-insured account, and both parties agree to take such actions as Title Company may reasonably require in connection with the opening of such an account. IF PURCHASER FAILS TO TIMELY DELIVER THE ENTIRE ESCROW DEPOSIT TO TITLE COMPANY, THEN SELLER MAY, AT ITS SOLE OPTION, TERMINATE THIS CONTRACT UPON WRITTEN NOTICE OF TERMINATION GIVEN TO PURCHASER AT ANY TIME PRIOR TO THE DEPOSIT OF THE ENTIRE ESCROW DEPOSIT WITH THE TITLE COMPANY. IN THE EVENT SELLER SO TERMINATES THIS CONTRACT, THE PARTIES SHALL HAVE NO FURTHER OBLIGATIONS TO EACH OTHER HEREUNDER, SAVE AND EXCEPT FOR THOSE OBLIGATIONS THAT BY THEIR EXPRESS TERMS ARE INTENDED TO SURVIVE THE CLOSING OR TERMINATION OF THIS CONTRACT. Purchaser and Seller authorize Title Company's disbursement of funds from the Escrow Deposit in accordance with the terms and provisions of this Contract. At Closing, the Escrow Deposit shall be applied to the Purchase Price or returned to Purchaser, at Purchaser's option.

6. INDEPENDENT CONTRACT CONSIDERATION. \$100.00 of the Escrow Deposit shall be retained by Seller as Independent Contract Consideration for Purchaser's option evidenced in this Contract; however, if the Closing occurs, that amount shall be credited to the Purchase Price.

7. TRUST AGREEMENT. If Purchaser is a trust or a trustee, then as a condition precedent to Seller's obligation to close under this Contract, Purchaser shall deliver to Seller within **five business days** after the Effective Date (i) a true, correct and complete copy of Purchaser's trust agreement and any and all amendments thereto (collectively, the "**Trust Agreement**"); and (ii) any other documentation required to identify the true owner of the Property to Seller's reasonable satisfaction, as required by Section 2252.092 of the Texas Government Code. Any trust agreement provided by Purchaser to Seller shall be subject to the confidentiality rules set forth in Section 2252.094 of the Texas Government Code. IF PURCHASER FAILS TO TIMELY DELIVER THE TRUST AGREEMENT TO SELLER, THEN SELLER, AT SELLER'S OPTION, MAY (IN ADDITION TO ANY OTHER REMEDY PROVIDED IN THIS CONTRACT FOR SUCH DEFAULT) TERMINATE THIS CONTRACT AT ANY TIME PRIOR TO THE EARLIER TO OCCUR OF THE CLOSING DATE OR DELIVERY OF THE TRUST AGREEMENT TO SELLER. IN THE EVENT SELLER SO ELECTS TO TERMINATE THIS CONTRACT, ANY ESCROW DEPOSIT HELD BY THE TITLE COMPANY (LESS THE INDEPENDENT CONTRACT CONSIDERATION) WILL BE RETURNED TO PURCHASER AND THE PARTIES SHALL HAVE NO FURTHER OBLIGATIONS TO EACH OTHER HEREUNDER, SAVE AND EXCEPT FOR THOSE OBLIGATIONS THAT BY THEIR EXPRESS TERMS ARE INTENDED TO SURVIVE THE CLOSING OR TERMINATION OF THIS CONTRACT.

8. TITLE COMMITMENT AND SURVEY.

a. Title Commitment. Within _____ **days** after the Effective Date, Seller shall cause the Title Company and the Underwriter to issue to Purchaser, in the form then promulgated under applicable Texas law, their written commitment ("**Commitment**") to issue Purchaser a Title Policy for the Land. The Commitment shall set forth the status of the title of the

Land and show all liens, encumbrances, easements, rights-of-way, encroachments, reservations, restrictions, and any other matters affecting the Land, together with a legible copy of all documents referenced therein.

b. **Survey.** Within **five days** after the Effective Date, Seller will deliver to Purchaser Seller's most current survey (if any) of the Land and the Improvements ("**Survey**"). **SELLER MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY NATURE, EXPRESS OR IMPLIED, REGARDING THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN SELLER'S SURVEY(S). SHOULD PURCHASER USE OR RELY ON SELLER'S SURVEY(S), PURCHASER SHALL DO SO AT PURCHASER'S SOLE RISK.** Within _____ days after the Effective Date, Purchaser may, but shall not be required to, obtain a current survey of the Land ("**Purchaser's Update Survey**") prepared by a duly registered Texas surveyor that complies with the Texas Society of Professional Surveyors' standards and specifications for a Category 1A Survey and is of a form and substance sufficient to permit modification of the standard survey exception on the Title Policy. Notwithstanding that a Purchaser's Update Survey is prepared in connection with this Contract, any field notes prepared by the surveyor in conjunction with the Survey will not control in the event of any conflicts or inconsistencies with the description of the Land contained or referred to in the deed into Seller, except as otherwise mutually agreed in writing by the parties. All costs and expenses of the Purchaser's Update Survey shall be payable by Purchaser, provided further that any costs for recertification or up-dating of the Survey required by Purchaser shall be at Purchaser's expense. Purchaser shall deliver to Seller a copy of any Purchaser's Update Survey completed pursuant to this Section within three (3) days of Purchaser's receipt of such Purchaser's Update Survey.

c. **Review of Title Commitment and Survey.** Purchaser shall have until 5:00 p.m. on the _____ day following Purchaser's receipt of the Commitment and Survey or Purchaser's Update Survey, as applicable ("**Purchaser's Objection Period**") to specify in writing to Seller those matters reflected on the Commitment and/or Survey that directly reflect encumbrances to title of the Land that Purchaser finds objectionable ("**Objections**").

i. **Permitted Encumbrances.** Any item not timely specified by Purchaser as an Objection shall be deemed a "Permitted Exception" and will be shown as a reservation from or exception to the warranty of title in the Deed. Notwithstanding the preceding sentence, (i) liens or security interests affecting the Property, other than liens and security interests specifically allowed under this Contract, shall be deemed Objections, and (ii) the following shall be deemed Permitted Exceptions and may not be objected to by Purchaser (a) standard printed exceptions included in the Texas Standard Form Owner Title Insurance Policy; (b) exceptions to title that are expressly required by this Contract; and (c) Seller's or third-party interests in the oil, gas and mineral estate in the Land.

ii. **Seller's Cure.** Within _____ **days** following written notice from Purchaser of the Objections ("**Cure Period**"), Seller shall notify Purchaser in writing ("**Seller's Response**") as to (i) those Objections that Seller has satisfied at Seller's expense during the Cure Period; (ii) those Objections that Seller cannot or will not satisfy during the Cure Period but agrees to satisfy at Seller's expense prior to Closing; and (iii) those Objections that Seller cannot or will not satisfy at Seller's expense at any time under this Contract. Seller's failure to timely give the Seller's Response to Purchaser shall be deemed an election by Seller not to satisfy any of the Objections at any time under this Contract, and in the event Seller's Response fails to address any particular Objection(s), Seller shall be deemed to have elected not to satisfy such Objection(s) at any time under this Contract.

d. Objections Not Corrected During the Cure Period. With respect to each Objection that the Seller's Response indicates will not be satisfied during the Cure Period but will be satisfied on or before Closing, Seller's satisfaction of such Objection is a condition precedent to Purchaser's obligation to close hereunder, and Seller's failure to satisfy such Objection by the Closing Date shall be a default by Seller hereunder. If Seller's Response (or failure to respond) indicates that Seller cannot or will not satisfy any one or more of the Objections at any time under this Contract, then Purchaser must, in its sole discretion and as its sole remedy in such circumstance, either:

i. Termination. Terminate this Contract by giving Seller written notice thereof on or before the expiration of _____ **days** after the earlier of (i) the expiration of the Cure Period; or (ii) the giving of the Seller's Response to Purchaser, in which event the Escrow Deposit (less the Independent Contract Consideration to be delivered to Seller) shall be returned to Purchaser and both parties shall be released from all further obligations under this Contract, save and except for those obligations that by their express terms are intended to survive the Closing or termination of this Contract; or

ii. Waiver of Objections. As to those Objections that Seller stated would not be corrected at any time under this Contract, elect to purchase the Property subject to the Objections not to be corrected, in which event such uncorrected Objections shall be deemed waived by Purchaser and shall thereafter be Permitted Exceptions under this Contract.

If Purchaser fails to give the written notice of termination specified in Section 8.d.i, Purchaser shall be deemed to have elected to waive the Objections not corrected and to accept such exceptions as Permitted Exceptions and keep the Contract in effect under Section 8.d. ii.

e. Revisions to Title Commitment. In the event that the Commitment is revised after the expiration of Purchaser's Objection Period and such revised Commitment discloses material matters not previously disclosed to Purchaser ("**New Exceptions**"), the notice and objection procedure set forth in Section 8.c and Section 8.d shall be repeated solely with respect to such New Exceptions, save and except that the Purchaser's Objection Period and the Seller's Cure Period under Section 8.c shall each be _____ **business days** and Purchaser's termination period under Section 8d(i) shall be three business days, and the Purchaser's Objection Period shall commence upon the date that Purchaser receives the revised Commitment and legible copies of all documents, instruments and plats referenced in the New Exceptions; and the Closing Date shall be extended accordingly.

9. FEASIBILITY STUDIES.

a. Property Condition Determination. If Purchaser determines, in Purchaser's sole judgment and discretion, that the Property is not suitable for Purchaser's intended use, Purchaser may terminate this Contract by giving Seller written notice of Purchaser's decision to terminate prior to the expiration of the Feasibility Period. Upon delivery to Seller of such written notice of termination, Purchaser and Seller shall instruct the Title Company to (i) disburse the Independent Contract Consideration, which, notwithstanding anything in this Contract to the contrary, shall be paid to Seller. and (ii) refund the balance of the Escrow Deposit to Purchaser. Thereafter, both parties shall be released from further obligations under this Contract, except as such obligations and covenants herein that expressly survive the Closing or termination of this Contract. Purchaser's failure to give timely notice of termination pursuant to the terms of this subsection shall be deemed a waiver of Purchaser's right to so terminate this Contract.

b. Feasibility Studies. Subject to the terms of this Section 9 and the rights of tenants and other occupants of the Land, Purchaser and Purchaser's agents, representatives and contractors may, after reasonable prior notice to Seller, enter upon the Land and the Improvements during the Feasibility Period, for the purpose of inspecting the Property and conducting such non-invasive tests and examinations thereof ("**Feasibility Studies**") as may be desired by Purchaser. Purchaser shall be responsible for all costs associated with all such Feasibility Studies and shall permit Seller to have a representative present during all Feasibility Studies. Purchaser shall take all reasonable actions and implement all protections necessary to ensure that all actions taken in connection with the Feasibility Studies, and all equipment, materials and substances generated, used or brought onto the Property in connection therewith pose no material threat to the safety of persons, property or the environment. Purchaser shall restore the Property to the same or substantially similar condition in which Purchaser or Purchaser's agents and representatives found it. Purchaser shall not permit any liens to attach to the Property by reason of the exercise of Purchaser's rights hereunder.

c. Invasive Studies. Notwithstanding anything in this Contract to the contrary, Purchaser shall not conduct any invasive tests (such as drilling) without the prior written consent of Seller and Seller have the right to withhold, prevent or bar any and all entries, surveys, tests investigations and other matters that in Seller's reasonable judgment may result in any injury to the Property or breach of any contract, or expose Seller to any losses, claims or liabilities or violation of applicable law, or otherwise adversely affect the Property or Seller's interest therein. Purchaser shall use reasonable efforts to minimize disruption to the tenants and other occupants of the Property in connection with Purchaser's or Purchaser's agents' or representatives' activities pursuant to this Section 9. No consent by Seller to any such activity shall be deemed to constitute a waiver by Seller or assumption of liability or risk by Seller. **PURCHASER HEREBY AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS SELLER FROM AND AGAINST ANY AND ALL LOSS, DAMAGE, CLAIMS, REMEDIES, DEFENSES, DEMANDS, SUITS, CAUSES OF ACTION, LIABILITIES, COSTS OR EXPENSES, OF WHATEVER KIND OR CHARACTER, ARISING OUT OF OR IN ANY WAY RELATED TO PURCHASER'S FEASIBILITY STUDIES, PROVIDED HOWEVER, IN NO EVENT SHALL PURCHASER HAVE ANY LIABILITY OR INDEMNITY OBLIGATIONS ARISING SOLELY AS A RESULT OF ONLY THE FACT THAT ENVIRONMENTAL CONTAMINATION OR OTHER PROPERTY ISSUES WERE DISCOVERED AS PART OF PURCHASER'S DUE DILIGENCE, INCLUDING WITHOUT LIMITATION, THE RESULTS OF ONE OR MORE FEASIBILITY STUDIES.** The foregoing indemnification obligations of Purchaser shall survive the termination or Closing of this Contract.

d. Property Condition Reports. The results of Feasibility Studies of the Property conducted by Purchaser are referred to herein as "**Property Condition Reports**." Purchaser shall provide Seller free of charge with copies of all Property Condition Reports prepared for or provided to Purchaser immediately upon receipt of same. Prior to the closing of the sale of the Property, Purchaser and its agents, consultants, and employees may not disclose any Property Condition Report to any third party without Seller's prior written approval, unless Purchaser is legally required to make such disclosure; and provided further that in the event this Contract terminates without a closing of the sale of the Property, this prohibition against disclosure shall survive the termination of this Contract. Seller hereby consents to Purchaser disclosing the Phase I and II environmental inspection reports to its lender, however Purchaser shall require that any such lender maintain the reports as confidential and not disclose such reports to any third party. All Property Condition Reports shall be deemed to be the sole property of Seller prior to Closing, but shall become the property of Purchaser from and after Closing; provided that Seller may retain one or more copies thereof without charge. Seller shall not disclose any Property Condition Report to any third party without Purchaser's prior written approval, unless Seller is legally required to make such disclosure;

provided, however, that in the event this Contract terminates without Closing of the sale of the Property, Seller may use the Property Condition Reports for any purpose, and may disclose and distribute them as Seller wishes.

10. MAINTENANCE AND OPERATION OF THE PROPERTY. From the Effective Date through the earlier to occur of the Closing or termination of this Contract, Seller (i) will maintain the Property as it existed on the Effective Date, except for reasonable wear and tear and casualty damage; and (ii) without the prior written consent of Purchaser, will not amend any Lease, voluntarily extend the term of any Lease (provided that such is not meant to prohibit a tenant's exercise of a right of extension already granted under an existing Lease), or enter into any new Lease of any whole or part of the Property.

11. WARRANTIES AND COVENANTS. PURCHASER UNDERSTANDS AND AGREES THAT SELLER OBTAINED THE PROPERTY THROUGH A GIFT OR WILL OR AS A RESULT OF A TRUST OR OTHER MEANS, AND IS SELLING THE PROPERTY STRICTLY ON AN "AS IS, WHERE IS" BASIS, "WITH ANY AND ALL FAULTS." OTHER THAN THE SPECIAL WARRANTY OF TITLE PROVIDED IN THE DEED, SELLER MAKES NO REPRESENTATIONS OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, EXCEPT AS EXPRESSLY SET FORTH IN THIS CONTRACT, NOR IS ANY EMPLOYEE OR AGENT OF SELLER AUTHORIZED TO MAKE ANY REPRESENTATION OR WARRANTY, AS TO THE QUALITY OR CONDITION OF THE PROPERTY, MERCHANTABILITY, SUITABILITY OR FITNESS OF THE PROPERTY FOR ANY USE WHATSOEVER, KNOWN OR UNKNOWN TO SELLER, OR COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION, OR LAND USE LAWS, RULES, REGULATIONS, ORDERS, OR REQUIREMENTS INCLUDING, BUT NOT LIMITED TO, THOSE PERTAINING TO THE HANDLING, GENERATING, TREATING, STORING, OR DISPOSING OF ANY HAZARDOUS WASTE OR SUBSTANCE. IN NO EVENT SHALL SELLER BE RESPONSIBLE OR LIABLE FOR LATENT OR PATENT DEFECTS OR FAULTS, IF ANY, IN THE PROPERTY, OR FOR REMEDYING OR REPAIRING THE SAME INCLUDING, WITHOUT LIMITATION, DEFECTS RELATED TO ASBESTOS OR ASBESTOS CONTAINING MATERIALS, UNDERGROUND STORAGE TANKS OR HAZARDOUS OR TOXIC MATERIALS, CHEMICALS OR WASTE, OR FOR CONSTRUCTING OR REPAIRING ANY STREETS, UTILITIES OR OTHER IMPROVEMENTS SHOWN ON ANY PLAT OF THE PROPERTY. BY CLOSING THE PURCHASE AND SALE, PURCHASER WARRANTS THAT PURCHASER HAS FULLY INSPECTED THE PROPERTY, IS FULLY SATISFIED WITH THE SAME IN ALL RESPECTS "AS IS, WHERE IS, WITH ANY AND ALL FAULTS," IS NOT RELYING ON ANY REPRESENTATION OR WARRANTY OF SELLER OTHER THAN THE WARRANTY OF TITLE PROVIDED IN THE DEED, IN PURCHASING THE PROPERTY FROM SELLER, AND ACCEPTS ANY LIABILITIES OR COSTS ARISING IN CONNECTION WITH THE CONDITION OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO ANY COSTS OR LIABILITIES PERTAINING TO ANY ENVIRONMENTAL CONDITION ON THE PROPERTY.

Seller represents that to Seller's actual knowledge, Seller has not received written notice from any governmental authority having jurisdiction over the Property of any violation of any applicable law, rule, regulation or code of any such governmental authority, which has not been cured or remedied. For purposes of this representation, "Seller's Knowledge" is limited to the actual knowledge, without further duty to inquire, of Kirk S. Tames, Executive Director of Real Estate, The University of Texas System.

The provisions of this Section shall survive the Closing and shall be included in the Deed.

12. CLOSING.

a. **Date and Place.** The Closing of the sale of the Property shall occur on a date as agreed upon by the parties, which shall be no later than the Closing Date. The Title Company will be instructed to disburse the Purchase Price and other funds in accordance with this Contract, record the Deed and the other closing documents directed to be recorded, and distribute documents and copies of the closing documents in accordance with the written instructions of Seller and Purchaser.

b. **Seller's Obligations at Closing.** At Closing, Seller shall deliver or cause the following to be delivered to Purchaser:

i. **Deed.** The Deed, duly-executed and acknowledged by Seller, conveying good and indefeasible fee title to the Land and the Improvements to Purchaser, subject only to the Permitted Exceptions and any liens created by Purchaser in connection with the purchase of the Property;

ii. **Texas Certificate of Title.** The Certificate of Title to the manufactured home on the Property will be assigned and/or delivered by Seller to Purchaser, without warranty of any kind.

iii. **Possession.** Possession of the Property;

iv. **Owner Policy of Title Insurance.** The Title Policy, issued by the Underwriter for the Title Company in favor of Purchaser in the amount of the Purchase Price, insuring that at the Closing Date Purchaser is the owner of the Land and the Improvements, subject to any Permitted Exceptions and any liens created by Purchaser in connection with the purchase of the Land and Improvements. The Basic Premium for the Title Policy shall be paid by Seller and all endorsements to the Purchaser's Title Policy shall be at the option and sole expense of Purchaser. At the option and sole expense of Purchaser, the survey exception may be deleted except for "shortages in area";

v. **Certification.** A Non-Foreign Certification, in compliance with Section 1445 of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder, stating under penalty of perjury the Seller's United States identification number and that Seller is not a "foreign person" as defined in Section 1445, duly executed and acknowledged by Seller; and

vi. **Keys.** Keys to all locks located on the Property that are in Seller's possession;

vii. **Other Instruments.** Such other documents as are customarily executed in the State of Texas in connection with the conveyance of the Property, including all required closing statements, releases, affidavits, evidences of authority to execute the documents, and any other instruments that may be reasonably required by the Underwriter and/or Title Company.

c. **Purchaser's Obligations at Closing.** At Closing, Purchaser shall:

i. **Payment of Purchase Price.** Pay the Purchase Price to Seller at Closing, subject to any adjustments for prorations or other credits, in accordance with the provisions of this Contract; and

ii. Other Instruments. Execute, acknowledge and deliver to the Seller and/or Title Company, as applicable, and such other documents as are customarily executed in the State of Texas in connection with the conveyance of real property, including all required closing statements, releases, affidavits, evidences of authority to execute the documents, and any other instruments that may be reasonably required by the Title Company.

d. Prorations.

i. Ad valorem taxes relating to the Property for the calendar year of the Closing shall be prorated between Seller and Purchaser as of the Closing Date. If the actual amount of taxes for the calendar year of the Closing is not known as of the Closing Date, the proration shall be based on the amount of taxes due and payable with respect to the Property for the calendar year immediately preceding the calendar year of the Closing, and Seller shall pay by credit on Purchaser's closing statement at the Closing Seller's prorata portion of those taxes. When the amount of taxes levied against the Property for the year of Closing is known, either Seller or Purchaser shall have the right to have the proration amount readjusted with the result that Seller shall pay for those taxes attributable to the period of time prior to the Closing Date; provided, however, that to avail itself of the right to have the proration amount readjusted, the party seeking readjustment must deliver to the other party a written request to that effect on or before March 1 of the calendar year immediately following the year of Closing. Notwithstanding anything to the contrary herein, Purchaser shall be responsible for all subsequent assessments for prior years due to change in land usage or ownership. Payments after the Closing Date shall be made in immediately available funds to the applicable party at its address set forth in Section 1.

e. Closing Costs. Each party is responsible for paying the legal fees of its counsel in negotiating, preparing, and closing the transaction contemplated by this Contract. Seller is responsible for paying fees, costs, and expenses identified in this Contract as being the responsibility of Seller. Purchaser is responsible for paying fees, costs, and expenses identified in this Contract as being the responsibility of Purchaser. Any Title Company escrow fee shall be split equally between the parties. All other expenses shall be allocated between the parties in the customary manner for closings of real property similar to the Land and the Improvements in the area in where the same is located.

13. DEFAULTS AND REMEDIES.

a. Purchaser's Default and Seller's Remedies.

i. Purchaser's Default. Purchaser shall be in default under this Contract if Purchaser shall (i) do or fail to do any act, the performance or nonperformance of which is required of Purchaser under this Contract, or (ii) fail or refuse to pay the Purchase Price at Closing for any reason other than a default by Seller.

ii. Seller's Remedies. If Purchaser is in default under this Contract, Seller may, as Seller's sole remedy at law or in equity, (i) terminate this Contract by written notice delivered to Purchaser and receive the entire Escrow Deposit as liquidated damages for such termination of the Contract for Purchaser's default; and (ii) enforce (if, when and as applicable from time to time after the termination of this Contract) all indemnities of Purchaser to Seller under this Contract.

b. Seller's Defaults and Purchaser's Remedies.

i. Seller's Defaults. Seller shall be deemed to be in default under this Contract if Seller shall do or fail to do any act, the performance or nonperformance of which is required of Seller under this Contract, for any reason other than a default by Purchaser.

ii. Purchaser's Remedies. If Seller is in default under this Contract, Purchaser may, as its sole remedy at law or in equity for such default, either (i) terminate this Contract by written notice delivered to Seller on or before the Closing Date, as appropriate, and receive a return of the Escrow Deposit (less the Independent Contract Consideration to be delivered to Seller), or (ii) enforce specific performance of this Contract.

c. Notice to Title Company. Upon the termination of this Contract pursuant to this Section or any other provision of this Contract, the parties covenant and agree to deliver a letter of instruction to the Title Company directing disbursement of the Escrow Deposit to the party entitled thereto under the terms of this Contract. In the event that either party hereto fails or refuses to execute and deliver such an instruction letter when the other party is entitled to receive the disbursement of the Escrow Deposit (less the Independent Contract Consideration to be delivered to Seller), the party refusing to deliver the instruction letter shall (to the extent authorized by the statutes and the Constitution of the State of Texas) pay, upon the final order of a court with appropriate jurisdiction, the actual and reasonable attorney fees, court costs and other costs of collection incurred in connection with the recovery thereof by the party entitled to the Escrow Deposit (less the Independent Contract Consideration to be delivered to Seller).

14. REAL ESTATE COMMISSION.

a. Brokers. Seller represents to Purchaser that in connection with the Closing and sale of the Property pursuant to this Contract, no brokerage fee or commission is due or will be payable to any person claiming by, through or under Seller. Purchaser represents to Seller that in connection with the Closing and sale of the Property pursuant to this Contract, no brokerage fee or commission is due or will be payable to any person claiming by, through or under Purchaser with the exception of _____, to whom a commission of three percent (3%) of the Purchase Price shall be payable by Seller at Closing.

b. Indemnity. *Seller (but only to the extent authorized by the laws and the Constitution of the State of Texas) and Purchaser each agrees to indemnify, defend and hold the other party harmless from any loss, liability, claim or cost (including, without limitation, attorneys' fees, costs of suit, and court costs) arising out of a claim for a fee or commission pertaining to the sale of the Property that arises in favor of any person claiming by, through, or under the indemnifying party.* This indemnity shall survive the Closing or termination of this Contract.

15. MISCELLANEOUS.

a. Notice. Any notice required or permitted to be delivered under this Contract shall be deemed received when actually delivered by hand delivery, facsimile transmission, or overnight courier, or when deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to Seller or Purchaser, as the case may be, at the physical address or Post Office box stated in Section 1 and to Seller's and Purchaser's respective attorneys at the physical address or Post Office box as set forth below:

Purchaser's Attorney:

Seller's Attorney:

Office of General Counsel
210 West 7th Street
Austin, Texas 78701
Attention: _____
Tel. No.: _____
Fax No.: (512) 499-4523
Email: _____

b. No Conflict of Interest. If Purchaser is not an individual, Purchaser certifies that no member of the Board of Regents of The University of Texas System (i) owns or has a beneficial interest in more than five percent of Purchaser's outstanding capital stock, (ii) is an officer or employee of Purchaser, or (iii) to Purchaser's knowledge, has a pecuniary interest, directly or indirectly, in the transaction contemplated in this Contract.

c. Assignment of Contract. Purchaser may assign this Contract only with the prior written consent of Seller. Seller reserves the right to require Purchaser to submit to Seller information satisfactory to Seller to enable Seller to satisfy itself that Purchaser's assignee has the financial qualifications to close the transaction. Any assignment made by Purchaser without Seller's prior written consent shall be voidable and of no force and effect at the option of Seller.

d. Holidays. For purposes of this Contract, should any date specified herein as a deadline fall on (i) a Saturday or Sunday, or (ii) any day defined herein as a "Holiday," such date shall automatically be extended to the next following calendar day that is not a Saturday, Sunday or Holiday. "**Holiday**" shall mean any day on which the UT System Administration, The University of Texas System, national banks, Texas state banks and/or the U.S. Postal service are closed for business.

e. Survival of Covenants. Any of the representations, warranties, covenants and agreements of the parties under this Contract, and rights and benefits of the parties, pertaining to a period of time following Closing shall survive Closing and shall not be merged therein.

f. Applicable Law and Venue. This Contract and the rights and obligations of the parties hereto shall be interpreted, construed and enforced in accordance with the laws of the State of Texas. Any action brought to enforce or interpret this Contract may be brought in the court of appropriate jurisdiction in either Travis County, Texas or the county in which the Land is located, El Paso County, Texas. Seller and Purchaser hereby irrevocably waive, to the fullest extent permitted by law, any objection that Seller or Purchaser may now or hereafter have to the laying of venue in any such court and any claim that any such court is an inconvenient forum.

g. Parties Bound. This Contract shall be binding upon and inure to the benefit of the parties to this Contract and their respective heirs, executors, administrators, legal representatives, successors, and assigns. This Section shall not constitute a party's consent to an assignment of this Contract.

h. Severability. In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Contract, and this Contract

shall be construed as if such invalid, illegal and unenforceable provision had never been contained in this Contract.

i. Entirety and Amendments. This Contract (including all exhibits and addenda attached hereto) constitutes the sole and only agreement of the parties to this Contract and supersedes any prior understandings or written or oral agreements between the parties concerning the purchase of the Property. This Contract may be amended or supplemented only by an instrument in writing executed by the party against whom enforcement is sought.

j. Time of Essence. Time is of the essence in the performance of the undertakings and obligations of the parties under this Contract.

k. Gender. Words of any gender used in this Contract shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

l. Construction. Each party acknowledges that it and its counsel have reviewed this Contract and that the normal rule of construction shall not be applicable and there shall be no presumption that any ambiguities will be resolved against the drafting party in the interpretation of this Contract. The captions in this Contract are for convenience only and shall not be deemed to define, limit or affect in any way the scope, meaning, intent or extent of this Contract or any part of it.

m. Risk of Loss. Seller shall bear the risk of all loss or damage to the Property from all causes other than the activities of Purchaser, until Closing. If, prior to Closing, all or part of the Property is damaged by fire or by any other cause of whatsoever nature, or condemnation proceedings are commenced or notice of such proceedings given, Seller shall promptly give Purchaser written notice of such damage or condemnation notice. After notice of such damage or condemnation (from Seller or otherwise), Purchaser shall have the option to require Seller either to convey the Property on the Closing Date to Purchaser in its damaged condition and to assign Purchaser all of Seller's right, title and interest in and to claims Seller may have under the insurance policies covering the Property, if any, or condemnation awards, or Purchaser may, at Purchaser's option, terminate this Contract by written notice delivered to Seller, with a copy to the Title Company. On receipt of said notice, the Title Company shall promptly disburse the Independent Contract Consideration to Seller and refund to Purchaser the balance of the Escrow Deposit and this Contract shall be of no further force and effect.

n. Purchaser's Contract Authorization. If Purchaser is a legal entity and not an individual, Purchaser warrants and represents to Seller that Purchaser has the full right, power, and authority to purchase the Property from Seller as provided in this Contract and to carry out Purchaser's obligations under this Contract, and that all requisite action necessary to authorize Purchaser to enter into this Contract and to carry out Purchaser's obligations hereunder has been or on or before Closing will have been taken, and the person signing this Contract on behalf of Purchaser has been duly authorized by Purchaser to execute and deliver this Contract.

o. No Implied Waiver. A party's failure to insist at any time on the strict performance of any covenant or agreement or its failure to exercise any option, right, power or remedy contained in this Contract, shall not be construed as a waiver or a relinquishment thereof for the future. The waiver of a breach or the acceptance of cure for any violation of any term, covenant, agreement, or condition contained in this Contract shall not prevent a subsequent act being a breach of this Contract.

p. No Third Party Beneficiaries. Except as otherwise expressly extended to a third party under the terms of this Contract, no beneficial rights are given to any third parties by or under this Contract.

q. E-Mail Transmission. A pdf facsimile of a duly executed counterpart of this Contract, mailed to a party at the address for e-mail notice shown below, shall be sufficient to evidence the binding agreement of each party to the terms hereof. However, each party agrees to promptly return to the other party an original, duly executed counterpart of this Contract following the e-mail delivery of the pdf facsimile thereof.

E-mail address for Seller: pbible@utsystem.edu; _____
E-mail address for Purchaser: _____

r. Facsimile Transmission. A telecopied facsimile of a duly executed counterpart of this Contract shall be sufficient to evidence the binding agreement of each party to the terms hereof. However, each party agrees to promptly return to the other an original, duly executed counterpart of this Contract following the delivery of a telecopied facsimile thereof.

s. Force Majeure. If the performance by a party of any provision of this Contract is delayed or prevented by (i) an act of God such as weather or earthquake; (ii) an act of war or terrorism; or (iii) restriction by any governmental authority, then the period for the party's performance of the provision shall be automatically extended for the same amount of time that the party is so delayed or hindered.

t. Cooperation. In the event Purchaser requires tenant estoppel certificates, subordination and non-disturbance agreements, or any other document from current tenants, Seller agrees to reasonably cooperate with Purchaser to obtain such documents from existing tenants.

16. STATUTORY NOTICES. The following statutory notices are provided to Purchaser:

a. Notice to Purchaser. **THE PURCHASER IS ADVISED THAT PURCHASER SHOULD HAVE THE ABSTRACT OR TITLE COMMITMENT COVERING THE PROPERTY EXAMINED BY AN ATTORNEY OF PURCHASER'S OWN SELECTION AND BY SIGNING THIS CONTRACT PURCHASER ACKNOWLEDGES RECEIPT OF THIS NOTICE.**

b. Other Notices. Purchaser is advised of the matters set forth in **Exhibit's C, D, E, F, and G** attached hereto.

17. LIST OF EXHIBITS. The following exhibits are appended to this Contract and incorporated herein by reference:

Exhibit A - Land Description
Exhibit B - Special Warranty Deed
Exhibit C - Disclosure of Information on Lead Based Paint
To be attached:
Exhibit D – Addendum for Property located in Seward to the Gulf
Exhibit E – Addendum to Coastal Area Property

18. TERMINATION OF OFFER. Notwithstanding any other provision in this Real Estate Contract to the contrary, if the Effective Date has not occurred on or before _____, this Contract shall be voidable at the option of Seller at any time prior to the actual occurrence of the Effective Date, upon written notice by Seller to Purchaser. In such event, the Escrow Deposit (including the Independent Contract Consideration) deposited with Seller or the Title Company shall be returned to Purchaser.

DATE OF EXECUTION:

_____, 2021

SELLER:

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

By: _____

Executive Director of Real Estate
The University of Texas System

DATE OF EXECUTION:

_____, 2021

PURCHASER

By: _____

Name: _____

Title: _____

JOINDER OF BROKERS

Broker has executed this Contract solely for the purpose of evidencing their agreement to the terms of Section 14.a of this Contract. No consent by Broker shall be required to amend any other term of this Contract.

DATE OF EXECUTION:

BROKER(S):

_____, 2021

By: _____

Name: _____

Title: _____

RECEIPT BY TITLE COMPANY

The undersigned, a title insurance company duly licensed and doing business under the laws of Texas, acknowledges on this _____ day of _____, 2021 that it is in receipt of both (i) the Escrow Deposit in the amount of _____ in the form of cash or other immediately available funds; and (ii) a copy of this Contract executed by both Purchaser and Seller. The undersigned further acknowledges and agrees to (i) promptly notify Purchaser and Seller of the receipt of the Escrow Deposit and the fully signed Contract; and (ii) perform the duties and obligations of the "Title Company" set forth in the Contract.

By: _____

Name: _____

Title: _____

Title: _____

EXHIBIT A TO REAL ESTATE CONTRACT

LAND DESCRIPTION

Lot 689, PHASE IV-A, OUTDOOR RESORTS/SOUTH PADRE SUBDIVISION, commonly known as LONG ISLAND VILLAGE, all according to the map or plat thereof filed as part of that certain corrected Declaration of Covenants, Restrictions and Conditions for Outdoor Resorts/South Padre, which appears on file and of record in the Office of the County Clerk of Cameron County, Texas, in Volume 14, Pages 673-722, Condominium Records of Cameron County, Texas, restatement recorded in Volume 10392, Page 118, and corrected restatement recorded in Volume 10604, Page 49, Official Public Records of Cameron County, Texas, together with an undivided percentage interest in and to the common elements more particularly referred to in the above referred Declaration of which said Declaration reference is herewith made for all the common elements involved in all Phases of said Declaration.

Exceptions to Warranty:

There is reserved from this conveyance all the oil, gas and other minerals in and under the Property, all surface and subsurface waters, and all rights owned by Seller (if any) of ingress and egress upon the Land for the purpose of exploring, developing and drilling the mineral estate. This conveyance is also made subject to those items listed on the attached **Exhibit B.**

Grantor, for the consideration and subject to the Exceptions to Warranty, GRANTS, SELLS, TRANSFERS, ASSIGNS and CONVEYS the Property to Grantee, together with, all and singular, the rights and appurtenances thereto in any wise belonging, to have and hold to Grantee, and Grantee's legal representatives, successors and assigns forever. Grantor hereby binds Grantor and Grantor's legal representatives, successors and assigns to WARRANT and FOREVER DEFEND, all and singular, the Property to Grantee and Grantee's legal representatives, successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof by, through or under Grantor, but not otherwise, except as to the Exceptions to Warranty.

GRANTOR CONVEYS THE PROPERTY TO GRANTEE "AS IS, WHERE IS" AND "WITH ANY AND ALL FAULTS." OTHER THAN THE SPECIAL WARRANTY OF TITLE PROVIDED HEREIN WITH RESPECT TO THE LAND, GRANTOR MAKES NO REPRESENTATIONS OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, AS TO THE QUALITY OR CONDITION OF THE PROPERTY, MERCHANTABILITY, SUITABILITY OR FITNESS OF THE PROPERTY FOR ANY USE WHATSOEVER, KNOWN OR UNKNOWN TO GRANTOR, OR COMPLIANCE OF THE PROPERTY WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION, OR LAND USE LAWS, RULES, REGULATIONS, ORDERS, OR REQUIREMENTS INCLUDING, BUT NOT LIMITED TO, THOSE PERTAINING TO THE HANDLING, GENERATING, TREATING, STORING, OR DISPOSING OF ANY HAZARDOUS WASTE OR SUBSTANCE. IN NO EVENT SHALL GRANTOR BE RESPONSIBLE OR LIABLE FOR LATENT OR PATENT DEFECTS OR FAULTS, IF ANY, IN THE PROPERTY, OR FOR REMEDYING OR REPAIRING THE SAME INCLUDING, WITHOUT LIMITATION, DEFECTS RELATED TO ASBESTOS OR ASBESTOS CONTAINING MATERIALS, UNDERGROUND STORAGE TANKS OR HAZARDOUS OR TOXIC MATERIALS, CHEMICALS OR WASTE, OR FOR CONSTRUCTING OR REPAIRING ANY STREETS, UTILITIES OR OTHER IMPROVEMENTS SHOWN ON ANY PLAT OF THE PROPERTY. BY GRANTEE'S ACCEPTANCE OF THIS CONVEYANCE, GRANTEE WARRANTS THAT GRANTEE HAS FULLY INSPECTED THE PROPERTY, IS FULLY SATISFIED WITH THE SAME IN ALL RESPECTS "AS IS, WHERE IS, WITH ANY AND ALL FAULTS," AND IS NOT RELYING ON ANY REPRESENTATION OR WARRANTY OF GRANTOR OTHER THAN THE SPECIAL WARRANTY OF TITLE PROVIDED HEREIN. GRANTEE, BY ITS ACCEPTANCE OF THIS DEED, ACCEPTS ANY LIABILITIES OR COSTS IN CONNECTION WITH THE CONDITION OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO ANY COSTS OR LIABILITIES PERTAINING TO ANY ENVIRONMENTAL CONDITION ON THE PROPERTY.

When the context requires, singular nouns and pronouns include the plural.

Executed on the date set forth in the acknowledgment line below, to be effective for all purposes as of the Effective Date.

Exhibits To Deed:

Exhibit A - Description of Land

Exhibit B - Exceptions to Warranty

GRANTOR: BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

By: _____

Name:

Title: Executive Director of Real Estate
The University of Texas System

STATE OF TEXAS §

§

COUNTY OF TRAVIS §

This instrument was acknowledged before me on the ____ day of _____, 2021 by _____, Executive Director of Real Estate of The University of Texas System, on behalf of the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM for the use and benefit of THE UNIVERSITY OF TEXAS RIO GRANDE VALLEY, for the consideration stated and as the act and deed thereof.

My commission expires _____.

Notary Public in and for
The State of Texas

Record and Return to: