

REAL PROPERTY PURCHASE AND SALE AGREEMENT

THIS AGREEMENT, entered into this 10th day of September, 2006, by and between the CITY OF LAS VEGAS, a municipal corporation of the State of Nevada (hereinafter the "City") and Urban Lofts XV, Ltd., a Texas limited partnership (hereinafter the "Developer").

WITNESSETH:

WHEREAS, the City owns certain real property that is located at the northwest corner of Stewart Ave. and Mojave Road (hereinafter the "Site"); and

WHEREAS, the Site is comprised of approximately 2.83 acres that is bounded by; Stewart Ave. to the south, Mojave Road to the east and I-515 to the north, and

WHEREAS, the City desires to sell to the Developer and the Developer desires to purchase the "site" from the City, and

WHEREAS, pursuant to the provisions of NRS 268.063 the City Council considered and approved a Resolution finding that the sale to the Developer is for the purposes of Redevelopment and is in the best interests of the public. A copy of the resolution is attached hereto as Exhibit C.

WHEREAS, the parties desire to set forth in this Agreement the terms and conditions of the purchase and sale of the Site.

NOW, THEREFORE, in consideration of the foregoing and of the covenants and conditions contained herein, the parties agree as follows:

1. PURPOSE OF AGREEMENT

The purpose of this Agreement is to accomplish the sale to and purchase by the Developer of the Site as hereinafter described. As used hereinafter, the "Developer" refers to the Developer, or its nominee or assignee, subject to the provisions of Section 22.

2. THE SITE

The Site consists of 2.83 acres, is depicted generally in Exhibit A, and is described more particularly in Exhibit B. The site parcel number is APN: 139-36-603-001. Exhibits A and B are attached hereto and incorporated herein by this reference. The Site consists of unimproved land to which the utilities and infrastructure and all off-site improvements (excluding sidewalks and driveways) are available. It is the sole responsibility and expense of the Developer to obtain and connect the necessary services from the local utility companies.

3. GENERAL SCOPE OF ACQUISITION

By executing this Agreement, the City agrees to sell to the Developer, and the Developer agrees to purchase, the Site as described above.

4. ACQUISITION OF SITE

The Purchase Price for the Site is \$1,480,000.00(hereinafter "Purchase Price"). The entire Purchase Price for the Site is due and payable at or before the close of escrow as described in Section 14.

5. SITE DEVELOPMENT

The Developer agrees that:

a. Any and all development on the Site will conform to the procedures and limitations contained in the zoning regulations and all applicable building and other codes as adopted by the City of Las Vegas.

b. To utilize the Site for the purpose of the site plan proposed in the Request for Development Proposals submittal for approximately 54 fee simple town homes. The Developer agrees to develop the entire Site within the time schedule set forth in Section c.

c. Within 12 (twelve) months after the acquisition of the Site, the Developer will begin construction and will complete such construction within 24 (twenty-four) months after commencement thereof, or within such additional time as corresponds to the extent of any delay that is caused by material shortages, labor disputes, fire, civil riots, unforeseen acts of government, acts of God or other events reasonably beyond the Developer's control. The construction of improvements upon the Site will be considered completed for purposes of this Agreement at the time that the City issues a Certificate of Occupancy.

d. The Developer will be responsible for the installation, at its expense, of all sidewalks and driveways and on-site utilities, sewer lines, and other on-site improvements. The Developer will also be solely responsible for the expense of any and all utility connection fees, and off-site improvements authorized by City ordinance or applicable law.

Failure on the part of the Developer, after acquisition of the Site, to comply with the provisions of this Section 5. shall entitle the City, in its sole discretion, to exercise its rights under Section 25.

6. GENERAL REPRESENTATIONS

The City and the Developer each represent and warrant that:

a. This Agreement and all agreements, instruments and documents herein provided to be executed are duly executed and binding on the parties;

b. The execution, consent or acknowledgment of no other party is necessary to effect the obligations of the City or the Developer as provided in this Agreement;

c. This Agreement does not now or shall not hereafter breach, invalidate, cancel, make inoperative or interfere with any contract, agreement, instrument, mortgage, deed of trust, promissory note, lease, bank loan or credit agreement.

7. EARNEST MONEY DEPOSIT

Concurrently with its execution of this Agreement, the Developer has delivered to the City a deposit (the "Earnest Money Deposit") in the form of either cash or a cashier's check in the amount of \$25,000.00. Prior to the City's execution of this Agreement, any attempt on the part of the Developer to revoke its offer to enter into this Agreement or to materially modify the terms hereof without the City's consent shall entitle the City to retain the Earnest Money Deposit, except if the City does not execute this Agreement within sixty (60) days after Buyer's delivery of Buyer's executed counterpart of this Agreement, in which event Buyer may at any time thereafter terminate this Agreement by written notice to the City and receive a full refund of the Earnest Money Deposit.

Upon fulfillment of all conditions necessary to enable escrow to close with respect to the Site, the Earnest Money Deposit shall be applied toward the purchase of the Site.

8. ACQUISITION AND CONVEYANCE

In accordance with and subject to all the terms, covenants and conditions of this Agreement, the City agrees to convey to the Developer the Site in accordance with this Agreement. Except as otherwise specifically provided, all closing and escrow costs related to the conveyance of the Site to the Developer, including title insurance premium, title company and closing costs, shall be borne by the parties in equal shares.

9. ESCROW

The Developer agrees to open an escrow with a mutually agreed upon local title company, or some other title insurance company satisfactory to the City and the Developer having equal or greater financial responsibility (the "Title Company"), as escrow agent (the "Escrow Agent"), in Clark County, Nevada, within 14 (fourteen) days after the Effective Date of this Agreement. The escrow period shall expire 180 (one hundred eighty) days after the Effective Date of this Agreement. This Agreement constitutes the joint escrow instructions of the City and the Developer, and a duplicate original of this Agreement shall be delivered to the Escrow Agent upon the opening of escrow. The City and the Developer shall provide such additional escrow instructions as shall be necessary and consistent with this Agreement. Unless otherwise specified

in any supplemental escrow instructions, the terms of this Agreement shall prevail in the case of any conflict between this Agreement and such instructions. The Escrow Agent hereby is empowered to act under this Agreement, and, upon indicating its acceptance of the provisions of this Section 9 in writing, delivered to the City and to the Developer within 5 (five) days after the opening of the escrow, shall carry out its duties as Escrow Agent hereunder.

At Closing, the City shall properly execute, acknowledge and deliver to the Escrow Agent a deed conveying fee simple title to the Site to the Developer with no liens, encumbrances, restrictions or conditions except those approved in writing by Developer or deemed approved by Developer in accordance with this Agreement.

Upon delivery of the deed to the Escrow Agent by the City and upon tender by the Developer of the Purchase Price (less the Earnest Money Deposit) pursuant to this Agreement, the Escrow Agent shall record such deed when title can be vested in the Developer and title insurance as required by Section 15 hereof can be provided in accordance with the terms and provisions of this Agreement. The Escrow Agent shall buy, affix and cancel any transfer stamps required by law and pay any transfer tax required by law.

The Escrow Agent is authorized and instructed to:

- a. Expediently obtain a preliminary title report ("PTR") for the Site and deliver a copy to each party. Thereafter, the Developer shall have thirty (30) days in which to accept, reject or request modification of the PTR. The Developer's failure to object to the PTR within thirty (30) days after delivery shall be deemed to represent the Developer's approval of the PTR. Within thirty (30) days after receipt by the City of the Developer's objections to the PTR, if any, the City shall notify the Developer in writing, in itemized detail, as to those objections which the City will agree to cure prior to Closing and those objections which the City will not agree to cure prior to Closing.
- b. Charge the parties obligated hereunder, and to pay to the persons entitled thereto, any fees, charges and costs payable under this Section 9 and related solely to the acquisition and transfer to the Developer of the Site. Before such payments are made, the Escrow Agent shall notify the City and the Developer of the fees, charges and costs necessary to clear title and close the escrow;
- c. Disburse funds and deliver the deed and other documents to the parties entitled thereto when the conditions of this escrow have been fulfilled by the City and the Developer;
- d. Obtain and charge each of the parties one-half of the cost of a title insurance policy insuring title to the Site in conformance with the requirements of Section 15 of this Agreement. The additional cost of an ALTA survey policy if desired by the Developer shall be borne entirely by the Developer.

e. Record any instruments delivered through this escrow, if necessary or proper, to vest title in the Developer in accordance with the terms and provisions of this Agreement.

All funds received in this escrow shall be deposited by the Escrow Agent with other escrow funds of the Escrow Agent in a general interest bearing escrow account or accounts with any state or national bank doing business in the State of Nevada. Such funds may be transferred to any other such general interest bearing escrow account or accounts. All disbursements shall be made by check of the Escrow Agent. All adjustments shall be made on the basis of a 30 (thirty) day month. Any interest that is earned on funds deposited under this paragraph shall be for the benefit of the party responsible for depositing those funds with the Escrow Agent.

If this escrow is not in condition to close before the time for the conveyance of the Site as established in this Agreement, either Party who then shall have fully performed the acts to be performed before the conveyance of title may, in writing, terminate this Agreement and demand the return of its money, papers or documents. Thereupon all obligations and liabilities of the Parties shall cease and terminate, except that the Party who has not fully performed shall be solely responsible for any escrow cancellation charges. If neither the City nor the Developer shall have fully performed the acts to be performed by it on or before the time for the conveyance of the Site as established in this Agreement, no termination or demand for return shall be recognized until 10 (ten) days after the Escrow Agent shall have mailed copies of such demand to the other party or parties at the address of its or their principal place or places of business. If any objections are raised within the 10 (ten) day period, the Escrow Agent is authorized to hold all money, papers and documents with respect to the Site until instructed in writing by both the City and the Developer or, upon failure thereof, by a court of competent jurisdiction. If no such demands are made, the escrow shall be closed as soon as possible. Nothing in this Section 9 shall be construed to impair or affect the rights or obligations of the City or the Developer to specific performance.

The Escrow Agent shall not be obligated to return any such money, papers or documents except upon the written instructions of both the City and the Developer or until the party entitled thereto has been determined by a final decision of a court of competent jurisdiction.

Any amendment of these escrow instructions shall be in writing and signed by both the City and the Developer. At the time of any amendment, the Escrow Agent shall agree to carry out its duties as Escrow Agent under such amendment.

All communications from the Escrow Agent to the City or the Developer shall be directed to the addresses and in the manner established in Section 29 of this Agreement for notices, demands and communications between the City and the Developer.

The liability of the Escrow Agent under this Agreement is limited to performance of the obligations imposed upon it under Sections 9 to 15, inclusive, of this Agreement.

Each party represents and warrants that no real estate broker is entitled to any commission as the procuring cause of this transaction resulting from any actions or words by or on behalf of such party, and each party agrees to indemnify and hold the other party harmless from any claim or demand made by any brokers.

10. CONVEYANCE OF TITLE AND DELIVERY OF POSSESSION

a. Provided that the Developer is not in material default under this Agreement and all conditions precedent to such conveyance have occurred, and subject to any mutually agreed upon extensions of time, conveyance to the Developer of title to the Site shall be completed on or prior to 180 days following the Effective Date of this Agreement. The City and the Developer agree to perform all acts necessary to conveyance of title in sufficient time for title to be conveyed in accordance with the foregoing provision.

b. Notwithstanding any other provision of this Agreement, the Developer shall have no obligation to proceed with the acquisition of the Site if, by the 180th (one hundred eightieth) day following the Effective Date of this Agreement:

(1) The request to change the zoning district from Civic to an appropriate zoning to allow this development to move forward has not been approved; or

(2) The Developer's "Site Development Plan" and the "Tentative Map", which are entitlements that require public hearings at Planning Commission City Council, for the Site have not been approved pursuant to Las Vegas Municipal Code (LVMC); or

(3) The Developer has not approved the preliminary title report in accordance with Section 9 of this Agreement.

(4) The Developer has not approved the condition of the property pursuant to Section 20 of this Agreement.

(5) The Developer has not received City approval for the project, all necessary permits for construction of the proposed improvements, zoning approval and other entitlements from the City.

In any such case, the Developer, upon request, shall be entitled to the return of its Earnest Money Deposit.

c. Possession shall be delivered to the Developer concurrently with the conveyance of title, except that limited access shall be permitted before conveyance of title as permitted in Section 20 of this Agreement. The Developer shall accept title and possession on or before the dates described in this Section 10.

11. FORM OF DEED

The City shall convey to the Developer or to its nominee fee simple title to the Site in the condition provided in Section 12 of this Agreement by a grant, bargain and sale deed in a form that is consistent with Exhibit D to this Agreement.

12. CONDITION OF TITLE

The City shall convey title to the Site free and clear of all recorded liens, encumbrances, restrictions, conditions, assessments, taxes, and other defects except the City's right to reenter pursuant to this Agreement, and those acceptable to the Developer.

13. CONDITIONS PRECEDENT TO CLOSING

To the written satisfaction of the City ("Conditions Precedent Approval"), the Developer shall satisfy all of the following conditions precedent (inclusive, the "Conditions Precedent") prior to the close of escrow:

a.) The Developer shall complete the entitlement process, which will include rezoning of the site, "General Plan Amendment", "Tentative Map" and "Site Development Plan." The city staff Expeditor will assist with the process to ensure that it is completed within the timeframe set forth in agreement.

14. CLOSE OF ESCROW

Upon the fulfillment of the conditions described in Section 13, the Escrow Agent shall file the deed for recordation among the land records in the Office of the County Recorder of Clark County and shall deliver to the Developer a title insurance policy insuring title in conformity with Section 15 of the Agreement. The recordation of the deed shall constitute the close of escrow.

15. TITLE INSURANCE

Concurrently with recordation of any deed, the Title Company shall provide and deliver to the Developer a title insurance policy issued by the Title Company insuring that the title to the property is vested in the Developer in the condition required by Section 12 of this Agreement. The Title Company shall provide the City with a copy of the title insurance policy and the title insurance policy shall be in the amount of the acquisition cost of the property.

16. TAXES, ASSESSMENTS, ENCUMBRANCES AND LIENS

The Developer shall be responsible for the payment of all real estate taxes and assessments assessed and levied, if any, on the Site for any period subsequent to conveyance of

title thereto. Prior to conveyance of title, the Developer shall not place or allow to be placed on the Site (or portion thereof) any encumbrance or lien.

Prior to, and as a condition of, the close of escrow, Developer agrees to deposit into escrow the amount due to the Clark County Treasurer for the assessment on the Site for the period from the close of escrow to the end of the year. As of close of escrow, Title Company shall issue a check in the name of the Clark County Treasurer for the amount indicated by the Clark County Treasurer for the aforementioned period. The check shall be mailed to: Clark County Treasurer, P.O. Box 551220, Las Vegas, NV 89155-1220.

17. CONVEYANCE FREE OF POSSESSION

The Site shall be conveyed free of any possession or right of possession by any person except that of the Developer.

18. ZONING OF THE SITE

The City represents that the City of Las Vegas General Plan and zoning district will need to be changed to permit the development and construction on the Site. The staff Expediter will assist in this process. This staff assistance does not however in any form guarantee approval of land-use or zoning by Planning Commission or City Council.

19. "AS IS" SALE

Prior to the close of escrow, the Developer and its representatives will have been afforded the opportunity to make such inspections of the Site and matters related thereto as the Developer and its representatives may desire. The Developer acknowledges and agrees that the Site is to be sold and conveyed to and accepted by the Developer in an "as is" condition with, if any, all faults and defects. Except as otherwise specifically stated in this Agreement, the City makes no representations or warranties of any kind whatsoever, either expressed or implied, with respect to the Site or any of such related matters; in particular, but without limitation, the City makes no representations or warranties with respect to the use, condition, title (except as provided by the deed to be delivered by the City to the Developer as set forth in Section 11,) occupation or management of the Site, compliance with applicable statutes, laws, codes, ordinances, regulations or requirements relating to leasing, zoning, subdividing, planning, building, fire, safety, health or environmental matters, compliance with covenants, conditions and restrictions (whether or not of record,) other local, municipal, regional, state or federal requirements, or other statutes, laws, codes, ordinances, regulations or requirements affecting or relating to the Site. The Developer acknowledges that notwithstanding any prior or contemporaneous oral or written representations, statements, documents or understandings, this Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof and the purchase and sale of the Site and supersedes any such prior or contemporaneous oral or written representations, statements, documents or understandings.

20. INSPECTION BY THE DEVELOPER

Commencing with the Effective Date of this Agreement and extending for a period of 180(one hundred eighty) days thereafter, or 10 (ten) days prior to the close of escrow, whichever occurs sooner, (the "Inspection Period"), the Developer and its representative shall have the right to enter upon and inspect the Site at all reasonable times for the purpose of conducting such boundary and topographical surveys, surface and subsurface soil and engineering tests and environmental assessments as the Developer may reasonably require, but such surveys, tests and assessments shall not damage the Site. The Developer shall indemnify, defend and hold the City harmless for any personal injury, death or property damage, including costs and attorney's fees, arising out of any activity by the Developer or its agents, employees or contractors pursuant to this Section. The Developer shall have access to all data and information on the Site available to the City, but without warranty or representation by the City as to the completeness, correctness or validity of such data and information.

Any entry upon and inspection of the Site by the Developer prior to conveyance of title thereto shall be done only after written consent of the City Manager (which consent shall not be unreasonably withheld) and at the sole expense of the Developer. The Developer shall save and protect the City against any claims resulting from each and every entry upon and inspection of the Site and execute such documents as are customarily required for entry onto public property. The City Manager is authorized to execute such documents for the Developer's entry onto public property without further action by the City. Copies of data, surveys and tests obtained or made by the Developer on the Site shall be filed with the City. Any preliminary work by the Developer shall be undertaken only after securing any necessary permits from the appropriate governmental agencies.

Notwithstanding any other provision of this Agreement, the Developer shall have the right to terminate this Agreement, prior to expiration of the Inspection Period, if inspection of the Site reveals soil or similar conditions that, in the Developer's reasonable judgment, make development impossible or impractical. Upon its exercise of said right to terminate, the Developer shall be entitled to the return of the Earnest Money Deposit.

21. GOVERNMENTAL PERMITS

Nothing in this Agreement shall affect the responsibility of the Developer to seek, obtain and comply with the conditions of any and all permits and governmental authorizations necessary to develop the Site or any portion thereof. The Developer shall be responsible for the payment of permit fees, which shall be limited to those fees that are authorized by ordinance.

22. ASSIGNMENT

This Agreement may be terminated by the City if there is any change (voluntary or involuntary) in the membership, management or control of the Developer or any of its principals

except as expressly provided herein. Notwithstanding the foregoing, the following shall be permitted transfers and shall not require the City's approval hereunder:

- (i) A transfer to any entity in which the Developer has (i) a minimum of fifty percent (50%) of the ownership interests in such entity and (ii) management control of such entity, including voting rights; and
- (ii) A transfer of stock in a publicly held corporation or of the beneficial interest in any publicly held partnership or real estate investment trust.
- (iii) A transfer as a result of the exercise by any lender of its security or other interests in the ownership of Developer.

23. TIME OF ESSENCE

Time is of the essence of this Agreement and every obligation hereunder.

24. DEFAULT AND REMEDIES

If the Developer fails to fulfill its obligations with respect to the purchase of the Site, where such failure is not based upon defective title or is not otherwise excused specifically under this Agreement, the City shall be entitled, as its sole and exclusive remedy for Developer's default, to terminate this Agreement and retain the Earnest Money Deposit.

In the event of default by the City in its obligations to close this transaction or any other obligation hereunder, the Developer may terminate this Agreement by notice in writing to the City and receive a full refund of the Earnest Money Deposit and any accrued interest thereon.

No such remedy shall be available unless and until:

- a. Written notice of default is provided to the party in default; and
- b. Within 20 (twenty) days after receipt of such notice, such default has not been cured to the reasonable satisfaction of the party giving notice.

25. RIGHT TO REPURCHASE, REENTER AND REPOSSESS

a) The City, its successors and/or assigns shall have a right of First Refusal to repurchase, re-enter and retake possession of the Site if, after conveyance of title to the Site and prior to the City's issuance of the Certificate of Completion for improvements on the Site, and subject to Section 22 above, the developer transfers, or suffers an involuntary transfer, of the Site,

or any part thereof, prior to commencing construction of the improvements on the Site as required by this agreement.

b) The City, its successors and/or assigns shall have a right to repurchase, re-enter and retake possession of the Site if, after conveyance of title to the Site, Developer has not commenced construction within twelve months after acquiring title and has not secured binding construction financing, provided however that the City shall provide to the Developer at least thirty (30) days written notice of its intention to repurchase, re-enter and/or retake possession of the Site under this Section 25b) and Developer shall have the opportunity to cure such failure to commence construction by commencing such construction within said thirty (30) day notice period, in which event the City's rights under this Section 25b) shall be waived.

To exercise its right to repurchase, re-enter and retake possession, the City, its successors and/or assigns, shall provide written notice to the Developer of its intent to exercise such right and pay to the Developer in cash an amount equal to the applicable cash portion of the purchase price for the reacquired property paid by the Developer. The City will exercise the Quitclaim Deed attached hereto as Exhibit E.

26. SURVIVAL

The representations and warranties contained in this Agreement, and the covenants that extend beyond the conveyance of title, shall survive the recordation of any deed and shall not be deemed merged into such deed.

27. SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and bind the successors and assigns of the respective parties hereto, subject to the provisions of this Agreement regarding assignment.

28. NONLIABILITY OF CITY OFFICIALS AND EMPLOYEES

No official or employee of the City shall be personally liable to the Developer for any default or breach by the City, for any amount which may become due to the Developer or for any obligation of the City under the terms of this Agreement.

29. NOTICES, DEMANDS AND COMMUNICATIONS

Formal notices, demands and communications between the City and the Developer shall be sufficiently given if made in writing and dispatched by registered or certified mail, postage prepaid, return receipt requested or by personal delivery, to the principal offices of the City and the Developer as set forth in this Section 30. Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate in writing.

If to the City: City Manager's Office
 City of Las Vegas
 400 East Stewart Avenue
 Las Vegas, Nevada 89101

If to the Developer: Urban Lofts XV, Ltd.
 4512 Montrose Boulevard
 Houston, Texas 77006

30. ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

This Agreement is executed in two duplicate originals, each of which is deemed to be an original. This Agreement comprises pages 1 through 36, inclusive, and Exhibits A, B, C, D, E and F attached hereto and incorporated herein by reference, all of which constitute the entire understanding and agreement of the parties.

This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the City and the Developer and no waiver of one provision shall be construed as a waiver of that provision in the future or as a waiver of any other provision.

All amendments hereto must be in writing and signed by the appropriate authorities of the City and the Developer.

31. SEVERABILITY

Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law, but if any provision shall be invalidated, it shall be

deemed to be severed from this Agreement and the remaining provisions shall remain in full force and effect.

32. GOVERNING LAW

The interpretation and enforcement of this Agreement shall be governed in all respects by the laws of the State of Nevada.

33. CAPTIONS

The captions contained in this Agreement are for the convenience of the parties and shall not be construed so as to alter the meaning of the provisions of the Agreement.

34. DISCLOSURE OF PRINCIPALS

Pursuant to Resolution R-105-99 adopted by the City Council effective October 1, 1999, Developer warrants that it has disclosed, on the form attached hereto as Exhibit F, all principals, including partners of Urban Lofts XV, Ltd. as well as all persons and entities holding more than 1% (one percent) interest in Urban Lofts XV, Ltd. or any principal of Urban Lofts XV, Ltd. Throughout the term hereof, Developer shall notify City in writing of any material change in the above disclosure within 15 (fifteen) days of any such change.

35. EFFECTIVE DATE OF THE AGREEMENT

This agreement shall not become effective until the following conditions have been satisfied:

- a. The City Council approves the execution of this Agreement; and
- b. An authorized representative of the City has signed this Agreement; and
- c. An authorized representative of Urban Lofts XV, Ltd. has signed this Agreement.

36. TIME FOR ACCEPTANCE OF AGREEMENT BY CITY

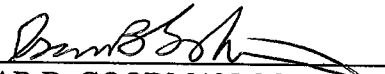
This Agreement, when executed by the Developer and delivered to the City, must be approved by the City Council, executed and delivered by the City within 60 (sixty) days or this Agreement shall be void and the Earnest Money Deposit shall be promptly refunded in full to Developer, including any accrued interest thereon, except to the extent that the Developer shall consent in writing to further extensions of time for the authorization, execution and delivery of this Agreement. By executing this Agreement and submitting it to the City, the Developer is making an irrevocable offer to enter into this Agreement, which offer shall continue for the period

of time specified above. Any attempted revocation of such offer or material modification of the terms hereof without the consent of the City shall entitle the City to retain the Developer's Earnest Money Deposit. The Effective Date of this Agreement shall be the date when this Agreement has been signed by the City. This Agreement may be recorded in the Office of the County Recorder, Clark County, Nevada.

Date of City Council Approval:

9-20, 2006

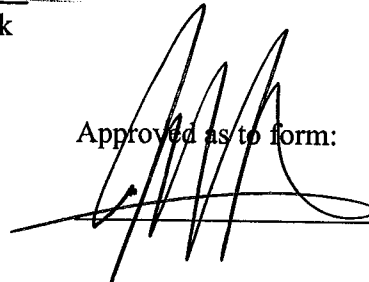
CITY OF LAS VEGAS

By: 
OSCAR B. GOODMAN, Mayor

ATTEST:



BARBARA JO RONEMUS, City Clerk

Approved as to form:

 9/25/06
Date

Urban Lofts XV, Ltd.,
A Texas limited partnership

By: Las Vegas Lofts, Inc.,
A Texas corporation,
Its General Partner

By: 
Name: LARRY DAVIS
Title: PRESIDENT

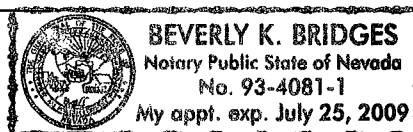
ACKNOWLEDGMENTS

STATE OF NEVADA §
COUNTY OF CLARK §

§

On this 11TH day of OCTOBER, 2006, personally appeared before me, the undersigned, a Notary Public in and for the County of Clark, State of Nevada, OSCAR B. GOODMAN, who acknowledged that he executed the above instrument.

Beverly K. Bridges
NOTARY PUBLIC, in and for said
County and State



STATE OF TEXAS §
COUNTY OF HARRIS §

On this 11 day of SEPTEMBER, 2006, personally appeared before me, the undersigned, a Notary Public in and for the County of Harris, State of Texas, LARRY DAVIS, PRESIDENT of Las Vegas Lofts, Inc., a Texas corporation, general partner of Urban Lofts XV, Ltd., a Texas limited partnership, on behalf of said partnership, who acknowledged that he executed the above instrument.

Linda I. Blair
NOTARY PUBLIC, STATE OF TEXAS

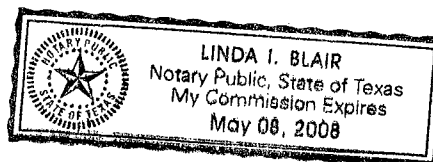




Exhibit A

Stewart Mojave - 2.83 Acres

08/15/06

Exhibit "B" – Page 1 of 3

That portion of the Southwest Quarter (SW 1/4) of the Northeast Quarter (NE 1/4) of Section 36, Township 20 South, Range 61 East, M.D.B. & M., Clark County, Nevada, lying West of the Westerly boundary of Mojave Road as dedicated by that certain dedication recorded July 11, 1975 in Book 534 as Document No. 493076 and lying South of the Southerly boundary line of the I 515 Expressway East as conveyed to the State of Nevada by Deed recorded July 6, 1981 in Book 1428 as Document No. 1387909 of Official Records.

Excepting therefrom that portion of said land as dedicated by that certain dedication recorded March 13, 1968 in Book 859 as Document No. 689798 of Official Records.

Further excepting therefrom that portion of said land as dedicated by that certain dedication recorded May 15, 1975 in Book 518 as Document No. 477548 of Official Records.

ASSESSOR'S PARCELS - CLARK CO., NV.
M. W. Schofield, Assessor

AVG. VALUE \$5

MAP LEGEND

NOTES
This map is for assessment use only and does not represent a survey. No liability is assumed for the accuracy of the data furnished herein. Information on roads and other un-assessed parcels may be obtained from the State Document Office in the Assessor's Office. This map is compiled from official records, including surveys and maps, but only contains the information required for assessment. See the records department for more detailed legal information.

PARCEL BOUNDARY
SUBB BOUNDARY
ROAD EAST/WEST
PAV'D BOUNDARY
NON-PARCEL LOT LINE
MATCH LINE
CITY ROAD ID NUMBER

PARCEL NUMBER
ACREAGE
202
PARCEL SURVISED NUMBER
PLAT RECORDING NUMBER
5
BLOCK NUMBER
LOT NUMBER
CITY LOT NUMBER

120S R61E

17S	120S	17S	120S
18E	18E	18E	18E
19E	19E	19E	19E
20E	20E	20E	20E
21E	21E	21E	21E
22E	22E	22E	22E
23E	23E	23E	23E
24E	24E	24E	24E
25E	25E	25E	25E
26E	26E	26E	26E
27E	27E	27E	27E
28E	28E	28E	28E
29E	29E	29E	29E
30E	30E	30E	30E
31E	31E	31E	31E
32E	32E	32E	32E
33E	33E	33E	33E
34E	34E	34E	34E
35E	35E	35E	35E
36E	36E	36E	36E

Scale: 1"=100'

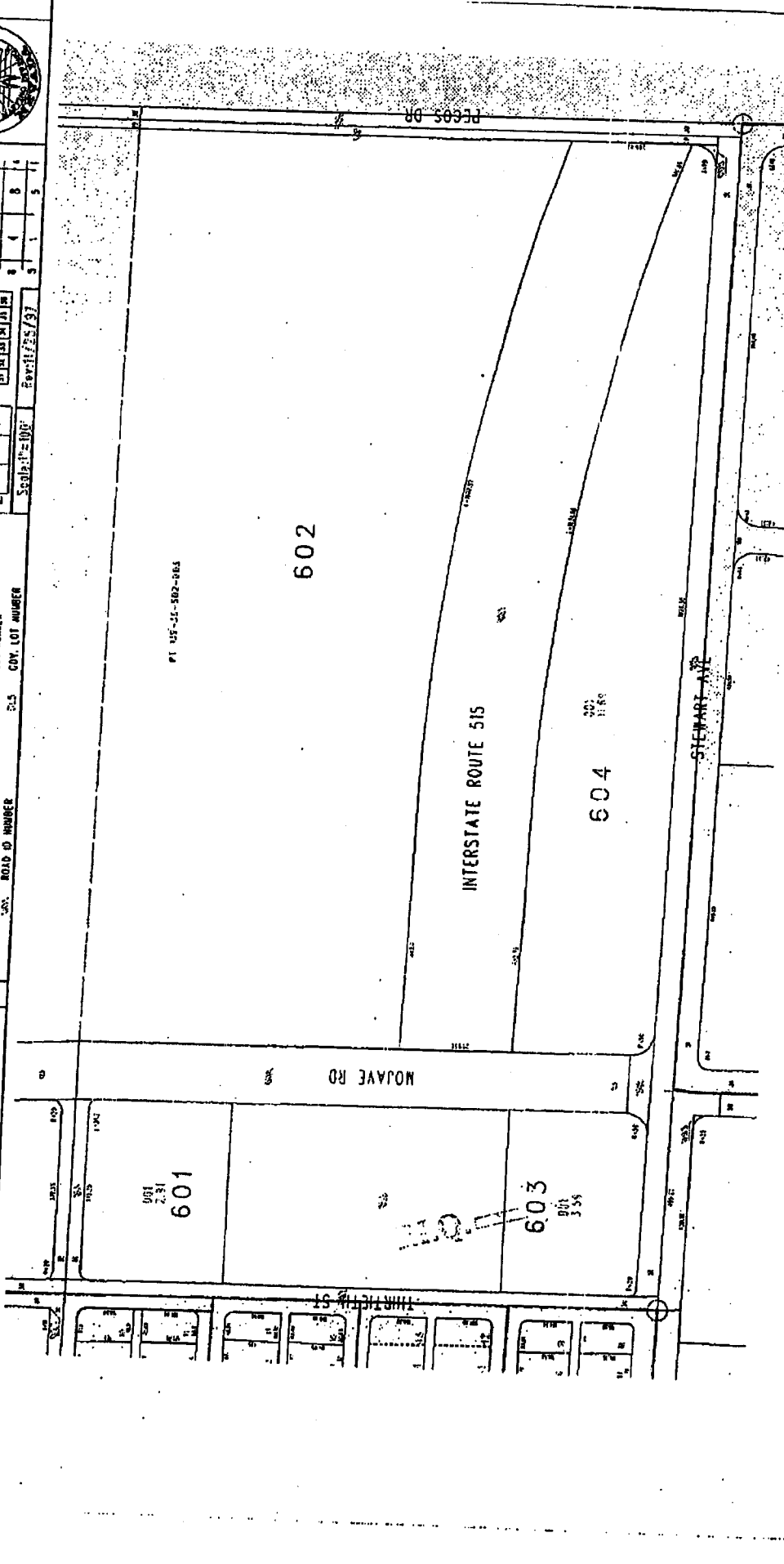
36

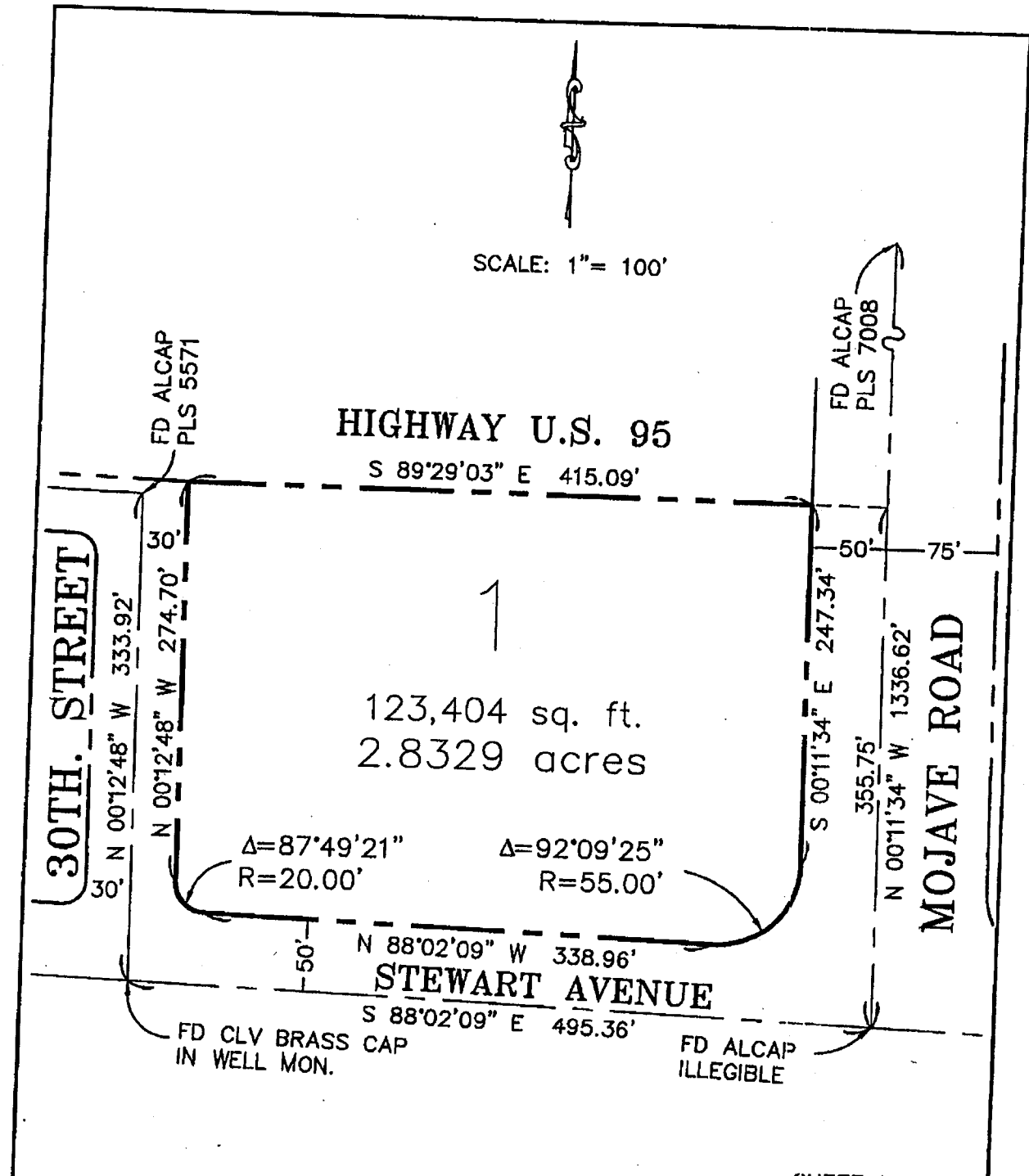
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
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Scale: 1"=100'

S 2 NE 4

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
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SHEET 1 OF 1



A PORTION OF SW 1/4 OF NE 1/4 OF S. 36 T. 20 S., R. 61 E. M.D.M., CITY OF LAS VEGAS, CLARK COUNTY, NEVADA

CITY OF LAS VEGAS - SURVEY

3001 RONEMUS DRIVE, LAS VEGAS, NEVADA 89128 (702) 229-6217

DRAWING: NW COR STEWART & MOJAVE

DRAWN BY: HJB

ARR ARR

DATE: 09-15-2005

Exhibit "C"

RESOLUTION NO. _____

A RESOLUTION PURSUANT TO THE PROVISIONS OF NRS 268.063 FINDING THAT THE PROPOSED SALE OF CITY-OWNED PROPERTY LOCATED GENERALLY AT THE NORTHWEST CORNER OF STEWART AVENUE AND MOJAVE ROAD (APN 139-36-603-001) TO URBAN LOFTS XV, LTD. IS FOR THE PURPOSES OF REDEVELOPMENT AND IS IN THE BEST INTERESTS OF THE PUBLIC

WHEREAS, the City owns property located at the northwest corner of Stewart Ave. and Mojave Road (hereinafter the "Site") which is currently vacant as shown in Exhibit A of the REAL PROPERTY PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF LAS VEGAS AND URBAN LOFTS XV, LTD., which is attached hereto.

WHEREAS, the Site is located within the boundaries of the City's Redevelopment Area and the City is interested in providing opportunities for, and facilitating the redevelopment of, such blighted areas with new residential development;

WHEREAS, the City issued a Request for Development Proposals (RFP No.060123-DK) on November 29, 2005 seeking real estate development proposals that would provide City residents with owner-occupied for-sale housing on the Site to meet the residential needs of City residents, generally, and persons employed by the surrounding business park, specifically;

WHEREAS, on March 17, 2006, the City informed a real estate developer known as URBAN LOFTS XV, LTD. that its response to the RFP was selected by the City's Evaluation Committee, and that it and the City's Office of Business Development would negotiate the terms of a purchase and sale agreement to sell the Site to URBAN LOFTS XV, LTD., so it could request the necessary land use entitlements and eventually construct the project pursuant to its response to the RFP;

WHEREAS, the development proposed by Urban Lofts, XV, Ltd. is a 54 unit, owner-occupied, for-sale town home project similar to other town home projects by the same developer approved by the City in the downtown area (the "Project");

WHEREAS, the Project will bring over \$13,500,000 of private investment to the City's Redevelopment Area, which will provide the opportunity for gentrification of the neighborhood;

WHEREAS, this development will create at least 250 construction jobs through the use of over 120 trades;

WHEREAS, this development will add over \$13,500,000 of taxable property to the assessor's records on a site that is currently vacant land and that is currently owned by a tax-exempt municipality;

WHEREAS, a portion of the real property taxes generated from the redevelopment of the Site will go to the Redevelopment Agency affordable housing set-aside account to further fund the City's efforts and Redevelopment Agency's efforts to facilitate redevelopment throughout the whole of the Redevelopment Area;

WHEREAS, the City desires to sell the Property to URBAN LOFTS XV, LTD., and URBAN LOFTS XV, LTD. has agreed to pay to the City the fair market value of the Site, which was appraised pursuant to the provisions of NRS 268.059, at One Million, Four-Hundred Eighty Thousand Dollars (\$1,480,000);

WHEREAS, NRS 268.063 authorizes the governing body of a city to sell, lease or otherwise dispose of real property for purposes of redevelopment, without first offering it to the public and for less than fair market value, if such governing body finds, by resolution that it is in the best interests of the public to do so.

WHEREAS, Section 1.040 of the Las Vegas City Charter designates the Las Vegas City Council as the governing body of the City of Las Vegas;

WHEREAS, the "purposes of redevelopment" are found in state law. NRS 279.418 declares that the existence of blighted areas constitute a growing menace that is "injurious and inimical to the public health, safety and welfare of the people of the communities" in which the blighted areas exist. In addition, that such "menace is becoming increasingly direct and substantial in its significance and effect," and that the benefits that result from redevelopment of such areas will accrue to the inhabitants and property owners in which such areas exist. NRS 279.408 defines "Redevelopment" as the "planning, development, redevelopment, redesign, clearance, reconstruction or rehabilitation, or any combination of these, of all or part of a redevelopment area" as "may be appropriate or necessary in the interest of the general welfare . . .";

WHEREAS, the City believes that the planning and development of the Site from a vacant lot to a 54 unit town home subdivision as proposed by URBAN LOFTS XV, LTD. within the City's Redevelopment Area is in the interests of the public's general welfare and such planning and development will reduce the blighted area within the Redevelopment Area as a whole. Such reduction of blighted area will generally benefit the City's residents as a whole and will specifically accrue to the inhabitants and owners of property within the Redevelopment Area itself.

NOW, THEREFORE, BASED UPON THE FOREGOING RECITALS, THE CITY COUNCIL HEREBY FINDS that the sale of the Site to URBAN LOFTS XV, LTD., is for the purposes of redevelopment and is in the best interests of the public.

PASSED, ADOPTED AND APPROVED THIS ___ day of August, 2006.

CITY OF LAS VEGAS ("City")

By: _____
OSCAR B. GOODMAN, Mayor

ATTEST:

BARBARA JO RONEMUS, City Clerk

Date of City Council Approval:

Date

APPROVED AS TO FORM:

Date

EXHIBIT "D"

APNs: 139-36-603-001

RPTT: _____

Recording Requested by:
City of Las Vegas, Nevada
After recordation, mail to:
City of Las Vegas
Office of Business Development
400 Stewart Avenue
Las Vegas, Nevada 89101

GRANT, BARGAIN AND SALE DEED

For valuable consideration, the receipt of which is hereby acknowledged, the CITY OF LAS VEGAS, a municipal corporation of the State of Nevada (herein the "Grantor"), hereby grants, bargains and sells to URBAN LOFTS XV, LTD., a Texas limited partnership (herein the "Grantee") all right, title, and interest in the real property (the "Property") legally described in the document attached hereto as Attachment "A" and incorporated herein by this reference, which Property is also known as APN: 139-36-603-001.

1. The Property is conveyed pursuant to an agreement for purchase and sale ("the Agreement") of the Property, entered into by and between Grantor and Grantee and dated _____. The conveyance herein is subject to the terms, covenants, and conditions set forth in the Agreement.
2. The Agreement provides, among other things, that Grantee's use, occupation, and development of the Property is subject to compliance with certain covenants, restrictions, and obligations and that Grantee's failure to perform thereunder may result in Grantor's exercising its rights to enforce a lien as set forth in Section 25 of said Agreement.
3. The absence from this Deed of the covenants, restrictions, and obligations contained in the Agreement shall not work as a merger thereof into this Deed to the exclusion of said covenants, restrictions, and obligations.
4. The conditions set forth in the foregoing paragraphs shall remain in effect for a period of five years from the recordation of this deed in the Official Records, Clark County, Nevada Recorder's Office, and shall automatically expire at the end of such five year period unless the Grantee fails to comply with the terms of the Agreement, in which case shall remain in full force and effect until satisfied.

5. The Property is conveyed subject to restrictions, reservations, conditions, rights-of-way, easements and other encumbrances of record, and subject to the Notice of Lien recorded herewith.

IN WITNESS THEREOF, the Grantor and Grantee have caused this instrument to be executed this _____ day of _____, 2007.

CITY OF LAS VEGAS

By: _____
OSCAR B. GOODMAN, Mayor

("GRANTOR")

ATTEST:

BARBARA JO RONEMUS, City Clerk

Approved as to form:

Deputy City Attorney Date

ACCEPTANCE

The provisions of this Grant, Bargain, and Sale Deed are hereby approved and accepted.

URBAN LOFTS XV, LTD.
A Texas limited partnership

By: Las Vegas Lofts, Inc.
A Texas corporation
Its General Partner

By: _____
Name: _____
Title: _____

"GRANTEE"

ACKNOWLEDGMENTS

STATE OF NEVADA §
 §
COUNTY OF CLARK §

On this _____ day of _____, 2007, personally appeared before me, the undersigned, a Notary Public in and for the County of Clark, State of Nevada, OSCAR B. GOODMAN, who acknowledged that he executed the above instrument.

NOTARY PUBLIC, in and for said
County and State

STATE OF _____ §
 §
COUNTY OF _____ §

On this _____ day of _____, 2007, personally appeared before me, the undersigned, a Notary Public in and for the County of _____, State of _____, _____, who acknowledged that he executed the above instrument.

NOTARY PUBLIC, in and for said
County and State

EXHIBIT "E"
FORM OF QUITCLAIM DEED

RPTT: _____

APN: 139-36-603-001

Recording Requested by:
City of Las Vegas, Nevada
After recordation, mail to:
City of Las Vegas
Office of Business Development
400 Stewart Avenue
Las Vegas, Nevada 89101

QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, URBAN LOFTS XV, LTD., a Texas limited partnership, does hereby REMISE, RELEASE AND QUITCLAIM to the CITY OF LAS VEGAS, a municipal corporation of the State of Nevada, the real property in the city of Las Vegas, Nevada, described on Attachment "A" attached hereto.

DATED this _____ day of _____, 200__.

URBAN LOFTS XV, LTD.
A Texas limited partnership

By: Las Vegas Lofts, Inc.
A Texas corporation
Its General Partner

By: _____
Name: _____
Title: _____

EXHIBIT "E"
FORM OF QUITCLAIM DEED

RPTT: _____

APN: 139-36-603-001

Recording Requested by:
City of Las Vegas, Nevada
After recordation, mail to:
City of Las Vegas
Office of Business Development
400 Stewart Avenue
Las Vegas, Nevada 89101

QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, URBAN LOFTS XV, LTD., a Texas limited partnership, does hereby REMISE, RELEASE AND QUITCLAIM to the CITY OF LAS VEGAS, a municipal corporation of the State of Nevada, the real property in the city of Las Vegas, Nevada, described on Attachment "A" attached hereto.

DATED this _____ day of _____, 200__.

URBAN LOFTS XV, LTD.
A Texas limited partnership

By: Las Vegas Lofts, Inc.
A Texas corporation
Its General Partner

By: _____
Name: _____
Title: _____

ACKNOWLEDGMENT

State of _____ §
County of _____ §

This instrument was acknowledged before me, a notary public, on this _____ day of _____, 200__, by _____, _____ of Las Vegas Lofts, Inc., a Texas corporation, general partner of Urban Lofts XV, Ltd., on behalf of said company.

Notary Public, State of _____

ATTACHMENT "F"
CERTIFICATE
DISCLOSURE OF OWNERSHIP/PRINCIPALS

1. Definitions

"City" means the City of Las Vegas.

"City Council" means the governing body of the City of Las Vegas.

"Contracting Entity" means the individual, partnership, or corporation seeking to enter into a contract or agreement with the City of Las Vegas.

"Principal" means, for each type of business organization, the following: (a) sole proprietorship – the owner of the business; (b) corporation – the directors and officers of the corporation; but not any branch managers of offices which are a part of the corporation; (c) partnership – the general partner and limited partners; (d) limited liability company – the managing member as well as all the other members.

2. Policy

In accordance with Resolution 79-99 and 105-99 adopted by the City Council, Contracting Entities seeking to enter into certain contracts or agreements with the City of Las Vegas must disclose information regarding ownership interests and principals. Such disclosure generally is required in conjunction with a Request for Proposals (RFP). In other cases, such disclosure must be made prior to the execution of a contract or agreement.

3. Instructions

The disclosure required by the Resolutions referenced above shall be made through the completion and execution of this Certificate. The Contracting Entity shall complete Block 1, Block 2, and Block 3. The Contracting Entity shall complete either Block 4 or its alternate in Block 5. Specific information, which must be provided, is highlighted. An Officer or other official authorized to contractually bind the Contracting Entity shall sign and date the Certificate, and such signing shall be notarized.

4. Incorporation

This Certificate shall be incorporated into the resulting contract or agreement, if any, between the City and the Contracting Entity. Upon execution of such contract or agreement, the Contracting Entity is under a continuing obligation to notify the City in writing of any material changes to the information in this Certificate. This notification shall be made within fifteen (15) days of the change. Failure to notify the City of any material change may result, at the option of the City, in a default termination (in whole or in part) of the contract or agreement, and/or a withholding of payments due the Contracting Entity.

ATTACHMENT 11

DISCLOSURE OF OWNERSHIP/PRINCIPALS

Block 1 Contracting Entity	
Name	Urban Lofts XV, Ltd.
Address	4512 Montrose Houston, Texas 77006
Telephone	713-522-6441
EIN or DUNS	20-4169092

Block 2 Description:	
Subject Matter of Contract/Agreement:	
Real Property Purchase and Sale Site Parcel Number is APN: 139-36-603-001	
RFP #:	N/A

Block 3 Type of Business			
<input type="checkbox"/> Individual	<input checked="" type="checkbox"/> Partnership	<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Corporation

Block 4 Disclosure of Ownership and Principals			
In the space below, the Contracting Entity must disclose all principals (including partners) of the Contracting Entity, as well as persons or entities holding more than one-percent (1%) ownership interest in the Contracting Entity.			
	FULL NAME/TITLE	BUSINESS ADDRESS	BUSINESS PHONE
1.	Las Vegas Lofts, Inc. a Texas corporation General Partner	4512 Montrose Houston, TX 77006	713-522-6441
2.	L. Davis, Inc. a Texas corporation Limited Partner	4512 Montrose Houston, TX 77006	713-522-6441
3.	Russell Hawkins Limited Partner	717 Texas Ave, Suite 3001 Houston, TX 77002	713-238-2050
4.	Michael Zilkha Limited Partner	1001 McKinney, Suite 1900 Houston, TX 77002	713-265-0270
5.			
6.			
7.			
8.			

The Contracting Entity shall continue the above list on a sheet of paper entitled "Disclosure of Principals – Continuation" until full and complete disclosure is made. If continuation sheets are attached, please indicate the **number of sheets:** _____

Block 5 Disclosure of Ownership and Principals - Alternate

If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this Certificate in lieu of providing the information set forth in Block 4 above. A description of such disclosure documents must be included below.

Name of Attached Document: None
Date of Attached Document: _____ Number of Pages: _____

I certify, under penalty of perjury, that all the information provided in this Certificate is current, complete, and accurate.

Name

Date

State of Nevada
County of Clark

This instrument was acknowledged before me on

_____ (date) by

_____ (name of person)

Notary Public-