

SCC  
DEVELOPMENT  
COMPANY, LLC

TRANSMITTED VIA LONE STAR OVERNIGHT

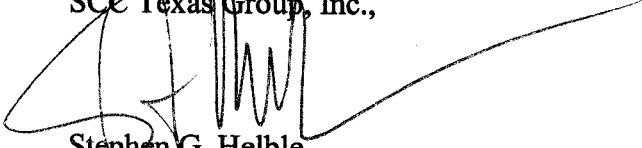
Monday, January 12, 2004

Ms. Krista Adams  
Longhorn Title Company  
801 Main St.  
Georgetown, TX 78626**RE: Real Estate Contract between City of Taylor ("Seller") and SCC Texas Group, Inc. ("Buyer") for approximately 2.003 acres in Taylor, Texas**

Dear Krista:

As discussed, enclosed please find one (1) fully-executed original Contract in connection with the above-referenced transaction. Please process the Title Commitment per Section 6.a. of the Contract.

Should you have any questions, please feel free to contact me. Thank you for your assistance.

Very Truly Yours,  
SCC Texas Group, Inc.,  
Stephen G. Helble  
Vice President

Enclosure

cc: Mr. Ken Mills (w/encls. via overnight delivery)  
✓ Mr. Frank Salvato (w/encls. via overnight delivery)  
Mr. Scott A. Deskins (w/o encls.)

SGH/le

## REAL ESTATE CONTRACT

1. **PARTIES.** The names and addresses of the parties to this Contract are:

- a. Seller: City of Taylor  
400 Porter Street  
Taylor, Texas 76574  
Attn: Frank Salvato
  
- b. Purchaser: SCC Texas Group, Inc.  
4407 Bee Cave Road, Suite 112  
Austin, Texas 78746  
Attn: Steve Helble

2. **PROPERTY.** Seller agrees to sell and convey, and Purchaser agrees to purchase and pay for the following (collectively, the "Property"): that certain tract of approximately 2.003 acres located at the southeast corner of Main Street and East Lake Drive, in the City of Taylor, Williamson County, Texas, described as Lot One, Block One, Murphy Park East Subdivision, an addition to the City of Taylor, Texas, according to the map or plat recorded in Cabinet Y, Slides 62 and 63, Official Public Records of Williamson County, Texas (the "Land"), together with all of Seller's rights and appurtenances to the Land, including, without limitation, any right, title, and interest of Seller in and to any and all (i) easements, adjacent waterways, streets, roads, alleys, and rights-of-way, (ii) permits, approvals and authorizations and (iii) utility commitments and service, but only to the extent such rights, title and interest relate to the Land, and also together with any and all buildings, structures, fixtures, or other improvements located on the Land.

3. **PURCHASE PRICE.** Subject to the conditions of this Contract, Purchaser agrees to pay the total amount of Seven Hundred Eighty-two Thousand Five Hundred and 00/100 Dollars (\$782,500.00) (the "Purchase Price") at Closing by cash, certified check, or wire transfer.

4. **ESCROW DEPOSIT.** Within five (5) days after the "Effective Date" (as defined below) of this Contract, Purchaser agrees to deliver a deposit in the amount of Five Thousand Dollars (\$5,000.00) to be held in escrow ("Escrow Deposit") by the "Title Company" (as defined in Section 6.a hereof) as "Escrow Agent." Escrow Agent is authorized to place the Escrow Deposit in an interest bearing account, or any other account customarily maintained by Escrow Agent, at a financial institution whose accounts are insured by an agency of the federal government, and the interest earned on such funds shall be paid or credited to the party entitled to receive the Escrow Deposit under the terms of this Contract. In the event of any dispute between Seller and Purchaser concerning disbursement of the Escrow Deposit, the Title Company shall be authorized to file an interpleader suit in the District Court of Williamson County, Texas, and the disposition of such funds shall be determined in accordance with such proceeding, and the Title Company shall be released of all further liability with respect to such Escrow Deposit.

**5. FEASIBILITY PERIOD.**

a. Length of Period. Purchaser shall have the one hundred eighty (180) day period following the Effective Date hereof (the "Feasibility Period") during which to investigate and inspect the Property to determine whether or not the Property is suitable for Purchaser's intended use.

b. Inspection Rights and Obligations. Purchaser and Purchaser's agents may investigate, without limitation, the zoning and other restrictions on the use of the Property, availability of utilities, the necessity for subdividing or resubdividing the Property and obtaining other governmental approvals, access to and from the Property, soil and subsoil conditions, environmental conditions, drainage, availability of financing, and the economic feasibility of any future development of the Property. Seller shall reasonably cooperate with Purchaser regarding such investigations. Purchaser and Purchaser's agents shall have the right of access to the Property prior to Closing for the purpose of conducting such investigation and inspection. Purchaser shall not cause or permit damage or injury to be done to the Property, and Purchaser shall promptly repair any damage or injury to the Property resulting from Purchaser's investigation and inspection of the Property. Purchaser shall indemnify and hold harmless Seller on account of any claims, causes of action, damages and expenses (including attorney fees) arising out of or relating to the acts of Purchaser, its agents and employees under the provisions of this Section. Notwithstanding anything to the contrary in this Contract, the foregoing obligations of Purchaser to repair and indemnify shall survive the termination of this Contract, and the obligation to indemnify shall survive the closing under this Contract.

c. Termination; Additional Escrow Deposit. If Purchaser determines, in Purchaser's sole judgment and discretion, that the Property is not suitable for Purchaser's intended use, Purchaser shall give Seller written notice of such fact on or before the end of the Feasibility Period. Upon receipt of a copy of such written notice, Escrow Agent shall immediately refund the Escrow Deposit to Purchaser (except for \$100, which shall be released to Seller as payment for the option hereunder), and both parties shall be released from all further obligations under this Contract. If Purchaser does not send such written notice to Seller prior to the expiration of the Feasibility Period, then (i) the Contract may not be terminated by Purchaser as provided in this Section 5, and (ii) the balance of the Escrow Deposit shall become non-refundable and shall be released to Seller, provided that such amount shall be applied toward the Purchase Price at Closing as set forth elsewhere herein.

6. TITLE COMMITMENT AND SURVEY.

a. Title Commitment. Within fifteen (15) days after the Effective Date of this Contract, Seller, at Seller's sole cost and expense, shall deliver or cause to be delivered to Purchaser a Commitment for Title Insurance ("Title Commitment") issued by Longhorn Title Company, Inc., 309 N. Main Street, Taylor, Texas 76574 ("Title Company"). The Title Commitment shall set forth the status of the title of the Property and show all liens, claims, encumbrances, easements, rights-of-way, encroachments, reservations, restrictions, and any other matters affecting the Property. The Title Company shall furnish along with the Title Commitment a true, complete, and legible copy of all documents referred to in the Title Commitment, including, but not limited to, deeds, lien instruments, plats, reservations, restrictions and easements (the "Title Documents").

b. Survey. Within ten (10) days after the Effective Date of this Contract, and in connection with Seller's obligation to deliver information to Purchaser as set out in Section 10(a) below, Seller shall deliver to Purchaser a copy of Seller's most current existing survey of the Property (subject to the following, the "Survey"). Within five (5) days after the Effective Date, Purchaser, at Purchaser's sole cost and expense, may order a current boundary and title survey meeting the following requirements and prepared by a registered professional land surveyor reasonably acceptable to both parties (if and when such a new survey is delivered to the parties, it shall be the "Survey" for purposes hereof). The Survey shall include: (i) the actual dimensions of, and area within, the Property; (ii) field notes of the Property; (iii) the location of any easements, set-back lines, encroachments, overlaps, roadways or waterways; (iv) the outside boundary lines of all improvements; (v) all easements, set-back lines, and other matters referred to on the Title Commitment by volume and page reference; (vi) the surveyor's registered number and seal and the date of the survey; (vii) a statement that there is access to and from the Property from a publicly dedicated street or road; (viii) information sufficient to cause the Title Company to delete (except for "shortages in area") the printed exception for "discrepancies, conflicts or shortages in area or boundary lines, or encroachments, or any overlapping of improvements" in the Owner's Title Policy; and (ix) identification of any area within the Property that has been designated by the Federal Insurance Administration, the Army Corps of Engineers, or any other governmental agency or body as being subject to special flooding hazards. The new Survey, if obtained, shall be certified to Seller and Purchaser and, if requested, Purchaser's mortgagee, using a form of certification approved by the Title Company.

c. Review of Title Commitment and Survey. Purchaser shall have fifteen (15) days from Purchaser's receipt of the last received of the Title Commitment, the Title Documents, and the Survey (which shall be the new Survey if it is ordered in a timely manner as set out above) in which to examine each of those documents and to specify to Seller those items reflected thereon which Purchaser finds objectionable ("Title Objections"). Seller may correct or remove such Title Objections, give Purchaser written notice thereof, and deliver an amended Title Commitment and/or Survey reflecting the correction or deletion of such matters; provided, however, that Seller shall not be required to expend any funds or file any lawsuit in connection therewith. All items to which Purchaser does not object, and, if Purchaser does not deliver to Seller a written notice specifying those items that

are Title Objections within the above-stated time period, then all of the items reflected on the Title Commitment and Survey, shall be considered permitted exceptions to title ("Permitted Exceptions"). All items listed on Schedule C of the Title Commitment relating to Seller's organization or authority, and any liens affecting the Property created by Seller, shall be deemed Title Objections, and Seller shall cause all such items, including the liens, to be released or otherwise disposed of at or prior to Closing such that those items do not become exceptions to the Owner's Title Policy.

d. Uncorrected Title Objections. If Seller (i) fails to cause all of the Title Objections to be corrected or removed within fifteen (15) days after Purchaser's notice to Seller of the Title Objections, or (ii) gives written notice to Purchaser that Seller can not or will not correct or remove all of the Title Objections, Purchaser shall have the following rights only:

(1) Purchaser may terminate this Contract by giving Seller written notice thereof within the time set forth below, in which event the Escrow Deposit (less \$100 to be released to Seller as consideration for the option hereunder) shall be returned to Purchaser, and both parties shall be released from all further obligations under this Contract; or

(2) Purchaser may elect to purchase the Property subject to the Title Objections not so corrected or removed, in which event the uncorrected and unremoved Title Objections shall be deemed waived by Purchaser and shall thereafter be Permitted Exceptions under this Contract.

e. Notice of Termination. In order to terminate the Contract as provided above, Purchaser must give written notice thereof within ten (10) days after the earlier of (i) the expiration of the fifteen (15) day period in which Seller may correct or remove the Title Objections or (ii) the written notice from Seller that Seller can not or will not correct the Title Objections (the last day of which 10-day period is the "Exceptions Date" herein). If Purchaser fails to give such written notice of termination on or before the Exceptions Date, it shall be deemed that Purchaser has elected to waive the Title Objections not so corrected or removed and accepted them as Permitted Exceptions.

## 7. REPRESENTATIONS AND WARRANTIES.

Seller makes the following representations, warranties and covenants as of the date of this Contract and as of the date of Closing, and such warranties and covenants shall survive the Closing.

a. No Proceedings. There are no pending or threatened lawsuits affecting the property, nor condemnation or similar proceedings or assessments affecting the Property, nor to the best knowledge and belief of Seller is any such lawsuit contemplated by any person, nor is any condemnation or assessment contemplated by any governmental authority.

b. No Leases. The Property is not and will not be in whole or in part under lease.

c. No Contracts. Seller has not and will not enter into any written contracts, agreements, or listings, or be a party to any oral understandings or agreements affecting the Property that may become binding upon Purchaser.

d. Compliance With Laws. To the best of Seller's knowledge, Seller has complied with all applicable laws, ordinances, regulations, statutes and rules relating to the Property or any part thereof.

e. Authority. Seller has full power and authority to sell the Property pursuant to the terms of this Contract, all necessary municipal approvals have been given for such sale, and the person signing this Contract has been duly authorized to do so on behalf of Seller.

f. Environmental. During the period that Seller has owned the Property, Seller has not undertaken or authorized, and has not otherwise been informed of (pursuant to an environmental site assessment, governmental notice, or correspondence), any storage, production, transportation, disposal, treatment or release of any solid waste, hazardous waste, toxic substance, or any other pollutants or contaminants (hereinafter collectively referred to as "Pollutants") on or in the Property. To the best of Seller's knowledge (i) Seller has complied with all applicable local, state or federal environmental laws and regulations, and (ii) there are no wells, underground storage tanks, covered surface impoundments or other sources of environmental Pollutants or contaminants on the Property.

The representations and warranties of this Section 7 shall be true and accurate as of the date of Closing, and shall survive Closing.

**Except for any representations or warranties expressly set out in this Contract or in the Special Warranty Deed to be delivered by Seller at Closing, Seller otherwise expressly disclaims and Purchaser acknowledges and accepts that Seller has disclaimed making any representations, warranties, or assurances with respect to the Property, and Purchaser will rely upon its own inspections of the Property or its determinations not to inspect the same, and upon Closing shall accept the Property in its "AS IS" condition, with all faults, and without reference to merchantability or fitness for any specific purpose. With regard to the Property, and subject to all of the foregoing, "AS IS" means, without limitation, "AS IS" physical condition (both as to defects seen and unseen and conditions natural or artificial), "AS IS" with respect to all documents, agreements, restrictions, leases and covenants to which the Property is subject and which have been disclosed by Seller to Purchaser, and "AS IS" with respect to all laws, ordinances, rules and regulations to which the Property is subject under any applicable governmental or regulatory jurisdiction.**

8. CLOSING.

a. Date and Place. Subject to any provisions of this Contract otherwise, the Closing of the sale of the Property by Seller to Purchaser shall occur on or before thirty (30) days after the expiration of the Feasibility Period (the actual date of Closing, the "Closing Date"); provided that if the Closing Date is scheduled for a Saturday, Sunday or national holiday, the Closing Date shall be extended to the next succeeding day which is not a Saturday, Sunday or national holiday. The Closing shall occur in the offices of Seller's legal counsel at the address set out in Subsection 13.c.

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

(1) Special Warranty Deed. Seller shall execute and deliver to the Title Company for recording a Special Warranty Deed, fully executed and acknowledged by Seller, conveying indefeasible fee simple title to the Property to Purchaser, subject only to the Permitted Exceptions.

(2) Owner's Title Policy. Seller shall cause the Title Company to issue and deliver to Purchaser an owner's policy of title insurance ("Owner's Title Policy") in the amount of the Purchase Price insuring that Purchaser is owner of the Property, subject only to any Permitted Exceptions, and the standard printed exceptions included in a Texas Standard Form Owner Policy of Title Insurance. The standard exception for taxes shall be limited to the year in which the Closing occurs. If Purchaser so requests, the Owner's Title Policy shall have the printed exception for "discrepancies, conflicts or shortages in area or boundary lines, or encroachments, or any overlapping of improvements" deleted except for shortages in area (the "Survey Deletion"); provided however that the cost thereof shall be borne by Purchaser.

(3) Other Instruments. Seller shall execute and deliver such other documents as are customarily executed in 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 required by the Title Company.

(4) Possession. Seller shall deliver possession of the Property to Purchaser at Closing.

(5) Roll-back Taxes. If the Property has been assessed as "open space" or "agricultural" land, Purchaser agrees to pay all subsequent ad valorem tax assessments and penalties for any period prior to the Closing due to any change in ownership or usage of the Property. This agreement shall survive the Closing.

(6) Foreign Investment In Real Property Tax Act Requirements. Seller and Purchaser agree to comply with all requirements of the Foreign Investment In Real Property Tax Act, as amended, and applicable IRS Regulations ("FIRPTA"). If Seller is not a "foreign person" as defined in FIRPTA, this requirement includes the delivery of a

Certificate at Closing verifying that Seller is not a foreign person. If Seller is a foreign person or if Seller fails to deliver the required Certificate, Seller acknowledges that a portion of the Purchase Price that would otherwise be paid to Seller at the Closing must be withheld in order to comply with the FIRPTA requirements. The amount required to be withheld shall be paid to a mutually acceptable third party escrow agent for delivery to the Internal Revenue Service, along with the appropriate FIRPTA reporting forms, copies of which shall be provided to Seller and Purchaser. If Seller and Purchaser do not designate an escrow agent for such purpose prior to the Closing, the Title Company is authorized to act as such escrow agent. All costs and expenses relating to the withholding and payment of such funds to the Internal Revenue Service shall be paid by Seller.

c. Purchaser's Obligations At Closing. At the Closing, Purchaser shall pay the Purchase Price, less the aggregate amount of the Escrow Deposit (whether it has previously been released in whole or in part to Seller pursuant to the terms hereof, or is to be paid to Seller at the Closing), and subject to any adjustments for prorations and other credits provided for in this Contract.

d. Prorations. All real estate taxes relating to the Property for the year of the Closing shall be prorated as of the date of Closing between Seller and Purchaser. If the amount of taxes for that year are not known at the time of Closing, the prorations shall be based upon the taxes for the year prior to Closing, and when the tax information becomes available, Seller or Purchaser may request reimbursement from the other party for any excess amount charged to that party at the Closing. This agreement shall survive the Closing.

e. Closing Costs. Seller and Purchaser each agree to pay the following costs at the Closing:

(1) Paid By Seller. Seller agrees to pay the cost of preparing the Special Warranty Deed; the premium for the Owner's Title Policy (save and except the cost of the Survey Deletion if requested by Purchaser); the cost of preparing and recording any releases and other documents necessary to convey the Property in accordance with this Contract; and one-half (1/2) of any escrow or closing fee charged by the Title Company.

(2) Paid By Purchaser. Purchaser agrees to pay the recording fees for the Special Warranty Deed; the cost of the Survey (if any); the additional premium for the Survey Deletion if requested by Purchaser; and one-half (1/2) of any escrow or closing fee charged by the Title Company.

## 9. DEFAULTS AND REMEDIES.

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

(1) Purchaser's Default. Purchaser shall be deemed to be in default under this Contract if Purchaser fails to meet, comply with or perform any of Purchaser's obligations under this Contract within the time limits set forth in this Contract, for any reason other than a default by Seller or termination by Purchaser under some provision of this Contract. Except for the obligations to be performed at the Closing,



Purchaser shall have a period of five (5) business days after written notice from Seller that Purchaser has failed to comply with or perform its obligations under this Contract in which to cure such failure before Purchaser shall be deemed to be in default under this Contract.

(2) Seller's Remedies. If Purchaser is deemed to be in default under this Contract, Seller may, as Seller's sole remedy, terminate this Contract by written notice delivered to Purchaser (and, in Seller's discretion, have any Permits for the Store terminated, as described in Subsection 12.b below), and receive the Escrow Deposit. It is agreed between Purchaser and Seller that such amount shall be liquidated damages for a default of Purchaser under this Contract because of the difficulty, inconvenience, and uncertainty of ascertaining actual damages for such default. Seller waives all other remedies for default by Purchaser hereunder, except with respect to any post-closing obligations of Purchaser, as to which Seller reserves all remedies provided at law.

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

(1) Seller's Default. Seller shall be deemed to be in default under this Contract if Seller fails to meet, comply with, or perform any covenant, agreement, or obligation within the time limits and in the manner required in this Contract, for any reason other than default by Purchaser or termination of this Contract by Seller under some provision of this Contract. Except for the obligations to be performed at the Closing, Seller shall have a period of five (5) business days after written notice from Purchaser that Seller has failed to comply with or perform its obligations under this Contract in which to cure such failure before Seller shall be deemed to be in default under this Contract.

(2) Purchaser's Remedies. If Seller is deemed to be in default under this Contract, Purchaser may, at Purchaser's sole option and as Purchaser's sole remedy, do any one of the following:

(a) Terminate this Contract by written notice delivered to Seller on or before the date of Closing and receive a return of the Escrow Deposit, including (and notwithstanding any provision of this Contract to the contrary with regard to the nonrefundability of any portion of the Escrow Deposit) any portions of the Escrow Deposit previously released to Seller;

(b) Enforce specific performance of this Contract against Seller; or

(c) Waive such default and proceed to Closing.

Purchaser waives all other remedies for default by Seller hereunder, except with respect to any post-closing obligations of Seller, as to which Purchaser reserves all remedies provided at law.

c. Attorney's Fees. If either party to this Contract defaults in the performance required hereunder, and the non-defaulting party employs an attorney to enforce

the terms hereof, such non-defaulting party shall be entitled to reasonable attorney's fees and court costs including costs of appeal from the defaulting party.

**10. COMMISSION.** If and when the Closing occurs, and only if and when such Closing occurs, Seller agrees to pay to Scott Sams of Trammell Crow Company ("Broker") a commission of \$22,500.00. Seller and Purchaser each warrant and represent to the other that neither of them has dealt with any agent or broker, other than the Broker, in connection with purchase of the Property, and Seller and Purchaser each agree to indemnify and hold the other party harmless from any loss, liability, or expense suffered by the other party by reason of a breach of such warranty and representation.

**11. DOCUMENTS.**

a. Delivery By Seller. Within ten (10) days following the Effective Date of this Contract, Seller shall provide to Purchaser copies of any and all environmental reports or assessments pertaining to the Property that are in Seller's possession, together with all (i) surveys, topographical maps, and engineering drawings and studies, (ii) condemnation notices, pleadings, judgments or settlements, and awards, (iii) tax bills for real property, personal property, rental, and special taxes or assessments for years 2001 and 2002, along with the most current tax assessment, (iv) permits, (v) applications, and (vi) other documents relating in any way to the Property or the development thereof, utility service to the Property or governmental approvals for the Property that are in Seller's possession or that are subject to Seller's control, provided, however, that Seller's good faith failure or inability to comply with the provisions of this Subsection 11.a shall not constitute a default hereunder.

b. Delivery by Purchaser. In the event that the Contract should not close for any reason, Purchaser shall deliver to Seller copies of all reports of inspections, studies or assessments, completed or caused to be completed by Purchaser, together with all surveys, maps, engineering drawings, plans, permits, applications and other documents relating in any way to the Property or the development thereof, environmental conditions affecting the Property, utility service to the Property or governmental approvals for the Property; provided that in no event shall Purchaser be obligated to deliver to Seller any financial analyses relating to the Property, or any engineering plans, architectural drawings or similar materials for any of the buildings which Purchaser may have proposed to construct on the Property, or any other proprietary information or reports relating to the operation of Purchaser's business. This obligation shall survive any termination of the Contract.

**12. CONTINGENCIES.**

a. Permitting. Conveyance and development of the Property may require zoning amendments, subdivision of the Land and recordation of a final plat creating a new subdivided lot consisting of only the Land, site plan approval, and issuance of a building permit by the city of Taylor for a 13,813 square foot pharmacy with a drive through window (the "Store"). Purchaser, at its sole cost and expense, may apply for and obtain approval of any and all permits and approvals necessary in order to construct and open the Store (the "Permits") during the Feasibility Period. Prior to Closing, Seller shall have the

right to review the applications for the Permits prior to Purchaser's submittal of such applications to the City of Taylor for normal processing in accordance with the City's ordinances. Without guaranteeing in any way that the applications for the Permits will be approved by the City in its governmental role, Seller, as such, shall reasonably cooperate with Purchaser in connection with the Permits, including, without limitation, by signing any and all necessary applications and related documents (as the landowner) as reasonably requested by Purchaser.

b. Contingencies. The obligation Purchaser to purchase the Property pursuant to the terms of this Contract is expressly contingent upon (i) issuance of the Permits prior to Closing, and (ii) the continued accuracy at Closing of Seller's representations and warranties made herein, provided, however, that Seller does not in any way, by agreeing to the contingency set out in (i) above, guarantee that the applications for the Permits will be approved, and Purchaser agrees and acknowledges that the applications for the Permits shall be processed by the City of Taylor pursuant to all ordinary and applicable laws and ordinances. Purchaser acknowledges that the City may terminate any Permits as a remedy for Purchaser defaults (pursuant to Subsection 9.a(2) above) or if for any other reason Closing does not occur prior to the expiration of any applicable time periods.

### 13. MISCELLANEOUS.

a. Assignment of Contract. This Contract may not be assigned by Purchaser without the prior written reasonable consent of Seller, except to an entity which controls, is controlled by, or is under common control with Purchaser, provided, however, that such entity shall assume all of Purchaser's obligations hereunder and shall agree to construct a pharmacy (i.e., the Store) on the Property according to the terms hereof. Purchaser anticipates that the Store will be an Eckerd's pharmacy, but Purchaser does not control the market or the decisions of national retailers and does not guarantee or warrant that the Store will be an Eckerd's pharmacy. If JC Penney transfers ownership of Eckerd's, Purchaser may develop the Store according to the size and branding requirements of the acquiring entity without any prior approval of Seller. However, Purchaser may not otherwise develop a Store on the Property other than an "Eckerd's" pharmacy without the prior approval of Seller, which shall not be unreasonably withheld, conditioned, or delayed.

b. Survival of Covenants. Any of the representations, warranties, covenants, and agreements of the parties, as well as any rights and benefits of the parties, pertaining to a period of time following the Closing shall survive the Closing for a period of six (6) months and shall not be merged therein.

c. Notice. Any notice required or permitted to be delivered under this Contract shall be deemed received on the earlier of (i) actual receipt, including by facsimile transmission, or (ii) when sent by United States mail, postage prepaid, certified mail, return receipt requested, or by national courier service, addressed to Seller or Purchaser, as the case may be, at the address stated in Section 1, with copies as follows:

If to Seller.

Ted Hejl  
311 Talbot  
Taylor, Texas 76574  
Fax: (512) 365-2226

If to Purchaser.

Ken Mills  
Drenner Stuart Wolff Metcalfe von Kreisler  
301 Congress Avenue, Suite 1200  
Austin, Texas 78701.  
Fax: (512) 404-2244

A party may change his address for notice upon ten (10) days written notice to the other party pursuant to the terms hereof.

d. Texas Law to Apply. This Contract shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created by the Contract are performable in the county in which the Property is located.

e. 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.

f. Legal Construction. 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 the Contract, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in the Contract. The parties agree that this Contract shall not be construed for or against any party by reason of the identity of the party drafting the language in question, and hereby waive any such rule of construction.

g. Prior Agreements Superseded. This Contract constitutes the sole and only agreement of the parties to the Contract and supersedes any prior understandings or written or oral agreements between the parties concerning the purchase of the Property.

h. Time of Essence. Time is of the essence of this Contract.

i. 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.

j. Effective Date. The Effective Date of this Contract shall be the date of the later of Seller or Purchaser to sign.

**SELLER:**

**THE CITY OF TAYLOR,**  
a Texas municipal corporation

By: Donald R. Hill  
Name: DONALD R. HILL  
Title: MAYOR

Executed by Seller on JANUARY 8, ~~2004~~, 2004 D.R.H.

**PURCHASER:**

**SCC TEXAS GROUP, INC.,**  
a Texas corporation

By: [Signature]  
Name: STEVE HELBLE  
Title: VICE PRESIDENT

Executed by Purchaser on 1-12, ~~2004~~, 2004