

ADDENDUM 1

This Addendum 1 (this "Addendum") is made and entered into by and between HOUSTON LAND BANK, a Texas local government corporation ("Seller") and _____ ("Buyer"). This Addendum is attached to and forms a part of that certain New Home Contract (Completed Construction) dated _____, 2019, by and between Buyer and Seller, to which this Addendum is attached (the "Contract").

1. Terms defined in the Contract shall have the same meanings when used herein unless a contrary meaning is expressly indicated. Seller and Buyer acknowledge and agree that the provisions of this Addendum amends the Contract and both agree to be bound by the terms and provisions of this Addendum and the exhibits and schedules attached hereto.

2. Notwithstanding any provisions to the contrary contained in the Contract, conveyance of the Property shall be by special warranty deed.

3. In addition to the assignable manufacture warranties described in Section 7.C of the Contract, at closing, Seller shall assign to Buyer all of Seller's right, title and interest (without representation or warranty) in and to all warranties assigned to Seller pursuant to that certain Master Contractor Agreement City of Houston New Home Development Program dated _____, by and between the City of Houston, Seller and _____, as Contractor as set forth in Schedule 1 attached to this Addendum 1.

4. Notwithstanding the provisions of Section 6.D of the Contract, Buyer acknowledges and agrees that the Property will be conveyed subject to certain affordability and use restrictions in the form attached to this Addendum 1 as Exhibit "A" (the "Use Restrictions"). At closing, Buyer shall acknowledge receipt of the Use Restrictions and agree to comply with the terms thereof during the period of Buyer's ownership of the Property. The Use Restrictions shall not constitute an objection to title under Section 6 of the Contract.

5. EXCEPT FOR THE SPECIAL WARRANTY THAT WILL BE CONTAINED IN THE DEED, IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT SELLER HAS NOT MADE AND HEREBY DISCLAIMS ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, REGARDING ANY ASPECT OF THE PROPERTY, PERSONALTY OR INTANGIBLE PROPERTY, INCLUDING, BUT NOT LIMITED TO, (A) THE NATURE AND CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, AND THE SUITABILITY THEREOF AND OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH BUYER MAY ELECT TO CONDUCT THEREON, AND THE EXISTENCE OF ANY ENVIRONMENTAL HAZARDS OR CONDITIONS THEREON (INCLUDING THE PRESENCE OF ASBESTOS) OR COMPLIANCE WITH ALL APPLICABLE LAWS, ORDINANCES, RULES OR REGULATIONS; (B) EXCEPT FOR ANY REPRESENTATIONS AND WARRANTIES EXPRESSLY CONTAINED HEREIN AND THOSE IN THE DEED TO BE DELIVERED BY SELLER AT TIE CLOSING, THE NATURE AND EXTENT OF ANY RIGHT-OF-WAY, LEASE, POSSESSION, LIEN, ENCUMBRANCE, LICENSE, RESERVATION, CONDITION

OR OTHERWISE; AND (C) THE COMPLIANCE OF THE PROPERTY OR ITS OPERATION WITH ANY LAWS, ORDINANCES OR REGULATIONS OF ANY GOVERNMENT OR OTHER BODY, INCLUDING BUT NOT LIMITED TO ALL ENVIRONMENTAL LAWS, RULES AND REGULATIONS. BUYER ACKNOWLEDGES AND AGREES THAT IT WILL EXAMINE AND INVESTIGATE THE PROPERTY PRIOR TO THE EXPIRATION OF THE FEASIBILITY PERIOD AND THAT IN PURCHASING THE PROPERTY BUYER WILL RELY SOLELY UPON SUCH EXAMINATIONS AND INVESTIGATIONS AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER.

BUYER FURTHER ACKNOWLEDGES THAT ANY INFORMATION PROVIDED WITH RESPECT TO THE PROPERTY WAS OBTAINED FROM A VARIETY OF SOURCES AND SELLER (A) HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION; AND (B) DOES NOT MAKE ANY REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. BUYER AGREES TO PAY FOR AND TO MAKE OR CAUSE TO BE MADE ALL INSPECTIONS, INVESTIGATIONS AND ANALYSES NECESSARY OR APPROPRIATE FOR THE PURPOSE OF DETERMINING COMPLIANCE OR NON-COMPLIANCE BY THE PROPERTY WITH ALL BUILDING, HEALTH, ENVIRONMENTAL, ZONING AND LAND USE LAWS, ORDINANCES, RULES AND REGULATIONS, AND SELLER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, CONCERNING THE PROPERTY'S COMPLIANCE WITH SUCH BUILDING, HEALTH, ENVIRONMENTAL, ZONING AND LAND USE LAWS, ORDINANCES, RULES AND REGULATIONS. THE PROPERTY AND PERSONALTY SHALL BE CONVEYED TO BUYER IN THEIR "AS IS, WHERE IS" CONDITION. BUYER EXPRESSLY ACKNOWLEDGES THAT, IN CONSIDERATION OF THE AGREEMENTS OF SELLER HEREIN, EXCEPT AS OTHERWISE SPECIFIED HEREIN, SELLER MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE, IN RESPECT OF THE PROPERTY. THIS PARAGRAPH SHALL SURVIVE THE CLOSING AND LANGUAGE SUBSTANTIALLY SIMILAR TO THE FOREGOING SHALL BE INCORPORATED AND INCLUDED IN THE SPECIAL WARRANTY DEED.

THE OCCURRENCE OF A CLOSING SHALL CONSTITUTE AN ACKNOWLEDGMENT BY BUYER THAT THE PROPERTY WAS ACCEPTED WITHOUT REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED (EXCEPT FOR THE REPRESENTATIONS EXPRESSLY SET FORTH IN THIS CONTRACT AND THE SPECIAL WARRANTY OF TITLE SET FORTH IN THE SPECIAL WARRANTY DEED), AND OTHERWISE IN AN "AS IS," "WHERE IS," AND "WITH ALL FAULTS" CONDITION AND SUBJECT TO THE TERMS OF THIS ADDENDUM.

EXHIBIT "A"

USE RESTRICTIONS

**[RENE TO PREPARE ADDRESSING SINGLE FAMILY, OWNER-OCCUPIED
RESIDENTIAL USE ONLY AS WELL AS NO NOXIOUS USES AND
AFFORDABILITY COVENANTS.]**

SCHEDULE 1
ASSIGNED WARRANTIES