

**TREE CREDIT PURCHASE AGREEMENT
AND DISCLOSURE STATEMENT**

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This Agreement is entered into by 3JLE Family Limited Partnership and Wayne Harwell, (hereinafter referred to as “Sellers”) and _____, a _____, (hereinafter referred to as “Buyer”) for the purpose of establishing the terms and conditions of the sale by Sellers and purchase by Buyer of _____ inches of tree credits pursuant to the provisions of the City of San Antonio City Code in equal amounts from Tree Credit Certificate Nos. 0003 and 0004.

I. The Assignment.

In return for the payment of the purchase price of _____ DOLLARS AND NO/100 (\$_____.00) (“Purchase Price”) from Buyer to Sellers, Sellers agree to transfer and assign to Buyer _____ inches of tree credits with said assignment being from the following tree credit certificates and the following number of inches:

Assignment of _____ inches from Certificate No. 0003

Assignment of _____ inches from Certificate No. 0004

II. Execution of Documents.

Sellers shall execute all documents necessary to effectuate the assignment and transfer of the above tree credits, totaling _____ inches, from Sellers to Buyer, including the execution of any and all assignment certificates or other documents required by the City of San Antonio upon Buyer’s payment of the total purchase price to Sellers. Buyer agrees to pay the total purchase price in good and sufficient funds in the form of a certified check, bank check or cash on or before the _____ day of _____ 200__.

III. Documents and Purchase Price to be Escrowed.

The execution of all documents required for the closing of this sale and the payment of the Purchase Price shall be coordinated through the law offices of Earl & Associates, P.C., 111 Soledad, Suite 1111, San Antonio, Texas 78205, who shall serve as Escrow Agent for the parties for this transaction and shall be paid a fee of 1% of the Purchase Price for such services. The escrow fee shall be paid by Sellers.

IV. Terms and Conditions of Sale.

By execution of this Purchase Agreement, Buyer is acknowledging that it is a sophisticated investor that is experienced and knowledgeable in the area of real estate, land development and government regulations including, but not limited to, the regulation of the preservation of trees by the City of San Antonio and the local, state and federal laws related thereto.

Buyer further acknowledges that i has conducted, or will prior to closing conduct, due diligence regarding the usability of the tree credits which are being purchased by Buyer under this Agreement and that Sellers in no way warrant the usability of such credits with regard to any specific project, real estate development or tract of land on which Buyer intends to utilize the credits for compliance with the City of San Antonio Tree Preservation Regulations, Landscape Regulations, or any other rule or regulation of the City of San Antonio.

V. Schedule.

A. If terms of this Agreement are acceptable, Buyer shall deposit with Escrow Agent the following:

1. two executed originals of this agreement; and
2. payment of twenty percent of the Purchase Price.

B. Buyer shall have _____ calendar days, from the date of deposit referenced immediately above, to perform due diligence.

C. On or before the end of the due diligence period referenced immediately above, Buyer shall deliver to Escrow Agent written notification of Buyers intent to proceed or not proceed with the transaction.

1. If Buyer informs Escrow Agent that Buyer does not intend to proceed, or provides no notification at all, Escrow Agent shall return Buyers monetary deposit (less a fee equal to 5% of the deposit, which shall be retained by Escrow Agent) and destroy the executed Agreements; or

2. If Buyer informs Escrow Agent that Buyer does intend to proceed, Buyer shall deposit with Escrow Agent the balance of the Purchase Price, Buyer and Sellers shall sign the Assignment Certificate, and, immediately thereafter, Sellers shall escrow the Assignment Certificate.

D. Closing shall occur within 15 days after Buyer pays the Purchase Price into escrow and Buyer and Sellers sign the Assignment Certificates.

VI. Escrow Agent's Duties.

In addition to the duties imposed in this Agreement above, Escrow Agent shall, within 15 days after Buyer and Sellers sign the Assignment Certificate (referenced in section V.C.2. above), be responsible for obtaining the approval of the assignment by the City of San Antonio Arborist or her designee. Upon obtaining the City of San Antonio Arborist's approval of the assignment, evidenced by the Arborist's signing the Assignment Certificate, Escrow Agent shall deliver the Assignment Certificate to Buyer and the purchase funds to Sellers. If Escrow Agent is unable to obtain the Arborist's approval within the prescribed time, Escrow Agent shall immediately inform the Parties in writing. If Buyer and Sellers agree to extend the closing, Escrow Agent shall continue to pursue closing during the extension period. If either Buyer or Sellers decline to extend the closing, Escrow Agent shall return all funds deposited by Buyer to Buyer upon Buyer's execution of document necessary for release of the Assignment Certificate back to Sellers.

VII. Enforcement of Terms.

In the event of any dispute arising from this Agreement, this Agreement shall be interpreted and enforced pursuant to the laws of the State of Texas and venue for any action on this Agreement shall be in Bexar County, Texas. In the event there is litigation stemming from this Agreement, Buyer and Sellers expressly agree that each party shall be responsible for the payment of their respective costs or legal fees with respect to said litigation. The parties further acknowledge and agree that, prior to the filing of any litigation, the parties must first conduct mediation with regard to the dispute and obtain a mediator's statement that an impasse has occurred between the parties prior to a lawsuit being filed and that such requirement for mediation shall be capable of being used by Sellers as the basis for the dismissal of any claim until such mediation requirement has been complied with.

VIII. No Further Obligation Except Enforcement of Terms.

Once the City of San Antonio has accepted the Assignment to Buyer, or Redemption by Buyer, of the Tree Credits and the Sellers have received the funds for the purchase price, the duties and obligations of the Parties, including those of the Escrow Agent, shall have been deemed fully satisfied and none of the Parties shall have any further obligations under this Agreement, save and accept the obligations under Section VII immediately above, which shall survive the closing of this transaction and continue to be binding on the Parties after the closing.

This Agreement is entered into and executed this _____ day of _____ 2007.

BUYER

Signature

Printed Name

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on the _____ day of _____, 2007, by _____, on behalf of _____.

Notary Public, State of Texas

My commission expires: _____

SELLER:

3JLE FAMILY LIMITED PARTNERSHIP

Signature

Printed Name

STATE OF TEXAS §
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COUNTY OF BEXAR §

This instrument was acknowledged before me on the _____ day of _____, 2007, by _____, on behalf of 3JLE Family Limited Partnership.

Notary Public, State of Texas

My commission expires: _____

SELLER:

WAYNE HARWELL

Signature

Printed Name

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on the _____ day of _____, 2007, by Wayne Harwell.

Notary Public, State of Texas

My commission expires: _____

ESCROW AGENT

Earl and Associates, P.C.

By: _____
Signature

Printed Name