

EXHIBIT T
TO MASTER DEVELOPMENT AGREEMENT

Form of Special Warranty Deed Concerning Perimeter Parks and Lake Park

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

After Recording Return To:

DuBois, Bryant, Campbell & Schwartz, L.L.P.
700 Lavaca, Suite 1300
Austin, Texas 78701
Attention: Rick Reed

SPECIAL WARRANTY DEED

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS THAT:
COUNTY OF TRAVIS §

1. Grant. THE CITY OF AUSTIN, a Texas home rule city and municipal corporation ("City"), for and in consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration paid to City by CATELLUS AUSTIN, LLC, a Delaware limited liability company ("Catellus"), the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, SELL, CONVEY, ASSIGN and DELIVER to Catellus the real property described in Exhibit A attached hereto and made a part hereof, together with all buildings and other improvements situated thereon, all fixtures and other property affixed thereto and all and singular the rights and appurtenances pertaining to such real property (the "Property"), subject to the encumbrances described in Exhibit B attached hereto and made a part hereof (the "Permitted Encumbrances").

2. Warranty. TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in anywise belonging unto Catellus, its successors and assigns, forever, and City does hereby bind itself and its successors and assigns to warrant and forever defend all and singular the said premises unto Catellus, its successors and assigns against every person whomsoever lawfully claiming, or to claim the same, or any part thereof by, through or under City, but not otherwise; subject, however, to the Permitted Encumbrances.

3. AS-IS. EXCEPT AS EXPRESSLY SET FORTH HEREIN OR IN THAT MASTER DEVELOPMENT AGREEMENT DATED _____, 2004 BETWEEN CITY AND CATELLUS RELATING TO THE PROPERTY (THE "AGREEMENT") TO THE CONTRARY, IT IS UNDERSTOOD AND AGREED THAT THE PROPERTY IS BEING SOLD AND CONVEYED HEREUNDER "AS IS" WITH

ANY AND ALL FAULTS AND LATENT AND PATENT DEFECTS WITHOUT ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY BY CITY. CITY HAS NOT MADE AND DOES NOT HEREBY MAKE AND HEREBY SPECIFICALLY DISCLAIMS (EXCEPT AS EXPRESSLY SET FORTH HEREIN AND IN THE AGREEMENT) ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR CHARACTER WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY (OTHER AS SET FORTH IN THE AGREEMENT AND CITY'S SPECIAL WARRANTY OF TITLE CONTAINED HEREIN), ITS CONDITION (INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY REGARDING SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE), ITS COMPLIANCE WITH ENVIRONMENTAL LAWS OR OTHER LAWS, OR ANY OTHER MATTER OR THING RELATING TO OR AFFECTING THE PROPERTY AND CITY HEREBY DISCLAIMS AND RENOUNCES ANY OTHER REPRESENTATION OR WARRANTY. CATELLUS ACKNOWLEDGES AND AGREES THAT IT IS ACCEPTING THIS SPECIAL WARRANTY DEED WITHOUT RELYING (EXCEPT AS EXPRESSLY SET FORTH HEREIN AND THE AGREEMENT) UPON ANY SUCH REPRESENTATION, WARRANTY, STATEMENT OR OTHER ASSERTION, ORAL OR WRITTEN, MADE BY CITY OR ANY REPRESENTATIVE OF CITY OR ANY OTHER PERSON ACTING OR PURPORTING TO ACT FOR OR ON BEHALF OF CITY WITH RESPECT TO THE PROPERTY BUT RATHER IS RELYING UPON ITS OWN EXAMINATION AND INSPECTION OF THE PROPERTY. CATELLUS REPRESENTS THAT IT IS A KNOWLEDGEABLE PURCHASER OF REAL ESTATE AND THAT IT IS RELYING SOLELY ON ITS OWN EXPERTISE AND THAT OF ITS CONSULTANTS IN PURCHASING THE PROPERTY. CATELLUS FURTHER ACKNOWLEDGES AND AGREES THAT THE PROVISIONS OF THIS SECTION WERE A MATERIAL FACTOR IN CITY'S DETERMINATION OF THE CONSIDERATION FOR THE TRANSFER OF THE PROPERTY TO CATELLUS.

4. Reservation of Easement. City reserves unto itself, and hereby transfers to the general public, the exclusive right and easement in, on, across and under the Property for use only as a recreational facility, park, open space, stormwater detention facility, water quality facility and scenic area and for no other purpose (the "Easement"), subject to the following terms:

(a) The Easement is perpetual, irrevocable and runs with the land unless the Property is dedicated to the public at which time the Easement will automatically terminate. Any further transfer of the Property will be subject to the Easement.

(b) Catellus may make and enforce such reasonable rules and regulations for the Property that are similar to the City of Austin Parks and Recreation Department rules and regulations as it deems necessary, including, without limitation, excluding the public for periods of time for the construction, maintenance or repair of improvements it owns within the Property, hours of operation and permitted and prohibited uses. Upon the dedication of the Property to the public as provided in (a) above, Catellus and the City's Parks and Recreation Department (or its successor) shall develop the initial rules and

regulations for the Property to continue the use thereof in substantially the same manner as existed prior to the dedication.

(c) No trash or garbage will be stored or dumped on the Property, except in designated, City approved receptacles. No hazardous or toxic materials will be stored or dumped on the Property.

(d) No underground storage tanks (except for reirrigation purposes) will be placed or used on the Property.

(e) No new structures or other improvements will be placed, constructed or modified on the Property (other than those contemplated in the design guidelines and community covenants applicable to the Property so long as the City has the right to approve changes to such documents) without the prior written approval of City (which approval will not be unreasonably withheld, conditioned or delayed so long as they are consistent with the Agreement so long as the Agreement is in effect).

(f) No billboard or advertising material, other than advertising for "Mueller" in accordance with applicable laws may be erected on the Property.

(g) Removal, destruction and cutting of trees, shrubs, or other vegetation is prohibited except for:

(i) Reasonable maintenance of existing accesses or construction and maintenance of accesses permitted within the provisions of the Easement; or

(ii) Application of good husbandry practices including the prevention or treatment of disease; or

(iii) Maintenance and repair of the Property; or

(iv) Construction or modification of structures and other improvements on the Property in accordance with Section 4(e) above; or

(v) Furtherance and perpetuation of the permitted uses of the Property.

5. Obligations and Other General Rights.

(a) Catellus shall maintain the Property in good condition and repair as a first class recreational facility, park, open space, stormwater detention facility, and scenic area including without limitation providing vegetation and trash management, silt and debris removal, maintaining operational functionality and structural integrity of the stormwater detention and water quality facilities.

(b) Catellus may hold public events on the Property, subject to any reasonable requirements as to such public events promulgated by the City and, subject to 4(b) above,

the public's prior right to use the Property as evidenced by the Easement or in any other dedication of the Property to the public.

(c) Catellus will provide insurance over the Property in accordance with (i) so long as the Agreement is in effect, the commercial general liability insurance requirements of the Agreement and property insurance policy or policies providing all risk coverage for the full replacement cost value of any above-ground improvements or structures on the Property in accordance with the general insurance requirements of the Agreement and (ii) following the expiration or earlier termination of the Agreement, the City's procedures and requirements for obtaining a license agreement, as amended from time to time, and such other insurance as reasonably requested by the City.

(d) Monetary damages would not be an adequate remedy for the breach of any of the terms, conditions and restrictions herein contained, and therefore, in the event that Catellus, violates or breaches any of such terms, conditions and restrictions herein contained, the City may institute a suit, and will be entitled, to enjoin by temporary and/or permanent injunction such violation and to require the restoration of the Property to its prior condition. The City, by any prior failure to act will not waive or forfeit, and will not be deemed to have waived or forfeited, the right to take any action as may be necessary to insure compliance with the terms, conditions and purposes of the Easement.

(e) The Property cannot be further subdivided without the prior written consent of the City.

(f) Catellus will indemnify and hold City and its respective officers, directors, employees and agents harmless from, and reimburse City and its respective officers, directors, employees and agents for and with respect to, all claims, demands, actions, damages, losses, liabilities, judgments, costs and expenses, including, without limitation, reasonable legal fees and court costs (each a "Claim") which are suffered by, recovered from or asserted against City or its respective officers, directors, employees and agents to the extent any such Claim arises from or in connection with any event of default by Catellus (including its contractors, agents, employees, licensees or invitees) hereunder; provided, however, such indemnification, hold harmless and reimbursement does not include any Claim to the extent caused by, arising from, or in connection with (i) the established or admitted negligent or wrongful act or omission of the City and/or any agents, contractors, representatives or employees of the City or (ii) any environmental condition, whether known or unknown, existing on, under, or otherwise with respect to the Property (including offsite areas impacted by migration from the Property, if any) as of the date hereof unless (and only to the extent) it can be established that the condition has been exacerbated by the negligent or wrongful acts or omissions of Catellus or any agents, contractors, representatives or employees of Catellus with respect to the deconstruction of existing improvements and/or the construction of any improvements on the Property, and the City releases and discharges Catellus and its affiliated entities, together with their respective officers, directors, partners, employees and agents, with respect to any such Claim under clause (ii) above. If City notifies Catellus of any Claim,

Catellus shall assume on behalf of City and conduct with due diligence and in good faith the investigation and defense thereof and the response thereto with counsel selected by Catellus but reasonably satisfactory to City; provided, that City shall have the right to be represented by advisory counsel of its own selection and at its own expense; and provided further, that if any such Claim involves Catellus and City, and City shall have been advised in writing by counsel that there may be legal defenses available to it which are inconsistent with those available to Catellus, then City shall have the right to select separate counsel to participate in the investigation and defense of and response to such Claim on its own behalf, and Catellus shall pay or reimburse City for all reasonable legal fees and costs incurred by City because of the selection of such separate counsel. If any Claim arises as to which the indemnity provided for in this section applies, and Catellus fails to assume within 20 days after being notified of the Claim the defense of City, then City may contest (or settle, with the prior written consent of Catellus, which consent will not be unreasonably withheld, conditioned or delayed) the Claim at Catellus' expense using counsel selected by City; provided, that if any such failure by Catellus continues for 30 days or more after Catellus is notified thereof, no such contest need be made by City and settlement or full payment of any Claim may be made by City without Catellus' consent and without releasing Catellus from any obligations to City under this section so long as, in the written opinion of reputable counsel to City, the settlement or payment in full is clearly advisable. So long as Catellus does not admit liability or agree to affirmative obligations on behalf of City, Catellus is authorized to settle a Claim for itself and City. City shall (i) use its best efforts to provide prompt written notice to Catellus of a Claim, and (ii) reasonably cooperate with Catellus in the investigation and defense of a Claim. In the event City breaches its obligations contained in the previous sentence, the liability of Catellus under this section shall be reduced by the amount such breach directly caused a material impairment of the defense of the Claim.

(g) Assignment. Catellus shall transfer the Property and its other rights and obligations hereunder (i) to the Mueller Master Community, Inc. (the "Association") upon the expiration or earlier termination of the Agreement or (ii) as required by the Agreement. The rights and obligations hereunder cannot be severed from the Property. Catellus cannot assign or transfer the Property or its rights herein, except to the Association or in accordance with the Agreement. Any assignment or transfer to the Association may be a partial assignment or transfer or a full and complete assignment or transfer of Catellus' rights and responsibilities hereunder. From and after the date Catellus transfers the Property to the Association in accordance herewith or any other party in accordance with the Agreement, in whole or in part, Catellus shall be relieved and released from all obligations and liabilities from that day forward as to its obligations under this Special Warranty Deed covered by any such transfer.

6. Miscellaneous. If any term or provision hereof is declared by a court of competent jurisdiction to be illegal or invalid, such illegal or invalid term or provision shall not affect the balance of the terms and provisions hereof. In the event any action or suit is brought by reason of any breach of this Special Warranty Deed or any other dispute between the parties

concerning this Special Warranty Deed, then the prevailing party shall be entitled to have and recover from the other party all costs and expenses of suit, including reasonable attorneys' fees. This Special Warranty Deed shall be governed by and construed and enforced in accordance with the laws of the State of Texas. This Special Warranty Deed is to be deemed to have been prepared jointly by the parties hereto, and if any inconsistencies or ambiguities exist herein, they shall not be interpreted or construed against either party as the drafter. All paragraph headings are inserted for convenience only and shall not be used in any way to modify, limit, construe or otherwise affect this Special Warranty Deed. Except as provided herein, this Special Warranty Deed shall be binding upon and inure to the benefit of City and Catellus and their respective heirs, successors, legal representatives and assigns. No waiver or consent, express or implied, of any breach by any party in the performance by such party of its obligations hereunder will be deemed or construed to be a consent to or waiver of any other breach in the performance by such party of the same or any other obligations of such party hereunder. Failure on the part of a party to complain of any act of any party or to declare any party in default, irrespective of how long such failure continues, will not constitute a waiver by such party of its rights hereunder.

7. Limitation on Liability. No Affiliate (as defined in the Agreement) of Catellus and no officer, director, partner, member, official or employee of Catellus or any such Affiliate shall be personally liable to the City in the event of any default or breach by Catellus, or for any amount which may become due to the City, or on any obligations under the terms of this Agreement.

8. City Consent or Approval. Unless expressly stated herein to the contrary, any approval, agreement, determination, consent, waiver or joinder by the City hereunder may be given by the City Manager of the City or its designee.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, this Special Warranty Deed is executed by City on the date of acknowledgment set forth below to be effective as of the ____ day of 20____.

THE CITY OF AUSTIN, a Texas home rule city and municipal corporation

By: _____
Name: _____
Title: _____

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on _____, 200____, by _____ of THE CITY OF AUSTIN, a municipal corporation, on behalf of said municipal corporation.

Notary Public, State of Texas

(Printed name)

My Commission Expires:

[END OF SIGNATURE AND NOTARY BLOCKS]