

DEVELOPMENT
AGREEMENT

This **DEVELOPMENT AGREEMENT** (this "Agreement"), is made and entered into as of June 2022, by and between **THE CITY OF TEXAS CITY, TEXAS**, a municipal corporation and home-rule city of the State of Texas (the "City"), **BEAZER HOMES TEXAS, LP, a Delaware limited partnership** (the "Developer").

Article I
RECITALS:

1.01. Developer intends to acquire an approximately 55.58 acre tract of real property located in Galveston County, Texas, more fully described on Exhibit "A", attached hereto and incorporated herein (the "Property"), and the City has approved its application for a planned unit development (the "PUD") for the Property attached (Exhibit "B").

1.02. Developer intends to utilize the Property to develop approximately 137 single-family detached lots in accordance with PUD, the zoning code and all applicable City codes and ordinances.

1.03. The City has determined that agreeing to the terms set forth in this Agreement will further the objectives of the City, will benefit the City and the City's inhabitants, and will promote local economic development and stimulate business in the City.

1.04. The terms "City", "Developer", "District", "PUD", and "Property" shall have the meanings provided for them in the Recitals herein above. Except as may be otherwise defined, or the context clearly requires otherwise, capitalized terms and phrases used in the Agreement shall have the meanings as follows:

Article II
AGREEMENT:

NOW, THEREFORE, for good and valuable consideration and the mutual covenants set forth herein, Developer and the City contract and hereby agree as follows:

2.01 Access. The development of the Property requires access from 23rd Street North, and a second point of access, which will need to be connected to 21st Street North on the south end of the Property. In addition, there will be a crash gate and an all-weather access road at 19th Street North connecting to the Godard Park subdivision. Developer agrees to construct the entrances to the property.

2.02 Anti-Drilling. Currently there exists a 2.926-acre drill site in the northeast corner of the site. Save and except this drill site, all other property within the PUD shall be considered a "residence" for the purposes of City of Texas City, Texas, Code of Ordinances, Sec 120.27.001 for Texas City. No permit may be issued for any oil or gas well to be drilled at any location which is nearer than 600 feet of the PUD. Any well shall be in accordance with State law.

203 Infrastructure. The City will reserve sufficient utility capacity to serve all the single-family residences constructed within the PUD. Upon completion of construction of the utilities and streets (the “Infrastructure”) per City standards, the City will accept, own, and maintain the Infrastructure.

Article III Obligations of the Developer:

3.01 Maintenance of certain improvements. The Developer agrees to form one or more property owners association, which shall have as one of their stated purposes to permanently own and maintain through assessments all lakes, ponds, and other detention facilities, parks and recreation facilities, the pipeline easement corridor within the Project boundary, landscaping, and monumentation developed as part of the Project (the “Non-City Improvements”). The Developer acknowledges and agrees that the Non-City Improvements will be owned and maintained by the property owner’s associations serving the Property, as appropriate, and the City shall never have the responsibility to own, operate or maintain the Non-City Improvements.

3.02 Dry Utilities. The Developer agrees that all dry utilities, such as electric, gas, telephone, and cable, shall be placed underground throughout the Property; provided, however, that “three-phase” power lines may be elevated and may be placed in easements along the perimeter of the Property to serve the Property pursuant to Texas – New Mexico’s ultimate service design. Unless otherwise approved by the City and the Developer and unless no reasonable alternative is available to the power provider for the location of said poles, no elevated three-phase power or larger poles may be placed along any major roads or highways. The Developer agrees that the public street light poles throughout the Project shall be galvanized metal or concrete; provided, however, the Developer may use light poles made out of material that is of a higher quality than concrete, as determined by the Mayor or his designee. Decorative and specialty light poles are acceptable on private property and along private streets; provided, however, that the City shall never be responsible for maintenance of such light poles.

3.03 Property Values. The Developer recognizes that a significant portion of the City’s consideration for entering into this Agreement and consenting to the creation of the PUD is the Developer’s representations that it would achieve an average home value of \$250,000 (the “Target Value”). Prior to the City approving the permits for construction of the 75th home of the project, the average single family home value must meet or exceed the Target Value in accordance with the Galveston County Appraisal District rolls, builders sales contracts, or any other documented means.

3.04 Development Covenants. The Developer agrees to adopt deed restrictions and other restrictive covenants, and promulgate the Developer’s guidelines regarding development standards, consistent with the PUD, the Zoning Code and any relevant City ordinances and regulations. The Developer will provide copies of its residential deed restrictions and residential development covenants to the City for review and comment by the Mayor or his designee no

later than prior to the recordation of the first plat related to this Agreement. The Developer agrees to require Sub- developers to abide by the Developer's development standards and provide for enforcement mechanisms for restrictive covenants.

3.05 Notice. Developer agrees to provide notice to the Mayor or his designee of any material proposed changes, amendments or revisions to the PUD, the property, or the Project prior to taking any action on such changes.

3.06 Building Regulations. A residential structure shall consist of a minimum of 60% brick, stone, or masonry. For purposes of this requirement, "hardboard" or similar cementitious manufactured or engineered products are not considered masonry. A masonry or pre-cast concrete screening wall shall be constructed along 23rd St. North. Upgraded wood fencing (stained cedar with brick or masonry columns) shall be provided for lots where the Property abuts a non-single family use, and a decorative metal view fence shall be constructed for lots adjacent to the amenity pond.

3.07 Restrictions of access through 19th Street North. Developer shall prohibit the use of 19th Street North as access for construction or any other active surface use except emergency access as declared by the City of Texas City or other governmental authority.

Article IV Obligations of the City:

Upon adoption of the PUD, the City will approve the following:

1. The City will consent to the rezoning of Tract 28 out of the D Richardson Survey, Abstract No. 167 totaling +/- 55.58 acres in Texas City, Texas from Zone A-1 (Single Family Residential) to a Planned Unit Development (PUD) with a land use of single-family detached residential dwellings.
2. To the extent allowed by law, the PUD will incorporate provisions to prohibit drilling for any natural resources within the boundaries of the PUD save and except the 2.926-acre drill site that exists in the northeast corner of the site which predates the establishment of this PUD.
3. The City shall not withhold consent unreasonably to the annexation of Tract 28 out of the D Richardson Survey, Abstract No. 167 totaling +/- 55.58 acres in Texas City into Galveston County Municipal Utility District 66.

Article V Term and Default

5.01 Term. This agreement shall be in effect as of the date set forth on the first page, hereof, and shall terminate 50 years thereafter, unless terminated earlier as specifically provided herein.

5.02 Default.

- a. A party shall be deemed in default under this Agreement (which shall be deemed a breach hereunder) if such party fails to materially perform, observe or comply with any of its covenants, agreements or obligations hereunder or breaches or violates any of its representations contained in this Agreement.
- b. Before any failure of any party to perform its obligations under this Agreement shall be deemed to be a breach of this Agreement, the party claiming such failure shall notify, in writing, the party alleged to have failed to perform of the alleged of the failure and shall demand performance. No breach of the Agreement may be found to have occurred if performance has commenced to the reasonable satisfaction of the complaining party within 30 days of such notice. Upon a breach of this Agreement, the non-defaulting Party shall be entitled to specific performance.

Regardless of any other provision, neither Party shall be entitled to recover money damages for breach of this Agreement or a tort related to this Agreement. Except as otherwise set forth herein, no action taken by a party pursuant to the provisions of this Section or pursuant to the provisions of any other section of this Agreement shall be deemed to constitute an election of remedies. All remedies set forth in this Agreement shall be cumulative and non-exclusive of any other remedy either set forth herein or available to any Party or in equity. Each of the parties shall have the affirmative obligation to mitigate its damages in the event of a default by the other party.

Article VI Miscellaneous Provisions

6. Miscellaneous.

6.1 Approvals and consents. Approvals or consents required or permitted to be given under this Agreement shall be evidenced by an ordinance, resolution or order adopted by the governing body of the appropriate party or by a certificate executed by a person, firm or entity previously authorized to give such approval or consent on behalf of the party. Approvals and consents shall be effective without regard to whether given before or after the time required for giving such approvals or consents.

6.2 Address and notice. Any notice to be given under this Agreement shall be given in writing, addressed to the party to be notified as set forth below, and may be given either by depositing the notice in the United States mail postage prepaid, registered or certified

mail, with return receipt requested; by messenger delivery; or by telecopy. Notice deposited by mail shall be effective three days after posting. Notice given in any other manner shall be effective upon receipt by the party to be notified. For purposes of notice, the addresses of the parties shall be as follows:

If to the City, to:

City Engineer – City of Texas City
7800 Emmett F. Lowery Expressway
Texas City, Texas 77591
Attn: Kim Golden

With a copy to:

City Attorney – City of Texas City
928 5th Ave. N.
Texas City, Texas 77590
Attn: Kyle Dickson

If to the Developer, to:

Beazer Homes, LP
10235 West Little York, Suite 200,
Houston, Texas 77040
Attn: Shannon Wiesepape
Facsimile: _____
Email: shannon.wiesepape@beazer.com

With a copy to:

Beazer Homes USA, Inc.
1000 Abernathy Rd, Suite 260
Atlanta, GA 30328
Attn: Andrew Devin
Facsimile: _____
Email: andrew.devin@beazer.com

The parties shall have the right from time to time to change their respective addressees by giving at least 10 days' written notice of such change to the other party.

6.3 *Assignment.* This Agreement is assignable. If all or any portion of the Property is transferred, sold or conveyed, the Developer shall give notice immediately to the City of the name, address, phone number and contact person of the person or entity acquiring an interest in the Property. This Agreement shall run with the land and shall be binding on and inure to the benefit of the Developer's successors and assigns.

6.4 *Nonwaiver of Rights.* By entering this Agreement, neither Developer nor the City waive any rights granted under any laws, nor do they make any admissions regarding the subject matter of this Agreement. Each party specifically reserves any and all rights to pursue any action or remedy to protect its interests and rights

6.5 *Reservation of rights.* All rights, powers, privileges and authority of the parties hereto not restricted or affected by the express terms and provisions hereof are reserved by the parties and, from time to time, may be exercised and enforced by the parties.

6.6 *Venue.* This Agreement shall be construed in accordance with the laws of the State of Texas and shall be performable in Galveston County, Texas.

6.7 *Merger.* This Agreement embodies the entire understanding between the parties and there are no representations, warranties, or agreements between the parties covering the subject matter of this Agreement.

6.8 *Modification; exhibit.* This Agreement shall be subject to change or modification only with the mutual written consent of the City and the Developer. The exhibits attached to this Agreement are incorporated by this reference for all purposes.

6.9 *Captions.* The captions of each section of this Agreement are inserted solely for convenience and shall never be given effect in construing the duties, obligations or liabilities of the parties hereto or any provisions hereof, or in ascertaining the intent of either party, with respect to the provisions hereof.

6.10 *Interpretations.* This Agreement and the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of this Agreement.

6.11 *Severability.* If any provision of this Agreement or the application thereof to any person or circumstances is ever judicially declared invalid, such provision shall be deemed severed from this Agreement and the remaining portions of this Agreement shall remain in effect.

6.12 *Parties in interest.* This Agreement shall be for the sole and exclusive benefit of the parties hereto and shall not be construed to confer any rights upon any third parties.

6.13 *Counterparts.* This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. Telefaxed or scanned-emailed copies of this signed Agreement shall be binding and effective as an original.

6.14 *Authority to Execute.* The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and

on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date hereof.

6.15 Incorporation of Recitals. The Recitals above are incorporated herein as if repeated verbatim.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the date first given above.

CITY OF TEXAS CITY, TEXAS

BY: _____
NAME: _____
TITLE: _____

BEAZER HOMES, TEXAS, L.P., a
Delaware limited partnership

By: Beazer Homes Texas Holding, Inc., its
general partner

BY: _____
NAME: _____
TITLE: _____

Exhibit 'B' - Zoning Exhibit

GENERAL NOTES:

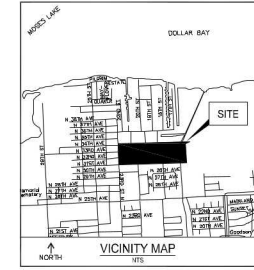
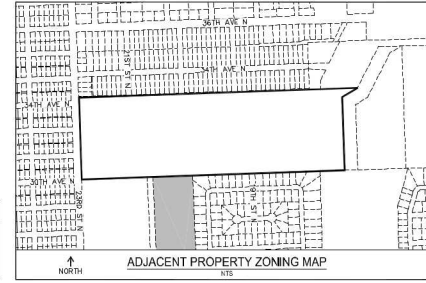
- G.C.C.F. indicates "Galveston County Clerk's File"
G.C.M.R. indicates "Galveston County Map Record"
NO. indicates "Number"
PG. indicates "Page"
R.O.W. indicates "Right-of-Way"
VOL. indicates "Volume"
* Indicates change in street name
- The coordinates shown hereon are Texas South Central Zone No. 4204 State Plane Gnd Coordinates (NAD 83) and may be brought to surface by applying the following combined scale factor: 0.999923865510.
- All side lot lines are either perpendicular or radial to street frontage unless otherwise noted.
- Proposed lot sizes include 50' x 120' (Typ.), 60' x 120' (Typ.), and 70' x 120' (Typ.)
- Proposed zoning: Planned Unit Development
- Zoning of adjacent property: A-1 (Single Family Residential) and C (Multi-Family Residential)
- Land use of adjacent property: multi-family dwellings, single-family detached residential dwellings, public parks, and vacant land
- No portion of this tract lies within the floodplain.
- The proposed density is 2.5 dwelling units per acre.
- Parkland required: 0.7 acres
Parkland provided: 0.9 acres

LOT WIDTH DATA

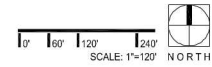
LOT WIDTH	NUMBER OF LOTS	PERCENTAGE
50'-60'	73	53%
60'-70'	40	29%
>70'	24	18%
TOTAL	137	100%

LEGEND

- SITE
- ZONE A-1
- ZONE C



OWNER CONTACT INFORMATION
 GILLBROS, LLC
 23 BURKICK STREET
 SUGAR LAND, TEXAS 77479
 281-565-3823



Moses Lake Tract: Zoning Exhibit
 A Subdivision of 55.58 acres out of the D.L. Richardson Survey, A-167, City of Texas City, Galveston County, Texas.
 137 Lots and 4 Blocks
 Developer: Beazer Homes, LP, 10235 West Little York, Suite 200, Houston, TX 77040. (281) 686-1916

EHRA
 ENGINEERING & ARCHITECTURE
 713.284.4500
 1101 N. GULF SHORE BLVD., SUITE 100
 HOUSTON, TEXAS 77028
 TIPS No. 1099200
 EHRALCS No. 17148662

February 28, 2022