

TOWN OF LITTLE ELM, TEXAS

RESOLUTION NO. 1017202301

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LITTLE ELM, TEXAS; APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT FOR THE CONSTRUCTION AND FUNDING OF AUTHORIZED IMPROVEMENTS AND REIMBURSEMENT OF ADVANCES FOR THE SPIRITAS RANCH PUBLIC IMPROVEMENT DISTRICT; AND RESOLVING OTHER MATTERS RELATED THERETO.

RECITALS

WHEREAS, on February 2, 2021, the Town Council (the “Town Council”) of the Town of Little Elm, Texas (the “Town”) adopted Resolution No. 0202202101, creating the Spiritas Ranch Public Improvement District (the “District”) in accordance with Chapter 372, Texas Local Government Code, as amended (the “Act”); and

WHEREAS, the Town desires to approve the “Agreement for the Construction and Funding of Authorized Improvements and Reimbursement of Advances” substantially in the form attached hereto as **Exhibit A** (the “Agreement to Reimburse”); and

WHEREAS, the Agreement to Reimburse satisfies the requirements of Section 372.023 of the Act and is an appropriate method of reimbursement for the Actual Costs (as defined in the Agreement to Reimburse) associated with the construction and development of the Assessed Property (as defined in the Agreement to Reimburse) within the District.

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LITTLE ELM, TEXAS, AS FOLLOWS:

SECTION 1. THAT the findings and premises contained in the WHEREAS clauses above are hereby deemed to be true and correct and incorporated as a part of this Resolution for all purposes.

SECTION 2. THAT the Agreement to Reimburse attached hereto as **Exhibit A**, is approved and the Mayor is authorized to execute such Agreement to Reimburse on behalf of the Town.

SECTION 3. THAT this Resolution shall become effective from and after its date of passage in accordance with law.

[Remainder of Page Intentionally Left Blank]

PASSED AND APPROVED on this the 17th day of October, 2023.

TOWN OF LITTLE ELM, TEXAS

ATTEST:

Curtis J. Cornelious, Mayor

Caitlan Biggs, Town Secretary

APPROVED AS TO FORM:

Robert Brown, Town Attorney

Exhibit A to Resolution
Agreement for the Construction and Funding of Authorized Improvements and Reimbursement of
Advances

**AGREEMENT FOR THE CONSTRUCTION AND FUNDING OF AUTHORIZED
IMPROVEMENTS AND REIMBURSEMENT OF ADVANCES**

This Agreement for the Construction and Funding of Authorized Improvements and Reimbursement of Advances (the “Agreement”) is made and entered into as of October 17, 2023 by and between the Town of Little Elm a Texas (the “Town”) and MM Little Elm 548, LLC, a limited liability company, and its successors and assigns (the “Developer”).

RECITALS

WHEREAS, the Developer, as the developer of certain real property located wholly within the corporate limits of the Town and within Denton County, Texas (the “Property”), desires to develop such Property;

WHEREAS, on February 2, 2021, the Town Council passed and approved Resolution No. 0202202101 authorizing the creation of the Spiritas Ranch Public Improvement District (the “PID”) pursuant to Chapter 372, Texas Local Government Code, as amended (the “PID Act”); and

WHEREAS, the PID includes the Property; which Property comprises the Major Improvement Area (“Major Improvement Area”) of the PID, as illustrated in the *Spiritas Ranch Public Improvement District Service and Assessment Plan*, dated July 18, 2023 (the “Current SAP”) prepared and approved by Ordinance No. 1712 by the Town Council on July 18, 2023; and

WHEREAS, the Developer intends to make certain additional authorized improvements to the Major Improvement Area, which improvements include water and wastewater system improvements, drainage improvements, streets, roadway improvements, sidewalks, right-of-way acquisition, and other improvement projects, all of which are designated as “authorized improvements” under the PID Act (collectively, the “Authorized Improvements”); and

WHEREAS, the purpose of the PID is to finance the Authorized Improvements; and

WHEREAS, development within the PID is expected to be governed by the terms of the Development Agreement between the Town and Developer dated February 2, 2021 (as may be amended or otherwise modified, the “Development Agreement”); and

WHEREAS, an updated SAP (the “Updated SAP”) shall be prepared and approved by the Town in accordance with the PID Act, and shall establish, among other matters, the projected cost of the Authorized Improvements, including the Actual Costs (as defined herein) as provided in the PID Act; and

WHEREAS, the Updated SAP shall allocate the Actual Costs to the benefitted Property within the PID; and

WHEREAS, additional assessments to be levied against lots within the Major Improvement Area (“PID Assessments”) will be reflected on an assessment roll(s) to be approved by the Town Council; and

WHEREAS, the Town shall by ordinance approve the Updated SAP (including the assessment roll(s)), levy assessments, and establish the dates upon which interest on PID Assessments will begin to accrue and collection of PID Assessments will begin; and

WHEREAS, all Assessment Revenues (as defined herein) received and collected by the Town shall be deposited, as required by the PID Act, into an assessment fund that is segregated from all other funds of

the Town (the “Assessment Fund”) or, in the event of the issuance of bonds to finance the Authorized Improvements (“PID Bonds”), into funds held under an indenture pursuant to which the PID Bonds are issued (the “PID Bond Indenture”); and

WHEREAS, Assessment Revenue deposited into the Assessment Fund or the PID Bond Reimbursement Fund (as defined herein) shall be used solely to reimburse Developer and its assigns for Actual Costs advanced by the Developer, plus interest and proceeds from PID Bonds, if issued, shall be used to pay the Actual Costs, including costs previously paid by the Developer, and for the purposes set forth in the PID Bond Indenture; and

WHEREAS, the Developer intends to make Developer Advances (as defined herein) for the permitting, design, and construction of the Authorized Improvements and the Town intends to acquire and/or receive the Authorized Improvements constructed by the Developer or otherwise authorize the dedication of the Authorized Improvements to another authorized third-party and to reimburse the Developer for the Developer Advances; and

WHEREAS, the Town and the Developer desire to enter into this Agreement to memorialize the Town’s intent to reimburse the Developer for the Developer Advances made for the construction and financing of the Authorized Improvements; and

WHEREAS, the Town’s obligations to reimburse the Developer for Developer Advances paid related to the Authorized Improvements constructed for the benefit of the PID shall (i) only be paid from the PID Assessments and/or annual installments collected from property within the PID once such PID Assessments are levied, (ii) are contingent upon the Town levying such PID Assessments, and (iii) will not be due and owing unless and until the Town actually levies such PID Assessments;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that for and in consideration of the mutual promises, covenants, obligations, and benefits hereinafter set forth, the Town and the Developer hereby contract and agree as follows:

DEFINITIONS

As used herein, the following terms have the following meanings:

“Assessment Ordinance” shall mean any ordinance adopted by the Town Council approving the Updated SAP and levying the PID Assessments.

“Closing Disbursement Request” means a request for payment of Actual Costs related to the Authorized Improvements from the proceeds of a series of PID Bonds in a form approved by the Town and the Developer.

“Developer Advances” mean advances made by the Developer to pay Actual Costs.

“Developer Improvement Account” means an account of the PID Project Fund which may be created and established under the PID Bond Indenture (and segregated from all other funds contained in the PID Project Fund) into which the Town deposits or directs the trustee to deposit any funds received from the Developer as required under such PID Bond Indenture.

“Maturity Date” is the date one year after the last Annual Installment is collected.

“PID Pledged Revenue Fund” means, collectively, the fund established by the Town under the PID Bond Indenture (and segregated from all other funds of the Town) into which the Town deposits

Assessment Revenue in accordance with the PID Bond Indenture related to a series of PID Bonds issued and still outstanding.

“PID Project Fund” means, collectively, the fund, including all accounts created within such fund, established by the Town under the PID Bond Indenture (and segregated from all other funds of the Town) into which the Town deposits PID Bond Proceeds in the amounts and as described in the PID Bond Indenture.

“PID Bond Reimbursement Fund” means a fund which may be established by the Town under the PID Bond Indenture (and segregated from all other funds of the Town) into which the Town transfers Assessment Revenues from the PID Pledged Revenue Fund for the purpose of paying amounts due to the Developer under this Agreement or a separate reimbursement agreement and/or Actual Costs of Authorized Improvements that are not paid from PID Bond Proceeds deposited in the applicable account of the PID Project Fund in accordance with the PID Bond Indenture related to a series of PID Bonds issued and still outstanding.

“Prepayment” means the payment of all or a portion of an Assessment before the due date thereof.

ARTICLE I

Construction of the Authorized Improvements

1.01. Design of the Authorized Improvements. All physical facilities to be constructed or acquired as a part of the Authorized Improvements shall be approved by the governmental entity having authority.

1.02. Construction and Acquisition of Authorized Improvements.

(a) The Authorized Improvements shall be constructed and all easements, equipment, materials, and supplies required in connection therewith may be acquired in the name of the Town, the retail service provider, or the Developer; provided, however, all construction contracts, easements and other agreements shall contain provisions, in a form reasonably satisfactory to the Town’s attorneys for improvements to be owned and maintained by the Town or an authorized third-party, to the effect that any contractor, materialman or other party to a construction contract, easement or other agreement awarded or entered into by the Developer on behalf of the Town shall look solely to the Developer for payment of all sums coming due thereunder and that the Town shall have no obligation whatsoever to any such party. Prior to or at the time of reimbursement of the Developer with funds from the Assessment Fund or PID Bonds, as applicable, the Developer shall convey the Authorized Improvements to the Town or third-party retail provider, as applicable, in accordance with Section 3.02 below.

(b) Construction of the Authorized Improvements shall not require competitive bidding pursuant to Section 252.022(a) (9) of the Texas Local Government Code, as amended. All plans and specifications for Authorized Improvements to be owned by the Town, but not construction contracts, shall be reviewed and approved, in writing, by the Town..

(c) The Authorized Improvements shall be constructed in a good and workmanlike manner and all material used in such construction shall be fit for their intended purpose. In performing this Agreement, the Developer is not the agent or employee of the Town.

(d) Upon completion of construction of Authorized Improvements to be owned by the Town or an authorized third-party constructed in the name of the Developer, the Developer shall provide the Town or such third-party with final “record” drawings of the Authorized Improvements approved by the Town’s or such third-party’s engineers.

(e) Upon completion of the Authorized Improvements, the Developer shall present to a representative of the Town ("Town Representative") invoices or other evidences of payment of costs of the Authorized Improvements for review and approval. The Town agrees, subject to the provisions of Sections 1.05 and 2.01 hereof, to pay the Developer, and the Developer shall be entitled to receive from the Town, the amount equal to the Actual Costs (as such term is defined herein) paid by the Developer for the Authorized Improvements, or overrun costs, allowed hereunder and as described in the Updated SAP, that were paid by the Developer, plus interest, as provided in Article II hereof.

(f) All Authorized Improvements shall be constructed by or at the direction of the Developer in accordance with the plans, the Development Agreement, applicable Town ordinances and regulations, including regulations of a third-party receiving any of the Authorized Improvements, and this Agreement and any other agreement between the parties related to property in the PID and/or the Authorized Improvements. The Developer shall perform, or cause to be performed, all of its obligations and shall conduct, or cause to be conducted, all operations with respect to the construction of Authorized Improvements in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer has sole responsibility of ensuring that all Authorized Improvements are constructed in accordance with the Development Agreement and in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall employ at all times adequate staff or consultants with the requisite experience necessary to administer and coordinate all work related to the design, engineering, acquisition, construction and installation of all Authorized Improvements to be acquired and accepted by the Town or authorized third-party from the Developer. If any Authorized Improvements are or will be on land owned by the Town, the Town hereby grants to the Developer a license to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance) of the Authorized Improvements. Inspection and acceptance of Authorized Improvements will be in accordance with applicable Town ordinances and regulations.

1.03. Cost of Authorized Improvements. To the extent that the Town has not issued PID Bonds, the Developer shall promptly pay the costs of the Authorized Improvements as the same become due pursuant to an approved Payment Request (as defined herein), including, without limitation, all costs of design, engineering, materials, labor, construction, and inspection arising in connection with the Authorized Improvements; all payments arising under any contracts entered into for the construction of the Authorized Improvements; all costs incurred in connection with obtaining governmental approvals, certificates, permits, easements, rights-of-way, or sites required as a part of the construction of the Authorized Improvements, including, without limitation, any on-site or off-site mitigation costs; and all expenses incurred in connection with the construction of the Authorized Improvements (the "Actual Costs"). The Town shall not be liable to any contractor, engineer, attorney, materialman or other party employed or contracted with in connection with the construction of the Authorized Improvements, but shall only be obligated to acquire the Authorized Improvements designated in the Development Agreement as to be owned by the Town and/or reimburse the Developer in the manner and to the extent provided in Article II of this Agreement, and for the avoidance of any doubt, solely from Assessments or proceeds of PID Bonds ("PID Bond Proceeds"), if issued.

1.04 Timing of Authorized Improvements. Notwithstanding anything herein to the contrary, the Developer may advance funds and/or construct and install Authorized Improvements as Developer deems appropriate in its sole and absolute discretion, including the construction and installation of Authorized Improvements to serve portions of the Property and in different phases and sections over a period of time.

The Developer may exercise its sole discretion on all aspects of the phasing and timing of development and shall not be obligated to advance funds and/or construct and install the Authorized Improvements for the entire Property at one time.

1.05 Town's Obligation Limited. The Parties agree the Town's obligations to reimburse the Developer for costs paid related to the Authorized Improvements constructed for the benefit of the Major Improvement Area shall only be paid from (A) PID Bonds, if issued and/or (B) the PID Assessments and/or Annual Installments collected from the Major Improvement Area subject to the PID Assessments (the "Assessed Property") (such PID Assessments or Annual Installments thereof collected on such Assessed Property, the "Assessment Revenue"), and such obligation (i) is contingent upon the Town levying such Assessments or issuing PID Bonds related to the Authorized Improvements constructed for the benefit of the Major Improvement Area and (ii) will not be due and owing unless and until the Town actually levies such PID Assessments or issues such PID Bonds related to the Authorized Improvements constructed for the benefit of the Major Improvement Area. The Parties agree that the levying of the Assessments will create the fund out of which the Town will pay its obligation under this Agreement and until such time, this Agreement does not create an obligation of the Town.

ARTICLE II

Reimbursement for Funds Advanced; Funding of Authorized Improvements

2.01. Obligation to Reimburse; Obligations Limited. The Town and Developer agree that the Town shall levy Assessments and may, at the discretion of the Town issue and sell, from time to time, PID Bonds to fund the Actual Costs. It is the mutual intent and agreement of the Town and Developer to provide for future reimbursement of funds advanced for Actual Costs by the Developer through the levy of PID Assessments and/or issuance of PID Bonds and use of Assessment Revenues and/or PID Bond Proceeds. The Town is obligated, subject to the provisions of Section 1.05 hereof, to reimburse the Developer for all funds advanced by the Developer for the acquisition, construction, and management of any Actual Costs of the Authorized Improvements authorized under Chapter 372, Texas Local Government Code and in accordance with the provisions of the Updated SAP. If the Developer is in substantial compliance with its obligations under the Development Agreement and this Agreement, then following the inspection and approval of any portion of Authorized Improvements to be owned by the Town or an authorized third-party pursuant to the provisions of the PID Act for which Developer seeks reimbursement or payment of the Actual Costs by submission of a request for reimbursement or payment (a "Payment Request"), the obligations of the Town under this Agreement to pay from Assessment Revenue or the net PID Bond Proceeds, as applicable, disbursements (whether to the Developer or to any person designated by the Developer) identified in any approved Payment Request and to pay debt service on PID Bonds are unconditional and not subject to any defenses or rights of offset except as may be provided by law or in any PID Bond Indenture; provided, in no event shall the Town Representative be authorized to approve a Payment Request if the Town has not previously levied Assessments against Assessed Property within the development related to the Authorized Improvements for which such Payment Request has been submitted. To the extent that the Town does not issue PID Bonds, and subject to the provisions for Section 1.05, the Town agrees to reimburse the Developer from monies available in the Assessment Fund.

Upon the levy of the PID Assessments, the Actual Costs advanced by the Developer and approved pursuant to a Payment Request, but not reimbursed by the Town pursuant to the terms of this Agreement, shall bear simple interest per annum at the rates specified in the Updated SAP. The PID Assessments shall accrue interest in accordance with the Updated SAP. Interest shall continue on the unpaid principal amount of the PID Assessments for a lot for 30 years or until the PID Assessments are paid in full, unless otherwise provided in the Updated SAP and/or Assessment Ordinance.

For the avoidance of doubt, the Town's obligation to reimburse shall be solely from funds in the Assessment Fund and/or from the PID Bond Proceeds, the Developer agrees to look solely to such sources

for reimbursement. The obligations of the Town under this Agreement shall not, under any circumstances, give rise to or create a charge against the general credit or taxing power of the Town or a debt or other obligation of the Town payable from any source other than the Assessment Fund, or the PID Bond Proceeds if applicable. The Parties further agree that the Town's obligation under this agreement with respect to the Actual Costs of Authorized Improvements within the Major Improvement Area shall be contingent upon the Town levying PID Assessments against the Major Improvement Area related to the Authorized Improvements which will benefit the Major Improvement Area. The levying of the PID Assessments against the Major Improvement Area will create the fund out of which the Town will pay its obligation and until such time, this Agreement does not create an obligation of the Town. Unless approved by the Town, no other Town funds, revenues, taxes, or income of any kind shall be used to pay: (1) the Actual Costs of the Authorized Improvements; (2) amounts due and owing under this Agreement; or (3) debt service on any PID Bonds. None of the Town or any of its elected or appointed officials or any of its officers, employees, consultants or representatives shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of this Agreement or their acts or omissions under this Agreement.

2.03. Time and Amount of Reimbursement. The Town shall reimburse the Developer for payment of costs related to the Authorized Improvements of construction solely from (i) the proceeds of PID Bonds and/or (ii) Assessment Revenue collected pursuant to PID Assessments levied on the Major Improvement Area.

In regards to reimbursement from PID Bonds, the Town shall reimburse the Developer for those Actual Costs that have been paid or advanced by the Developer pursuant to Sections 1.03, 1.06, and 2.01 hereof and in accordance with the terms of the PID Bond Indenture.

Additionally, the Developer may request reimbursements directly from Assessment Revenue levied against property within the Major Improvement Area. The invoices included with the Payment Request shall identify the payee, the goods, services and/or materials provided by such payee and the total amount paid with respect to such goods, services and/or materials. If the Town timely disapproves of the Payment Request (for a reason other than for a failure to levy assessments from which the Payment Requested is to be paid, in accordance with the provisions hereof) by delivering a detailed notice to the Developer, then payment with respect to the disputed portion(s) of the Payment Request shall not be made until the Developer and the Town settle the dispute. The Parties agree to meet promptly and resolve any dispute within 60 days from the date of the initial submittal of the Payment Request for payment is authorized to be approved by a Town Representative.

With respect to any Payment Request by the Developer, in no event shall the Town Representative be authorized to approve such request if the Town has not previously levied Assessments against the Assessed Property.

2.05 Fund Deposits. Until PID Bonds payable from Assessment Revenues collected from the Major Improvement Area are issued, the Town shall bill, collect, and immediately deposit into the Assessment Fund all Assessment Revenue consisting of: (1) revenue collected from the payment of Assessments (including pre-payments and amounts received from the foreclosure of liens but excluding costs and expenses related to collection); and (2) any additional revenue collected from the payment of Annual Installments, as defined in the Updated SAP (excluding Annual Collection Costs and Delinquent Collection Costs, each as defined in the Updated SAP). Funds in the Assessment Fund shall only be used to pay Actual Costs of the Authorized Improvements or all or any portion of the Reimbursement Agreement Balance in accordance with this Agreement. Once PID Bonds payable from Assessment Revenue are issued, the Town shall bill, collect, and immediately deposit all Assessment Revenue securing such series of PID Bonds in the manner set forth in the PID Bond Indenture; and if applicable, the Town shall continue to deposit all Assessment Revenue or payments thereof not securing a series of PID Bonds into the

Assessment Fund.

Once PID Bonds payable from Assessment Revenue are issued, the Town shall also deposit PID Bond Proceeds and any other funds authorized or required by the PID Bond Indenture into the funds established by the PID Bond Indenture in the manner set forth in the PID Bond Indenture. Annual Installments shall be billed and collected by the Town (or by any person, entity, or governmental agency permitted by law) in the same manner and at the same time as Town ad valorem taxes are billed and collected. Funds in the PID Project Fund shall only be used in accordance with the PID Bond Indenture; provided that funds disbursed from the PID Project Fund shall be made first from PID Bond Proceeds held in the applicable accounts within such PID Project Fund until such accounts are fully depleted and then from the Developer Improvement Account of the PID Project Fund, if applicable. Funds in the PID Bond Reimbursement Fund shall only be used to pay Actual Costs of the Authorized Improvements not paid from the PID Project Fund in accordance with the PID Bond Indenture.

Notwithstanding any other provision in this Agreement, the Actual Costs of Authorized Improvements shall be paid from: (1) the Assessment Revenue, or (2) net PID Bond Proceeds or other amounts deposited in an account of the PID Project Fund created under an PID Bond Indenture related to PID Bonds secured by the Assessment Revenue. The Town will take and pursue all actions permissible under Applicable Laws to cause the Assessments to be collected and the liens related to such Assessments to be enforced continuously, in the manner and to the maximum extent permitted by the Applicable Laws, and, to the extent permitted by Applicable Laws, to cause no reduction, abatement or exemption in the Assessments for so long as any PID Bonds are outstanding or a Reimbursement Agreement Balance remains outstanding. The Town shall determine or cause to be determined, no later than March 1 of each year after the levy of the Assessments whether any Annual Installment is delinquent. If delinquencies exist, then the Town will order and cause to be commenced as soon as practicable any and all appropriate and legally permissible actions to obtain such Annual Installment, and any delinquent charges and interest thereon, including diligently prosecuting an action to foreclose the currently delinquent Annual Installment. Notwithstanding the foregoing, the Town shall not be required under any circumstances to purchase or make payment for the purchase of the delinquent Assessment or the corresponding Assessed Property or to use any Town funds, revenues, taxes, income, or property other than moneys collected from the Assessments. Once PID Bonds are issued, the PID Bond Indenture shall control in the event of any conflict with this Agreement.

2.06 Payment of Actual Costs. If PID Bonds are not issued (or prior to such issuance) to pay the Actual Costs, the Developer may elect to make Developer Advances to pay Actual Costs. If PID Bonds are issued, the PID Bond Proceeds shall be used in the manner provided in the PID Bond Indenture; and, except as may be required under the Development Agreement and/or an PID Bond Indenture, the Developer shall have no obligation to make Developer Advances for the related Authorized Improvements, unless the PID Bond Proceeds, together with any other funds in the PID Project Fund, are insufficient to pay the Actual Costs of such Authorized Improvements, in which case the Developer shall make Developer Advances to pay the deficit. If Developer Advances are required in connection with the issuance of a series of PID Bonds, then such Developer Advances may be reduced by the amount of payments of Actual Costs of the Authorized Improvements (or portions thereof) to be financed by such PID Bonds that the Developer has previously paid if (i) the Developer submits to the Town all information related to such costs that would be required by a Closing Disbursement Request at least ten (10) days prior to the scheduled closing date of such PID Bonds, and (ii) the Town approves such Actual Costs in writing. The Developer shall also make Developer Advances to pay for cost overruns (after applying cost savings). The lack of PID Bond Proceeds or other funds in the PID Project Fund shall not diminish the obligation of the Developer to pay Actual Costs of the Authorized Improvements.

2.07 Payment of Reimbursement Agreement Balance. The Town agrees to pay to the Developer, and the Developer shall be entitled to receive payments from the Town (subject to the provisions of Sections

1.05 and 2.01 hereof), until the Maturity Date, for amounts shown on each approved Payment Request (which amounts include all Actual Costs paid by or at the direction of the Developer) plus simple interest on the unpaid principal balance at the rate identified in the Updated SAP approved at the time the Town levies the PID Assessments, together with accrued but unpaid interest, owed the Developer for all approved Payment Requests is referred to as the “Reimbursement Agreement Balance”); provided, however, upon the issuance of PID Bonds, the interest rate due and unpaid on amounts shown on each Payment Request to be paid to the Developer shall be the lower of: (1) the interest rate on the PID Bonds issued to finance the costs of the Authorized Improvements for which the Payment Request was filed, or (2) the interest rate approved by the Town Council of the Town in the Assessment Ordinance levying the Assessments from which such PID Bonds shall be paid. The interest rates set forth in this section have been approved by the Town Council and are authorized by the Act. The principal amount of each portion of the Reimbursement Agreement Balance to be paid under each Assessment Ordinance shall be set forth in the Updated SAP. The Town’s obligations to pay the Reimbursement Agreement Balance related to the Authorized Improvements constructed for the benefit of the PID shall (i) only be paid from the PID Assessments and/or annual installments collected from property within the Major Improvement Area once such PID Assessments are levied, (ii) are contingent upon the Town levying such PID Assessments, and (iii) will not be due and owing unless and until the Town actually levies such PID Assessments. Interest will not accrue on Payment Requests until such time as they have been approved pursuant to the terms of this Agreement.

The Reimbursement Agreement Balance is payable solely from: (1) the Assessment Fund if no PID Bonds are issued for the purpose of paying the Authorized Improvements related to such Reimbursement Agreement Balance, or (2) from PID Bond Proceeds and the PID Bond Reimbursement Fund, if applicable, if PID Bonds are issued for the purpose of paying the Authorized Improvements related to such Reimbursement Agreement Balance. No other Town funds, revenues, taxes, income, or property shall be used even if the Reimbursement Agreement Balance is not paid in full by the Maturity Date. Payments made from PID Bond Proceeds deposited in the PID Project Fund and payments made from the PID Bond Reimbursement Fund, if applicable, shall be made in the manner set forth in the PID Bond Indenture.

So long as no PID Bonds are issued and the Town has received and approved a Payment Request, the Town shall make a payment to the Developer from the Assessment Fund for an amount of the Reimbursement Agreement Balance at least annually, and no later than 60 days after the date payment of the Annual Installments are due, not to exceed the Assessment Revenue collected by and payable to the Town. In the event that a Prepayment of an Assessment is made prior to the issuance of PID Bonds, the Town shall remit payment to the Developer of an amount of the Reimbursement Agreement Balance then due and payable not to exceed the Assessment Revenue related to such Prepayment from the Assessment Revenue deposited into the Assessment Fund within 60 days after the Prepayment is made. Payments made from the Assessment Fund toward any outstanding Reimbursement Agreement Balance, shall first be applied to unpaid interest on such Reimbursement Agreement Balance owed to the Developer, and second to unpaid principal of the Reimbursement Agreement Balance owed to the Developer. Each payment from the Assessment Fund shall be accompanied by an accounting that certifies the Reimbursement Agreement Balance as of the date of the payment and that itemizes all deposits to and disbursements from the fund since the last payment.

2.08 Disbursements and Transfers at and after Bond Closing. The Town and the Developer agree that from the proceeds of the PID Bonds, and upon the presentation of evidence satisfactory to the Town Representative, the Town will cause the trustee under the PID Bond Indenture to pay at closing of the PID Bonds approved amounts from the appropriate account to the persons entitled to payment for costs of issuance and payment of costs incurred in the establishment, administration, and operation of the PID and any other eligible costs incurred by the Developer and the Town as of the time of the delivery of the PID Bonds as described in the Updated SAP. In order to receive disbursement, the Developer shall execute a Closing Disbursement Request to be delivered to the Town no less than ten (10) days prior to the scheduled closing date for the PID Bonds for payment in accordance with the provisions of the PID Bond

Indenture. In order to receive additional disbursements from any applicable fund under a PID Bond Indenture, the Developer shall execute a Payment Request, no more frequently than monthly, to be delivered to the Town for payment in accordance with the provisions of the PID Bond Indenture. Upon receipt of a Payment Request (along with all accompanying documentation required by the Town) from the Developer, the Town shall conduct a review in order to confirm that such request is complete, to confirm that the work for which payment is requested was performed in accordance with all Applicable Laws and applicable plans therefore and with the terms of this Agreement and any other agreement between the parties related to property in the PID, and to verify and approve the Actual Costs of such work specified in such Payment Request. The Town shall also conduct such review as is required in its discretion to confirm the matters certified in the Payment Request. The Developer agrees to cooperate with the Town in conducting each such review and to provide the Town with such additional information and documentation as is reasonably necessary for the Town to conclude each such review. The Developer further agrees that if the Town provides to the Developer a sales tax exemption certificate then sales tax will not be approved for payment under a Payment Request. Within ten (10) days following receipt of any Payment Request after the issuance of the PID Bonds, the Town shall either: (1) approve the Payment Request and forward it to the trustee for payment, or (2) provide the Developer with written notification of disapproval of all or part of a Payment Request, specifying the basis for any such disapproval. Any disputes shall be resolved as required herein. The Town shall deliver the approved or partially approved Payment Request to the trustee for payment, and the trustee shall make the disbursements as quickly as practicable thereafter.

ARTICLE III

Acquisition of Authorized Improvements

3.01. Acquisition of Improvements. At or prior to the time of reimbursement of the Developer for the Actual Costs or a portion of the Actual Costs, the Town will acquire or cause to be acquired such Authorized Improvements that are to be owned by the Town, as set forth in the Development Agreement, from the Developer as have been constructed in the name of the Developer for the benefit of the Town, including off-site Authorized Improvements. At or prior to the time of reimbursement of the Developer for the Actual Costs or a portion of the Actual Costs related to Authorized Improvements to be owned by an authorized third-party pursuant to the provisions of the PID Act, such entity will acquire or cause to be acquired such Authorized Improvements from the Developer as have been constructed in the name of the Developer for the benefit of such entity, including off-site Authorized Improvements.

3.02. Conveyance Requirements. The Developer shall convey the Authorized Improvements to be owned by the Town to the Town by deed or other appropriate instrument of conveyance, with full warranties, free and clear of any liens, claims, encumbrance, options, charges, assessments, restrictions, laminations or reservations, including liens for ad valorem taxes for past and current years, and payments due to construction contractors, laborers, or materialmen, unless otherwise waived by the Town. The Developer may also convey the Authorized Improvements to be owned by the Town to the Town by plat or other instrument on behalf of or benefiting the Town. The Developer shall convey the Authorized Improvements to be owned by an authorized third-party pursuant to the provisions of the PID Act to such entity by deed or other appropriate instrument of conveyance, with full warranties, free and clear of any liens, claims, encumbrance, options, charges, assessments, restrictions, laminations or reservations, including liens for ad valorem taxes for past and current years, and payments due to construction contractors, laborers, or materialmen, unless otherwise waived by such entity. The Developer shall provide reasonable proof of title and proof of no liens, claims, or encumbrances. Conveyance of any Authorized Improvements to be owned by the Town at any time shall be subject to the reimbursement obligations created in this Agreement. Each conveyance shall include all easements within which the Authorized Improvements are located, unless such easements have been dedicated to the public, and all easements necessary to own, operate and maintain the Authorized Improvements. Each conveyance shall additionally include fee simple title to any and all plant sites, together with necessary rights of way where such site or sites are not directly accessible by a dedicated public street, and all licenses, franchises and permits for the

Authorized Improvements. The Developer shall also assign, in writing, all of its contractors' and materialmen's warranties relating to the Authorized Improvements to be owned by the Town. All documents or instruments of conveyance, transfer, or assignment hereunder of Authorized Improvements to be owned by the Town shall be in a form and content acceptable to the Town's attorneys. The Developer, at the time of reimbursement by the Town for Authorized Improvements to be owned by the Town, shall deliver to the Town a release of all liens upon the bonded Authorized Improvements securing the costs of construction of the bonded Authorized Improvements advanced by a third-party lender. Any conveyance of Authorized Improvements to the Town by plat shall not be considered effective until the Town has provided a letter of acceptance for such Authorized Improvements. Any conveyance of Authorized Improvements to the Town by deed or similar instrument shall not be considered effective until such deed or other instrument is recorded in the property records of Denton County.

Prior to completion and conveyance to the Town of any Authorized Improvements to be owned by the Town, the Developer shall cause to be provided to the Town a maintenance bond in the amount required by the Town's subdivision regulations for applicable Authorized Improvements, which maintenance bond shall be for a term of two years from the date of final acceptance of the applicable Authorized Improvements. Any surety company through which a bond is written shall be a surety company duly authorized to do business in the State of Texas, provided that legal counsel for the Town has the right to reject any surety company regardless of such company's authorization to do business in Texas. Nothing in this Agreement shall be deemed to prohibit the Developer or the Town from contesting in good faith the validity or amount of any mechanics or materialman's lien and/or judgment nor limit the remedies available to the Developer or the Town with respect thereto so long as such delay in performance shall not subject the Authorized Improvements to foreclosure, forfeiture, or sale. In the event that any such lien and/or judgment with respect to the Authorized Improvements is contested, the Developer shall be required to post or cause the delivery of a surety bond or letter of credit, whichever is preferred by the Town, in an amount reasonably determined by the Town, not to exceed 120 percent of the disputed amount.

3.03. Correction of Defects. Conveyance of any Authorized Improvements to the Town shall not relieve the Developer of liability for the correction of any existing engineering or construction defects then existing in the Authorized Improvements to be owned by the Town or for satisfaction of any unpaid claim for materials or labor. The Town shall be under no obligation to contest or challenge any claim for labor or materials; provided, however, that in the event the Developer fails to promptly correct any such defect or satisfy any such claim, the Town may elect to do so and, in such event, shall have full rights of subrogation. Subject to any applicable statutes of limitation, the Developer shall pay the Town for the Town's costs in correcting any defect or satisfying any claim including, but not limited to, construction costs, engineering fees, attorneys' fees, building or construction permits, filing fees or court costs.

3.04. Survival or Representations. All representations, warranties and agreements of the Town and the Developer hereunder shall survive the conveyance of the Authorized Improvements to the Town.

ARTICLE IV **Representations**

4.01. Representations by the Developer. The Developer hereby represents to the Town that:

- (a) The execution and delivery of this Agreement and the transactions contemplated hereby have been duly authorized by the Developer;
- (b) This Agreement, the representations and covenants contained herein, and the consummation of the transactions contemplated hereby shall not violate or constitute a breach of any contract or other agreement to which the Developer is a party;

- (c) The Developer has made financial arrangements sufficient to assure its ability to perform its obligations hereunder; and
- (d) The Developer will send a representative to all meetings of the Town Council of the Town at which such presence may be requested.

4.02. Representations by the Town. The Town hereby represents and covenants to the Developer that it shall use its good faith efforts:

- (a) To, if decided by the Town, Issue PID Bonds pursuant to the PID Act and other applicable law; and
- (b) To levy and collect the PID Assessments.

ARTICLE V **Remedies**

5.01. Default by the Developer. In the event of uncured default by the Developer hereunder and after written notice from the Town and a reasonable opportunity to cure, which shall be no less than thirty (30) days, the Town shall have the right:

- (a) To terminate this Agreement without thereby incurring any liability to the Developer whatsoever;
- (b) To pursue all other legal or equitable remedies;
- (c) To recover from the Developer all expenses incurred in pursuing its legal rights hereunder, including reasonable attorneys' fees.

If a default cannot reasonably be cured within 30 days and Developer has diligently pursued a cure within such 30-day period and has provided written notice to the Town that additional time is needed, then the cure period provided herein shall be extended for an additional 30 day period so long as the Developer is diligently pursuing a cure.

An event of default by the Developer does not release the Town from the obligation to reimburse the Developer for Actual Costs advanced or incurred by the Developer on behalf of the Town prior to the date of default by the Developer or to reimburse the Developer for Authorized Improvements previously acquired by or conveyed to the Town or applicable retail provider.

5.02. Default by Town. In the event of default by the Town hereunder, the Developer shall be entitled to seek a writ of mandamus from a court of competent jurisdiction compelling and requiring the Town and its officers to observe and perform the covenants, obligations and conditions hereof.

5.03. Future Performance. The failure of either party hereto to insist, in any one or more instances, upon performance of any of the terms, covenants, and conditions of this Agreement, shall not be construed as a waiver or relinquishment of the future performance of any such term, covenant, or condition by the other party hereto, but the obligation of such other party with respect to such future performance shall continue in full force and effect.

ARTICLE VI **Miscellaneous**

6.01. Severability. In case any one or more provision contained in this Agreement 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 hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

6.02. Modification. This Agreement may be modified or varied only by a written instrument subscribed by both of the parties hereto including a reimbursement agreement entered into for a phase of development or issuance of PID Bonds.

6.03 Assignability. The Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part without the consent of (but with written notice to) the Town, the Developer's right, title, or interest under this Agreement (any of the foregoing, a "Transfer"). Notwithstanding the foregoing, however, no Transfer shall be effective until five days after notice of the Transfer is received by the Town. Provided, however, that no such conveyance, transfer, assignment, mortgage, pledge, or other encumbrance shall be made without prior written consent of the Town if such conveyance, transfer, assignment, mortgage, pledge, or other encumbrance would result in (1) the issuance of municipal securities, and/or (2) the Town being viewed as an "obligated person" within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission, and/or (3) the Town being subjected to additional reporting or recordkeeping duties. Notwithstanding the foregoing, the Town hereby authorizes the Developer to grant a security interest in the Developers' rights hereunder and to all sums to be paid to the Developer by the Town pursuant to this Agreement to any bank or lending institution making a construction or development loan to the Developer for payment of Actual Costs without Town consent and to the extent permitted by State law.

6.04. Captions. The captions used in connection with the paragraphs of this Agreement are for convenience only and shall not be deemed to construe or limit the meaning of the language contained in this Agreement, or used as interpreting the meanings and provisions hereof.

6.05. Applicable Law. This Agreement shall be construed and interpreted under the laws of the State of Texas and all obligations of the parties created hereunder are performable in Denton County, Texas.

6.06. Parties at Interest. This Agreement shall be for the sole and exclusive benefit of the parties hereto and shall never be construed to confer any benefit on any third party. This Agreement shall be binding upon each party, its successors and assigns.

6.08. Term. The term of this Agreement shall begin on the Effective Date and shall continue until the earlier to occur of: (i) the issuance of PID Bonds for the Additional Major Improvements, as defined in the Current SAP, or (ii) the date on which the amounts due under this Agreement are paid in full. Upon the issuance of PID Bonds for the Additional Major Improvements, as defined in the Current SAP, which will be secured by Assessments levied against the Major Improvement Area located within the PID, this Agreement shall terminate without any further act of the Town or the Developer.

6.09. Force Majeure. If the Town or the Developer is rendered unable, in whole or in part, by force majeure to carry out any of its obligations under this Agreement, then the obligations of such party, to the extent affected by such force majeure and to the extent that due diligence is being used to remedy such inability and to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused to the extent provided but for no longer period. The term "force majeure", as used herein, shall include, without limitation, acts of God; strikes, lockouts, or other industrial disturbances; acts of public enemy; order of any kind of the Government of the United States or the State of Texas or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accidents to machinery; pipelines or canals; partial or

total failure of water supply and inability to provide water necessary for operation of the sewer system, or to receive waste; and any other inability of the party, whether similar to those enumerated or otherwise, which are not within the control of the party, which the party could not have avoided by the exercise of due diligence and care. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of such party, and that the above requirement that any force majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demand of the opposing party or parties when such settlement is unfavorable to it in the judgment of such party.

6.10 Non-Waiver. The failure by a Party to insist upon the strict performance of any provision of this Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Agreement.

6.11 Third Party Beneficiaries. Nothing in this Agreement is intended to or shall be construed to confer upon any person or entity other than the Town and the Developer any rights under or by reason of this Agreement. All provisions of this Agreement shall be for the sole and exclusive benefit of the Town and the Developer.

6.12 Counterparts. This Agreement may be executed in multiple counterparts, which, when taken together, shall be deemed one original.

6.13 Employment of Undocumented Workers. During the term of this Agreement, the Developer agrees not to knowingly employ any undocumented workers and, if convicted of a violation under 8 U.S.C. Section 1324a(f), the Developer shall repay the incentives granted herein within 120 days after the date the Developer is notified by the Town of such violation, plus interest at the rate of six percent (6%) compounded annually from the date of violation until paid. Pursuant to Section 2264.101(c), Texas Government Code, a business is not liable for a violation of Chapter 2264 by a subsidiary, affiliate, or franchisee of the business, or by a person with whom the business contracts.

6.14 No Boycott of Israel. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2271.002, Texas Government Code, the Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to enable the Town to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, 'boycott Israel,' a term defined in Section 2271.001, Texas Government Code, by reference to Section 808.001(1), Texas Government Code, means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

6.15 Iran, Sudan, and Foreign Terrorist Organizations. The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to enable to Town to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law or Texas law and excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

6.16 No Discrimination Against Fossil Fuel Companies. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2276.002, Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to enable the Town to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, “boycott energy companies,” a term defined in Section 2276.001(1), Texas Government Code by reference to Section 809.001, Texas Government Code, shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

6.17 No Discrimination Against Firearm Entities and Firearm Trade Associations. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. The foregoing verification is made solely to enable the Town to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification and the following definitions:

(a) ‘discriminate against a firearm entity or firearm trade association,’ a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company’s refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity’s or association’s status as a firearm entity or firearm trade association;

(b) ‘firearm entity,’ a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer

of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting); and

(c) ‘firearm trade association,’ a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.”

Affiliate. As used in Sections 4.19 through 4.23, the Developer understands ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with the Developer within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

6.18 Form 1295. Submitted herewith is a completed Form 1295 generated by the Texas Ethics Commission’s (the “TEC”) electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the “Form 1295”). The Town hereby confirms receipt of the Form 1295 from the Developer, and the Town agrees to acknowledge such form with the TEC through its electronic filing application system not later than the 30th day after the receipt of such form. The Parties understand and agree that, with the exception of information identifying the Town and the contract identification number, neither the Town nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Developer; and, neither the Town nor its consultants have verified such information.

6.19 Notice. Any notice referenced in this Agreement must be in writing and shall be deemed given at the addresses shown below: (i) when delivered by a nationally recognized delivery service such as FedEx or UPS with evidence of delivery signed by any person at the delivery address regardless of whether such person is the named addressee; or (ii) 72 hours after deposited with the United States Postal Service, Certified Mail, Return Receipt Requested.

To the Town: Attn: Town Manager
Town of Little Elm, Texas
100 W. Eldorado Parkway
Little Elm, Texas 75068

With a copy to: Attn: Robert Brown
Brown & Hofmeister, LLP
740 E. Campbell Rd., Ste. 800
Richardson, Texas 75081

To the Developer: Attn: Mehrdad Moayedi
MM Little Elm 548, LLC
1800 Valley View Lane, Suite 300
Farmers Branch, Texas 75234

With a copy to: Attn: Travis Boghetich
Boghetich Law, PLLC
1800 Valley View Lane, Suite 360
Farmers Branch, Texas 75234

[Signatures to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple counterparts, each of equal dignity, to be effective as of the date first written above.

TOWN:

TOWN OF LITTLE ELM

By: _____
Name: Curtis J. Cornelious
Title: Mayor

ATTEST:

By: _____
Name: Caitlan Biggs
Title: Town Secretary

APPROVED AS TO FORM:

Attn: Robert Brown, Town Attorney

STATE OF TEXAS §
 §
COUNTY OF DENTON §

This instrument was acknowledged before me on the ____ day of _____ 2023 by Curtis J. Cornelious, Mayor of the Town of Little Elm, Texas on behalf of the Town.

Notary Public, State of Texas

DEVELOPER:

MM LITTLE ELM 548, LLC,
a Texas limited liability company

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: _____
Name: Mehrdad Moayedi
Its: Manager

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2023 by Mehrdad Moayedi, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of MM Little Elm 43, LLC, a Texas limited liability company on behalf of said company.

Notary Public, State of Texas