

## ESCROW AGREEMENT REGARDING ALTA 3EIGHTY OFF-SITE IMPROVEMENTS

This **ESCROW AGREEMENT REGARDING US 380 & FM2931 TIA Recommended Improvements** (“*Escrow Agreement*”) is entered into by and between ALTA 3EIGHTY LLC, a Texas limited liability company (“*Alta 3Eighty*”), and the Town of Little Elm, Texas, (“*Town*”), to be effective March [REDACTED], 2024.

### RECITALS

**WHEREAS**, Alta 3Eighty is the owner of that certain property and development located on approximately 10 acres of land situated in the Town of Little Elm, Denton County, Texas, as more particularly described on Exhibit “A” attached hereto and incorporated herein (the “*Property*”).

**WHEREAS**, Alta 3Eighty has completed construction of a multi-family development on the Property (the “*Project*”).

**WHEREAS**, The Town has requested that Alta 3Eighty deposit \$ [REDACTED] (the “*Escrow Funds*”) in escrow with Escrow Agent. The Town plans to use the Escrow Funds to partially fund the construction of right-hand turn lanes (the “*Turn Lane Construction*”) to be built in connection with a proposed future widening of Highway 380 near the Project, as depicted on Exhibit B attached hereto (the “*Highway 380 Expansion*”).

**NOW, THEREFORE**, the parties to this Escrow Agreement agree as follows:

### AGREEMENTS

1. The parties to this Escrow Agreement acknowledge that the RECITALS are true and correct and constitute a part of this Escrow Agreement.
2. The Town, by its execution of this Escrow Agreement: (i) acknowledges the receipt of the Escrow Funds from Alta 3Eighty; (ii) agrees to deposit the Escrow Funds in an FDIC insured interest-bearing account over which the Town has exclusive control; and (iii) agrees to disburse the Escrow Funds solely in accordance with the terms and conditions set forth in this Escrow Agreement. Interest, if any, earned on the Escrow Funds shall be retained by the Town as earned to offset the administrative costs of maintaining the escrow account.
3. The Escrow Funds shall be used by the Town solely for the purposes for which such funds were escrowed for the off-site improvements as set forth in the Kimley-Horn Traffic Impact Analysis dated February 26, 2021 and revised on March 31, 2021, April 26, 2021 and May 5, 2021.
4. Each of the parties to this Escrow Agreement acknowledges and agrees that: (i) it has the requisite power and authority to enter into this Escrow Agreement; (ii) this Escrow Agreement has been duly authorized and approved; and (iii) the person executing this Escrow Agreement on its behalf has been duly authorized to do so.
5. If a future Property Owners Association (“*POA*”) is formed to cover ALTA 380 Addition Block A, Lots 1-11 and the Town elects to assign the Escrow Funds to the POA, the POA

will facilitate the construction of the improvements. The future POA will be responsible for any future assessments related to the improvements.

6. By signing this Agreement, the Town represents and warrants that, as of the Effective Date, Alta 3Eighty has complied with all of the terms and conditions of the Development Agreement and any and all requirements or conditions of the Approvals for the Project. Upon Alta 3Eighty's delivery of the Escrow Funds to the Town, the Town will issue the Approvals (as defined in paragraph 9, below) on or before the Approval Deadline (as defined in paragraph 9, below) without further requirements or conditions.

7. The Town agrees that the Escrow Funds shall be the maximum amount that the Town will request or require that Alta 3Eighty, as owner of the Property, or any of its successors or assigns as future owners of the Property, contribute to the Turn Lane Construction, regardless of whether the actual costs of the Turn Lane Construction exceed the amount of the Escrow Funds (provided the foregoing shall not constitute a representation or warranty by the Town that a future POA may not request additional funds from Alta 3Eighty or any successor owner of the Property for the Turn Lane Construction). The Town further agrees that it will not require Alta 3Eighty to contribute any additional funds to the Turn Lane Construction as a requirement for the issuance of any future Approval (e.g., a license or permit renewal).

8. If the Town fails to issue the Approvals by the Approvals Deadline, Escrow Agent shall immediately refund the entirety of the Escrow Funds to Alta 3Eighty without any further action required by either Party and the Town shall reimburse Alta 3Eighty for the Escrow Fees within thirty (30) days of the Approval Deadline (the "***Reimbursement Deadline***").

9. The Town agrees that no later than five (5) business days after Alta 3Eighty posts the Escrow Funds with the Town (the "***Approvals Deadline***"), the Town will issue the final Certificate of Occupancy for The Project and all other certificates, permits, licenses, and permissions controlled by the Town that are necessary to approve the occupancy of the Project (the "***Approvals***").

10. The Town hereby agrees to hold, invest, and disburse the Escrow Funds and any earnings and interest thereon in accordance with the terms of this Agreement. The Town further agrees that the Escrow Funds held by the Town hereunder shall be segregated from all other property held by the Town and shall be identified as being held in connection with this Agreement.

[Signature Page Follows]

**IN WITNESS WHEREOF**, the parties have executed this Agreement effective as of the Effective Date.

**ALTA 3EIGHTY:**

ALTA 3EIGHTY LLC, a Texas limited liability company

Signature:\_\_\_\_\_

Print Name:\_\_\_\_\_

Title:\_\_\_\_\_

**THE TOWN:**

THE TOWN OF LITTLE ELM

Signature:\_\_\_\_\_

Print Name:\_\_\_\_\_

Title:\_\_\_\_\_

**EXHIBIT "A"**  
**The Property**

ALTA 380 Addition Block A, Lot 1

**Exhibit “B”**  
**Depiction of Turn Lane Improvements**