

DEVELOPMENT AGREEMENT

This Development Agreement is by and between Williamson County, Texas, a Texas political subdivision (the "County") and MacNak, LLC c/o Bruce Nakfoor (the "Developer"), and is effective on the 28th day of January, 2014.

WHEREAS, the Developer is developing a 262.022 acre tract of land (the "Property") by filing a preliminary plat called "Rancho Santa Fe Subdivision" a depiction of which is attached hereto as Exhibit "A", and

WHEREAS, the County is planning to construct CR 258 through a portion of the Property, and

WHEREAS, the County is interested in preserving future right-of-way within the US 183 corridor, and

WHEREAS, the Developer desires to dedicate the CR 258 right-of-way to the County; and

WHEREAS, the Developer desires to be compensated in the future for any preserved US 183 right-of-way ("Preserved 183 ROW"), subject to certain conditions, and

WHEREAS, the County agrees that the Developer shall be compensated for any Preserved 183 ROW; and

NOW THEREFORE, the County and the Developer agree as follows:

I.

AGREEMENT

1. All of the above recitals are true and correct.
2. Developer will dedicate to the County by plat or by separate warranty deed all right-of-way needed for CR 258 through the Property at or near the location shown on Exhibit

“A”. If dedication is made by separate instrument, Developer shall dedicate when so requested by County.

3. Developer agrees to reserve as future US 183 right-of-way the Preserved 183 ROW as shown on Exhibit “A. Said reservation shall be shown on a preliminary and final plat provided by the County. Subject to the conditions stated below, the County or another public entity shall be responsible for the acquisition of the Preserved 183 ROW.

4. Prior to the acquisition of the Preserved 183 ROW, Developer shall be entitled to utilize said right-of-way for any purposes except for the construction of buildings or other structures, save and except a subdivision monument sign. Said monument sign shall be compensated for along with the acquisition of the Preserved 183 ROW. No other improvements within the Preserved 183 ROW will be eligible for compensation.

5. County agrees that if the Preserved 183 ROW is not acquired within ten (10) years after this Agreement is approved by the County, then the reservation of the Preserved 183 ROW may be terminated, and Developer shall have the right to re-plat said property, subject to all laws and regulations in place at the time of said re-platting. Under no circumstances shall the Preserved 183 ROW be re-platted until the expiration of said ten year term. After the expiration of the ten year period, if the Preserved 183 ROW has not been utilized for the expansion of 183, then Developer may re-plat the Preserved 183 ROW, subject to all laws and regulations in place at the time of said re-platting. If the re-platted property is needed for right-of-way in the future, the Developer shall be entitled to compensation based on the fair market value of the property, and pursuant to the requirements as stated in Chapter 21 of the Texas Property Code and the Texas Landowner’s Bill of Rights.

II.

MISCELLANEOUS

1. County and Developer will do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement, and to aid and assist each other in carrying out such terms and provisions in order to put each other in the same economic condition contemplated by this Agreement regardless of any changes in public policy, the law, or taxes or assessments attributable to the Property.

2. County represents and warrants to Developer that this Agreement is within its authority, and that it is duly authorized and empowered to enter into this Agreement, unless otherwise ordered by a court of competent jurisdiction. Developer represents and warrants to the County that it has the requisite authority to enter into this Agreement.

3. If either the County or Developer should default in the performance of any obligations of this Agreement, the other party shall provide such defaulting party written notice of the default, and a minimum period of thirty (30) days to cure such default, prior to instituting an action for breach or pursuing any other remedy for default.

4. This Agreement contains the entire agreement between the parties. This Agreement may only be amended, altered or revoked by written instrument signed by the County and Developer.

5. This Agreement shall be binding on and inure to the benefit of the parties, their respective successors and assigns.

6. Developer may assign all or part of its rights and obligations to a third party without the express written consent of the County provided, however, that this Agreement remains binding on any third party.

7. This Agreement may be amended by the mutual written agreement of the parties.

8. Any notice and or statement required and permitted to be delivered shall be deemed delivered by actual delivery, facsimile with receipt of confirmation, or by depositing the same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses:

If to County: County Judge Dan A. Gattis
Williamson County Judge
710 Main St., Suite 101
Georgetown, TX 78626
Phone: (512)943-1550
Fax: (512)943-1662

If to Developer: MacNak, LLC
9119 Spinning Leaf Cove
Austin, TX 78735
Attn: Bruce Nakfoor
Phone: (512)656-6244
Fax: (512)472-9018

Either party may designate a different address at any time upon written notice to the other party.

9. This Agreement is made, and shall be construed and interpreted, under the laws of the State of Texas and venue shall lie in Williamson County, Texas.

10. In the event any provisions of this Agreement are illegal, invalid or unenforceable under present or future laws, and in that event, it is the intention of the parties that the remainder of this Agreement shall not be affected. It is also the intention of the parties of this Agreement that in lieu of each clause and provision that is found to be illegal, invalid or unenforceable, a provision be added to this Agreement which is legal, valid or enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

11. This Agreement is not intended to confer any rights, privileges or causes of action upon any third party.

12. Except as otherwise provided herein, an equitable adjustment shall be made for delay or failure in performing if such delay or failure is caused, prevented, or restricted by conditions beyond that Party's reasonable control (a "*force majeure* event"). A *force majeure* event for the purposes of this Agreement shall include, but not be limited to, acts of God, fire; explosion, vandalism; storm or similar occurrences; orders or acts of military or civil authority; litigation; changes in law, rules, or regulations outside the control of the affected Party; national emergencies or insurrections; riots; acts of terrorism; or supplier failures, shortages or breach or delay. Except as otherwise expressly provided, herein, there shall be an equitable adjustment allowed for performance under this Agreement as the result of any event of *force majeure*.

13. It is acknowledged and agreed by the parties that the terms hereof are not intended to and shall not be deemed to create any partnership or joint venture among the parties. The County, its past, present and future officers, elected officials, employees and agents of the County, do not assume any responsibilities or liabilities to any third party in connection with the development of the Property or the design, construction or operation of any portion of the Property.

EXECUTED to be effective as of the ____ day of _____, 2013 (the "Effective Date").

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WILLIAMSON COUNTY, TEXAS

By: _____

APPROVED as to form:

Nancy Rister, County Clerk

STATE OF TEXAS §

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COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2014, by Dan A. Gattis, on behalf of said county.

Notary Public in and for the State of Texas

DEVELOPER

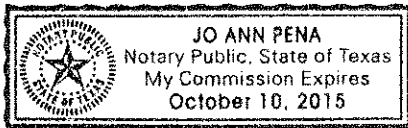
By: Bruce Nakfoor
Its: BRUCE NAKFOOR Managing Partner
Date: 1/23/14

STATE OF TEXAS §

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COUNTY OF Tarrant §

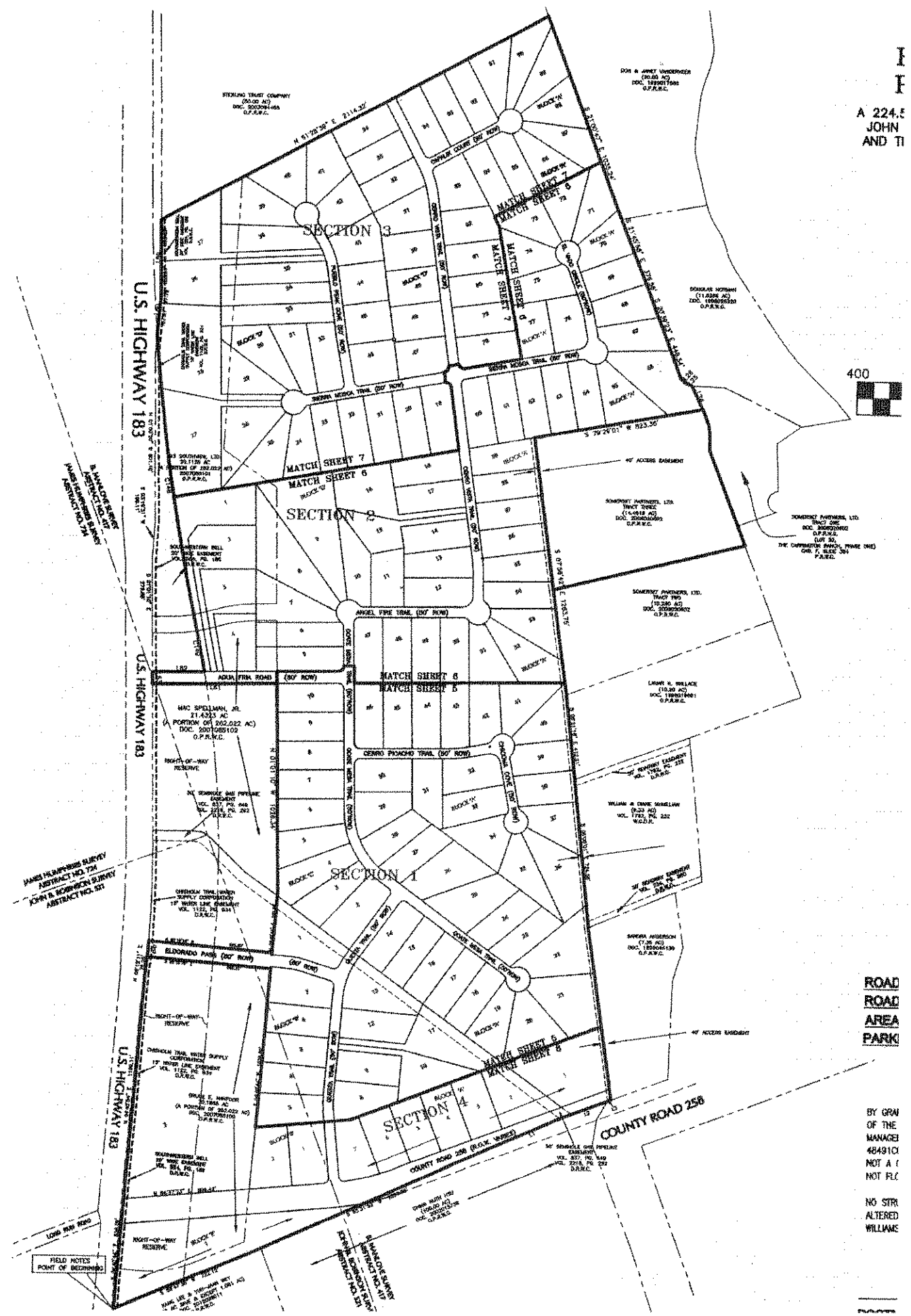
This instrument was acknowledged before me on the 23 day of January, 2014, by Bruce Nakfoor, Managing Partner, on behalf of said corporation.



[Signature]
Notary Public in and for the State of Texas

EXHIBIT "A"

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