

**PAYMENT AND DEVELOPMENT AGREEMENT**  
**(BALCONES TRAILS APARTMENTS)**

This Payment and Development Agreement (the “**Agreement**”) dated as of April 6<sup>th</sup>, 2021 is entered into by and among (i) the City of Kyle, Texas (“**City**”) (ii) LDG Multifamily, LLC, a Kentucky limited liability company (the “**Developer**”) upon terms and conditions set forth herein.

**RECITALS**

WHEREAS, Inayat Fidai (“**Owner**”) owns that certain real property consisting of approximately 14 acres located on Philomena Drive in Hays County, Texas, which is more particularly described in Exhibit A and Exhibit B attached hereto (the “**Property**” or “**Parcel**”);

WHEREAS, Developer is a developer of affordable housing in the State of Texas and will form LDG Balcones Trails, LP, as a Texas limited partnership (the “**Partnership**”) for the purpose of owning and developing affordable multifamily housing to be located on the Property;

WHEREAS, following formation of the Partnership, and prior to Closing (as defined herein), the Partnership shall execute the “Consent to Payment and Development Agreement”, attached hereto as **Exhibit D**, whereby the Partnership shall consent to and acknowledge its rights and responsibilities under this Agreement;

WHEREAS, Capital Area Housing Finance Corporation (“**CAHFC**”), or one of its affiliates, intends to purchase the Property and enter into a 99-year ground lease with the Partnership (the “**Ground Lease**”); and

WHEREAS, the Ground Lease will be evidenced by a Memorandum of Ground Lease for the purposes of recording notice of the lease to protect the rights and interests of Landlord and Tenant, as such terms are defined therein, as to third parties; and

WHEREAS, the Partnership intends to construct, equip and manage an affordable multifamily apartment facility in the City of Kyle, Hays County, Texas, to be known as Balcones Trails Apartments and to be constructed on the Property (the “**Facility**” or the “**Project**”); and

WHEREAS, the Facility will be exempt from ad valorem taxation pursuant to Section 11.11 of the Texas Tax Code and the Ground Lease with CAHFC (the “**Exemption**”); and

WHEREAS, the Project will consist of two hundred seventy six (276) units (the “**Units**”), 100% of the Units will be restricted to tenants having an AMI of 60% or less.; and

WHEREAS, the City Council approved this amended and restated version of the Agreement at its August 3<sup>rd</sup>, 2021, City Council meeting, to modify the AMI restrictions for tenants to the levels stated in the eighth “whereas” clause above, with the Agreement to retain its Effective date of April 6, 2021;

WHEREAS, the Partnership desires to make an upfront lump sum payment to the City to preserve tax revenue to the City that is lost through the Exemption and provide for ongoing annual payments in lieu of taxes as provided in this Agreement; and

WHEREAS, City finds that this Agreement serves the public purpose of promoting economic growth.

NOW, THEREFORE, in consideration of the foregoing and other consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Partnership agrees to pay the City of Kyle an alternate fee in the form of a lump sum payment equal to Two Million Five Hundred Thousand Dollars (\$2,500,000.00) based on the estimated total ad valorem taxes that would have otherwise been paid to the City for period of twenty years, and as further set forth below (the “**Payment**”). The Payment is not in lieu of the charges and fees for other services provided by the City to the Project that are typically payable by other service users in the City apart from taxes, including but not limited to permit fees, transportation fees, parkland fees, utilities, and solid waste collection charges. Beginning in Year 21, the Partnership shall pay an annual payment in lieu of taxes (the “**PILOT Payment**”) as more fully described in Section 3.

2. The City of Kyle shall provide an invoice for the Payment to the Partnership (the “**Invoice**”), and the Partnership shall pay the Payment in conjunction with the Partnership’s finance closing for the Project (the “**Closing**”). The Payment must be made and the fully executed “Consent to Payment and Development Agreement” delivered to the City before a building permit will be issued for the Facility. Prior to the Partnership making the Payment, the City of Kyle shall provide a “permit ready” letter to the Partnership and Developer, stating that the building permits have been “approved and are ready to issue,” contingent only on the Partnership paying to the City of Kyle the Payment and any of the applicable permit fees and delivering the fully executed “Consent to Payment and Development Agreement” to the City; provided that the Developer has satisfied all requirements of the City’s ordinances and codes and this Agreement for issuance of a building permit.

3. Term and Re-Negotiation of PILOT Payment

a. The initial Term of this Agreement for which the Payment is being made is twenty (20) Years from the first full calendar year following construction completion and occupancy stabilization (the “**Term**”), which shall be considered “Year 1”.

b. No less than one hundred eighty (180) days (the “**Renegotiation Period**”) prior to the start of Year 21, the Partnership and the City shall review the terms of this Agreement, and the then current appraised value of the Project, and re-negotiate and re-establish the PILOT Payment as needed for the five (5) years following Year 20, with the PILOT Payment beginning in Year 21, and shall extend the Term of the Agreement for the same five years.

c. Said re-negotiations shall take place every five years and each re-negotiation shall be subject to the Renegotiation Period (each a “**Payment Extension Term**”) so long as the Ground Lease and the Exemption are in place, or other such agreements providing the Partnership and the Project a full exemption from ad valorem taxation, unless otherwise agreed to by the Partnership and the City.

d. In the event the Parties are unable to agree upon the reestablished PILOT Payment during the Renegotiation Period for the Payment Extension Term beginning in Year 21, the PILOT Payment for Year 21 shall be equal One Hundred Fifty Thousand Dollars (\$150,000.00) annually (the “**Default PILOT**”) and shall increase \$1,500 annually through and including Year 25 (the “**Annual Increase**”). In the event the Parties are unable to agree upon the reestablished PILOT Payment during the Renegotiation Period for any Payment Extension Term beginning in or after Year 26, the PILOT Payment for the first year of the renewed Payment Extension Term shall be equal to the Default PILOT, which shall be adjusted for Consumer Price Index inflation for each five year Payment Extension Term following Year 25, and the PILOT Payments for the four years thereafter in each Payment Extension Term shall be subject to the Annual Increase.

e. Beginning in Year 21, the PILOT Payments shall be due and payable on October 1 of each year and shall become past due and delinquent if not paid by February 1 of the following year. Each past due and delinquent PILOT Payment (excluding amounts deferred in accordance with Section 3(a)), shall accrue penalties, interest, fees and collection costs at the same rates, in the same amounts, and in accordance with the same dates as ad valorem taxes as provided in Chapter 33, Texas Tax Code. In the event the Project loses its tax-exempt status and the Property and improvements are subject to ad valorem taxes, this Agreement shall automatically terminate and the annual PILOT Payment described herein shall no longer be due and payable; provided that in the event the Partnership has failed to pay any portion of the Payment PILOT Payments (the “**Delinquent Payments**”), the PILOT Payments shall continue until the Delinquent Payments, plus any applicable penalties, attorney’s fees, collection costs, and interest, are paid in full and the provisions of this Agreement governing the requirement and enforcement of the requirement to pay the PILOT Payment shall survive termination of the Agreement, if the termination occurs at any time after the Payment.

4. If the Partnership fails to pay the Payment to the City at Closing, and such failure continues for ten days after written notice of such default to the Partnership by the City, the City shall have the right to exercise any and all legal remedies available to it to obtain such payment. As an additional remedy, the City may withhold any permits related to development or use of the Property until the Payment and fully executed “Consent to Payment and Development Agreement” are delivered to the City. If the Payment and the “Consent to Payment and Development Agreement” are not delivered to the City within five (5) days after Closing, the Concept Plan and the building permit application for the Project shall expire. The Partnership agrees to pay the statutory amounts for penalties, interest, attorney’s fees, and costs of collection applicable to suits to recover delinquent ad valorem taxes under Texas Tax Code Chapter 33 for failure to remit timely Payments to City as a contractual obligation even though the Property will be exempt from local ad valorem taxation.

5. The Payment shall be made payable to City of Kyle and shall be sent to the Director of Finance, City of Kyle, 100 W. Center St., Kyle, TX 78640, or as otherwise set forth on the Invoice.

6. Additional Fees. In addition to the Payment, the Developer or the Partnership shall also pay to the City the following fees, pursuant to the applicable City ordinances and regulations (the “Code”) and this Agreement:

a. A parkland dedication fee calculated as \$750 x total number of units to be constructed and a parkland improvement fee calculated as \$750 x total number of units to be constructed (for example, if 276 units are to be constructed, the total parkland fees of Four Hundred and Fourteen Thousand Dollars (\$414,000.00)) will be paid to the City for the Project in satisfaction of Section 41-147 of the Code, on or before the date the first building permit is issued for the Project. No building permit will be issued for the Property until the parkland fees set forth in this section are paid to the City. City acknowledges and agrees that no other park fees or park land dedications are required for the issuance of certificates of occupancy for the Project.

b. An adjacent lane mile fee (the “ALM Fee”) calculated as 6.65 x 81 x total number of units to be constructed (for example, if 276 units are to be constructed, the fee would be One Hundred Forty Eight Thousand Six Hundred Sixty Seven Dollars and Forty Cents (\$148,667.40)) will be paid to the City for the Project before final plat approval, and the ALM fees must be paid to receive final plat approval.

c. Except for fees or expenses otherwise specifically provided for in this Agreement, all fees required by the Code will be paid in accordance with the Code.

7. The parties stipulate and agree that the PILOT Payments made pursuant to this Agreement are in lieu of ad valorem taxes only, and are not in lieu of the charges and fees for other services provided by the City to the Project that are typically payable by other service users in the City apart from taxes, including but not limited to permit fees, utilities, and solid waste collection charges.

8. Development Standards and Review Procedures.

a. Generally. If there is any conflict between the terms of this Agreement and the Code, the specific terms of this Agreement will control.

b. Development Standards. Except as provided in this Agreement, the Property shall be subject to and developed in accordance with the use and development standards of the City's R-3-3 zoning district, or such other comparable zoning classification approved by the City Council for the Property permitting multifamily development, and all codes, ordinances, and regulations of the City that are applicable within the city limits as modified by this Agreement, and this Agreement.

c. Design Standards. The Property, the Project, and the Facility shall be designed and constructed in compliance and in accordance with the Design Standards set forth in **Exhibit C**, attached hereto and made a part hereof. The Developer acknowledges and agrees that compliance with **Exhibit C** will be a condition of issuance of building permits for the Project and the Facility. Developer further agrees that the City may use its building permitting, inspection, and enforcement processes and procedures to enforce the requirements of **Exhibit C**, including but not limited to rejection of applications and plans, stop work orders, and disapproval of inspections for applications and/or work that do not comply with this Agreement. Applications and plans for a building permit must demonstrate compliance with this Agreement in order for a building permit to be issued. Applications for building permits must be in compliance with this Agreement, as well as the applicable City ordinances and regulations, in order for such application to be approved and a building permit issued. Plans demonstrating compliance with this Agreement must accompany a building permit application and will become a part of the approved permit. Any structure constructed on the Property must comply with this Agreement and the applicable City ordinances and regulations for a certificate of occupancy to be issued for such structure.

d. Concept Plan. The Developer has submitted to the City a concept plan for the development of the Property. A copy of the concept plan is attached hereto and incorporated herein for all purposes as **Exhibit D** (the "Concept Plan"). The Concept Plan constitutes a development plan for the Property, as provided in Subchapter G, Chapter 212, Texas Government Code. Subject to the allowable uses set forth herein, the intensity and timing of development within the Property will be determined solely by the Developer. So long as the Developer does not increase the total level of allowable development, as measured by water and wastewater service connections, or the land use, the Developer may amend the Concept Plan and may amend the layout of buildings and on-site infrastructure to serve the Project in compliance with this Agreement, however such amendments shall not require the Developer to return to City Council for additional approvals. The

Concept Plan, as amended, will be effective for the Term of this Agreement; provided that the Developer completes the Project within five (5) years of the Closing.

e. Preliminary Plan. In the event that the Property is required to be platted, the preliminary plan may show building layouts different than shown in the Concept Plan. Developer may request the City, including the City's Planning and Zoning Commission, to make a written determination that the preliminary plan complies with all applicable regulations; provided, however, that such determination shall not constitute the final approval of the preliminary plan. If the preliminary plan application complies with the terms of this Agreement and applicable City ordinances and this Agreement, the City will approve the preliminary plan upon the request of Developer.

f. Expiration of Applications. This Agreement and applicable local, state, and federal regulations shall govern the review and approval of preliminary plans, construction plans and other approvals, variances or other municipal authorizations hereafter required or requested by the Developer. The City does not require Developer or the Partnership to submit any application to Hays County for review or approval. Preliminary plans, construction plans, and site development plans hereafter approved pursuant to this Agreement shall expire on the latter of the expiration or termination of this Agreement or the date established by the Code; provided that if the Project is not completed within five (5) years of the Effective Date, the such plans will be deemed expired.

g. Satisfactory Completion of Project Improvements. The term "Project Improvements" includes all required water facilities, wastewater facilities, streets, drainage facilities and other amenities and improvements that are required by regulatory authorities with jurisdiction over the Property to serve individual lots within the Property. The Developer shall design, construct and complete the Project Improvements in accordance with applicable local, state, and federal regulations, this Agreement, and good engineering practices. The City will accept for ownership, maintenance, and operation those Project Improvements that are required to be owned and operated by the City under the City's ordinances and regulations upon satisfaction of requirements for the city to accept such improvements as set forth in the City's ordinances and regulations.

h. Weatherization Plan and Recycling Program. The Developer shall create a weatherization plan, that includes but is not limited to insulated fire suppression piping. The Developer shall also incorporate a recycling program into the Project. Additionally, the Developer must show adherence to principles of Low Impact Development including, but not limited to the usage of permeable pavers. These plans must be submitted to the City prior to the City's issuance of the building permit.

i. Master Water Meter. The Developer shall ensure there is a master water meter located outside the perimeter fence or gate around the outside of the Project.

9. City Services.

- a. The City hereby consents, at no cost to the Partnership, by license agreement in a form acceptable to the City or otherwise as determined appropriate by the City, to the use of any and all appropriate and available City rights-of-way, sites or easements that may be reasonably necessary to construct a Project Improvement, or for the Partnership to perform its obligations under this

Agreement; provided, however, that the City's consent is subject to City approval of the location of a Project Improvement within the rights-of-way and easements and avoidance of utility facilities existing in such rights of way and easements. The City agrees to reasonably cooperate and support Owner's acquisition of necessary easements from third parties as determined by the city council, at minimal or no cost to the City.

- b. The City will timely provide water and wastewater service to the Project, and will connect each residential unit or structure for another permitted use to the City's water and wastewater system upon payment of applicable fees and a Certificate of Occupancy being issued for the structure and provide water and wastewater service for the structure on the same terms and conditions as provided to all other areas of the City; provided that the Developer and/or Partnership, as applicable, satisfies all requirements of the City's ordinances to receive water and wastewater service and completes and obtains City acceptance of all water and wastewater improvements required by the City to provide water and wastewater service to the Project.

10. Any notice provided or permitted to be given pursuant to this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage prepaid, certified mail, with return receipt requested, by fax (with confirmation of receipt), by personal delivery service or nationally recognized air courier service. For purposes of notice, the addresses of the parties shall be as set forth below:

To the City:                      Director of Finance  
    City of Kyle  
    100 W. Center St.  
    Kyle, TX 78640

To the Developer:              LDG Multifamily, LLC  
    1469 South Fourth Street  
    Louisville, Kentucky 40208

11. This Agreement shall be governed by the laws of the State of Texas. Venue for any action concerning this Agreement shall be in the District Courts of Hays County, Texas.

12. a. Neither the Developer or the Partnership may assign, transfer or otherwise convey any of its rights or obligations under this Agreement to any other person or entity without the prior consent of City, which consent shall not be unreasonably withheld, conditioned on (i) the prior approval of the assignee or successor and a finding by City that the proposed assignee or successor is financially capable of meeting the terms and conditions of this Agreement and (ii) prior execution by the proposed assignee or successor of a written agreement with City under which the proposed assignee or successor agrees to assume and be bound by all covenants and obligations of the Partnership under this Agreement. Any attempted assignment without City's prior consent shall constitute grounds for termination of this Agreement and following ten (10) calendar days of receipt of written notice from City to the Partnership and shall further constitute grounds for the City to withhold development permits for the Project. In the event the Partnership transfers, sells, conveys, leases or disposes of the Project or an interest therein, the agreement and the documents evidencing such transfer, sale, conveyance, lease or disposal must incorporate and preserve all rights granted to the City under this Agreement to the extent the Project remains subject to the Exemption after

such transfer, sale, conveyance, lease or disposal. Further such transferee shall remain liable for all unpaid or deferred PILOT payments required herein.

b. The City hereby authorizes the City Manager to consent to the Developer's assignment of its rights and obligations under this Agreement to the Partnership, provided that the assignment must be in writing, specifically set forth the assigned rights and obligations without modification or amendment, and be signed by the Developer and the Partnership, and a copy of the fully executed assignment must be provided to the City.

13. This Agreement constitutes the entire understanding between the parties and supersedes any prior negotiations, discussions, agreements, and understandings between the parties with respect to the subject matter of this Agreement.

14. This Agreement shall continue for a term concurrent with the Exemption of the Property. Notwithstanding anything herein to the contrary, at such time as the Property no longer receives an exemption from ad valorem taxes, this Agreement shall automatically terminate, and be of no further force and effect, provided that the Partnership shall be required to pay the Delinquent Payments and the City's right to enforce payment of Delinquent Payments shall survive termination of this Agreement. Furthermore, this Agreement shall be automatically terminated if the Closing does not take place by February 22, 2022 (or the date that the bond reservation for the Project expires if such date is later than February 22, 2022.).

15. To the extent permitted by law, a holding by any court that any part or any provision in this Agreement is invalid, illegal or unenforceable in any respect shall not affect any other provision, and this Agreement shall be construed as if the invalid, illegal, or unenforceable provision had never been a part of the Agreement.

16. This Agreement may not be amended except in a writing specifically referring to this Agreement and signed by all of the parties hereto. Any right created under this Agreement may not be waived, except in a writing specifically referring to this Agreement and signed by the party waiving the right. Provided, however, termination of this Agreement shall not relieve the Partnership, or its successors, from any payments due to the City that were incurred prior to such termination.

17. This Agreement may be simultaneously executed in multiple counterparts, which, taken together, shall be considered as original, and all of which constitute one and the same instrument.

18. To the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2270 of the Texas Government Code, and subject to applicable Federal law: (i) the Developer represents that neither the Developer nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of Developer (w) boycotts Israel or (x) will boycott Israel through the term of this Agreement; and (i) the Bank represents that neither the Bank nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of Bank (y) boycotts Israel or (z) will boycott Israel through the term of this Agreement. The terms "boycotts Israel" and "boycott Israel" as used in this paragraph have the meanings assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended.

[Signatures appear on following pages]





CITY OF KYLE, TEXAS

By: Travis Mitchell  
Travis Mitchell, Mayor

Date: Aug. 6, 2021  
ATTEST:

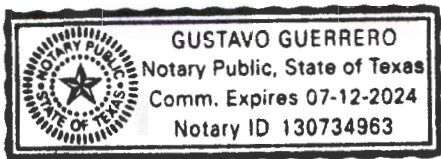
Jennifer Holm  
Jennifer Holm, City Secretary

APPROVED AS TO FORM:

Paige Saenz  
Paige Saenz, City Attorney

THE STATE OF TEXAS §  
  §  
COUNTY OF HAYS §

This instrument was acknowledged before me on August 6, 2021, by Travis Mitchell, as Mayor of The City of Kyle, Texas, on behalf of said City.



Gustavo Guerrero  
Notary Public in and for the State of Texas

JOINDER:

Temp Kyle36, LLC, Owner of the approximately 14 acre tract as of the Effective Date signs this Agreement for the purpose of authorizing the Developer and Partnership to file applications for development of the Property in accordance with this Agreement.

*Inayat Fidai*

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Inayat Fidai, Manager

## EXHIBIT A

### METES & BOUNDS DESCRIPTION (Tract A)

Being a 7.600 acre tract of land situated in the Z. Hinton Survey Number 12, Abstract Number 220, Hays County, Texas, in the City of Kyle being all of the tract of land described as Tract One in the deed to Morris Henry and Linda Hill Schmeltekopf, recorded in Volume 275, Page 491, Deed Records of Hays County, Texas, said 7.600 acre tract of land being more particularly described as follows:

BEGINNING at a ½ inch iron rod with a yellow cap stamped “Allstar 5729” found in the northwesterly right-of-way line of County Road 157 (Goforth Road) (a variable width right-of-way) for the common easterly corner of said Morris Henry and Linda Hill Schmeltekopf tract and the tract of land described in the deed to Laura Lynne Schmeltekopf Lehman recorded in Volume 1162, Page 300, Official Public Records of Hays County, Texas;

THENCE with the northwesterly right-of-way line of County Road 157 the following:

South 42° 10' 47" West (Volume 275 Page 491 = South 42° 43' West) a distance of 107.90 feet to a ½ inch iron rod with a yellow cap stamped “Allstar 5729” found for corner;

South 41° 33' 47" West (Volume 275 Page 491 = South 42° 08' West) a distance of 589.34 feet to a ½ inch iron rod with a yellow cap stamped “Allstar 5729” found for the common easterly corner of said Morris Henry and Linda Hill Schmeltekopf tract and the tract of land described in the deed to The Arthur Louis Schmeltekopf, Jr. Revocable Trust dated March 4, 1997, As Amended February 12, 2003, Arthur Louis Schmeltekopf, Jr., Trustee, recorded in Volume 2904, Page 8, Official Public Records of Hays County, Texas.

THENCE departing the northwesterly right-of-way line of County Road 157 with the common line of said Morris Henry and Linda Hill Schmeltekopf tract and said Arthur Louis Schmeltekopf, Jr. Revocable Trust tract North 46° 35' 13" West a distance of 448.92 feet (Volume 275 Page 491 = North 46° 01' West, Volume 2904 Page 8 = North 46° 33' 29" West) to a 5/8 inch iron rod with a yellow plastic cap stamped “Dunaway Assoc LP” set for corner;

THENCE North 29° 26' 02" East a distance of 599.98 feet to a ½ inch iron rod found for the common southerly corner of said Laura Lynne Schmeltekopf Lehman tract and Lot 1, Block A, Mitchell Family Motorsports an addition to the City of Kyle according to the plat recorded in Volume 17, Page 187, Plat Records of Hays County, Texas;

THENCE with the common line of said Morris Henry and Linda Hill Schmeltekopf tract and said Laura Lynne Schmeltekopf Lehman tract, South 57° 54' 57" East (Volume 275 Page 491 = South 57° 18' East) a distance of 583.88 feet (Volume 1162 Page 300 = South 57° 18' East 538.78 feet) to the POINT OF BEGINNING;

CONTAINING a computed area of 7.600 acres (331,056 square feet) of land.

METES & BOUNDS DESCRIPTION  
(Tract B)

Being a 6.400 acre tract of land situated in the Z. Hinton Survey Number 12, Abstract Number 220, Hays County, Texas, in the City of Kyle being all of the tract of land described in the deed to Laura Lynne Schmeltekopf Lehman, recorded in Volume 1162, Page 300, Official Public Records of Hays County, Texas, said 6.400 acre tract of land being more particularly described as follows:

BEGINNING at a ½ inch iron rod with a yellow cap stamped “Allstar 5729” found in the northwesterly right-of-way line of County Road 157 (Goforth Road) (a variable width right-of-way) for the common easterly corner of said Laura Lynne Schmeltekopf Lehman tract and the tract described as Tract One in the deed to Morris Henry and Linda Hill Schmeltekopf recorded in Volume 275, Page 491, Official Public Records of Hays County, Texas;

THENCE with the common line of said Laura Lynne Schmeltekopf Lehman tract and said Morris Henry and Linda Hill Schmeltekopf tract North 57° 54’ 57” West (Volume 275 Page 491 = North 57° 18’ West) a distance of 583.88 feet (Volume 1162 Page 300 = North 57° 18’ West 538.78 feet) to ½ inch iron rod found for the common corner of said Laura Lynne Schmeltekopf Lehman tract and Lot 1, Block A, Mitchell Family Motorsports, an addition to the City of Kyle according to the plat recorded in Volume 17, Page 187, Plat Records of Hays County, Texas;

THENCE departing the common line of said Laura Lynne Schmeltekopf Lehman tract and said Morris Henry and Linda Hill Schmeltekopf tract with the common line of said Laura Lynne Schmeltekopf Lehman tract and said Lot 1, Block A, Mitchell Family Motorsports North 43° 12’ 53” East (Volume 1162 Page 300 = North 43° 48’ East) a distance of 310.14 feet (Volume 17 Page 187 = North 43° 14’ 26” East 310.15 feet) to a ½ inch iron rod found for the common corner of said Laura Lynne Schmeltekopf Lehman tract and Lot 1, Block A, Mitchell Family Motorsports and Lot 3, Windmill Center Subdivision, an addition to the City of Kyle according to the plat recorded in Volume 18, Page 121, Plat Records of Hays County, Texas;

THENCE with the common line of said Laura Lynne Schmeltekopf Lehman tract and said Lot 3, Windmill Center Subdivision the following:

South 45° 51’ 20” East a distance of 116.66 feet (Volume 1162 Page 300 = South 45° 29’ East 116.41 feet, Volume 18 Page 121 = South 45° 22’ 29” East 116.59 feet) to a ½ inch iron rod found for corner;

North 43° 16’ 31” East (Volume 18 Page 121 = North 43° 54’ 31” East) a distance of 293.27 feet (Volume 1162 Page 300 = North 43° 52’ East 292.33 feet) to a ½ inch iron rod found for the common northerly corner of said Laura Lynne Schmeltekopf Lehman tract and Lot 1, Block A, Ample Subdivision, an addition to the City of Kyle according to the plat recorded in Volume 14, Page 93, Plat Records of Hays County, Texas;

THENCE departing the common line of said Laura Lynne Schmeltekopf Lehman tract and said Lot 3, Windmill Center Subdivision with the common line of said Laura Lynne Schmeltekopf Lehman tract and said Lot 1, Block A, Ample Subdivision South 45° 49’ 13” East (Volume 1162 Page 300 = South 45° 17’ East) a distance of 475.10 feet (Volume 14, Page 93 = South 45° 50’ 02” East 475.01 feet) to a ½ inch

iron rod with a plastic cap stamped "Allstar 5729" found in the northwesterly right-of-way line of County Road 157 (Goforth Road) (a variable width right-of-way) for the common southern corner of said Laura Lynne Schmeltekopf Lehman tract and said Lot 1, Block A, Ample Subdivision;

THENCE with the northwesterly right-of-way line of County Road 157 the following:

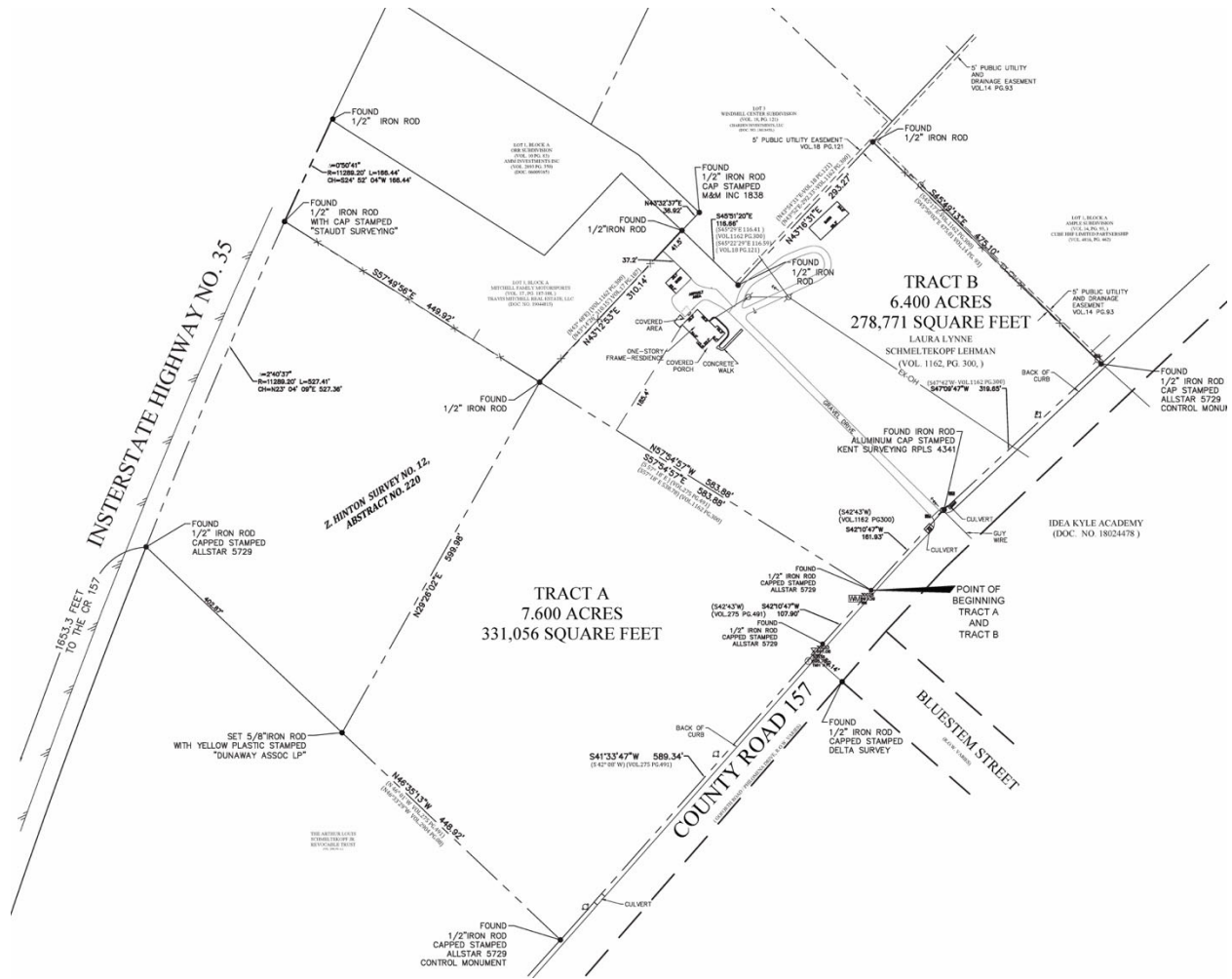
South 47° 09' 47" West (Volume 1162 Page 300 = South 47° 42' West) a distance of 319.65 feet to an iron rod with an aluminum cap stamped "Kent Surveying RPLS 4341" found for corner;

South 42° 10' 47" West (Volume 1162 Page 300 = South 42° 43' West) a distance of 161.93 feet to the POINT OF BEGINNING;

CONTAINING a computed area of 6.400 acres (278,771 square feet) of land.

EXHIBIT B

PROPERTY BOUNDARY DESCRIPTION  
(Tract A & Tract B)



## **EXHIBIT C**

### **DESIGN STANDARDS**

#### **Building Envelope**

- Post-Tension Slab on Grade Foundation
- 2X6 Wood Stud Framing / Wood Truss Floor and Roof Framing
- Zip-Lock Exterior Sheathing with integral Moisture Barrier
- 30 Year Shingle / 30 Year Membrane Roofing
- 100% Masonry, Stucco and/or Cement Board Veneer
- Low E, Insulated Windows
- Metal Exterior Doors
- Painted Aluminum Gutters, Downspouts and Railings
- 6' Decorative Masonry Fence

#### **Interior Materials**

- Heavy-Duty Vinyl Plank (throughout) / Ceramic Tile Flooring (Bathrooms)
- Natural Stone Countertops
- Painted Drywall Finish

#### **Energy**

- Meet / exceed National Electric Conservation Code (NECC) Requirements
- Energy Star Rated Appliances / Ceiling Fans
- SEER 15 or greater HVAC
- EPA Water Sense Toilets, Shower Heads, Faucets
- LED Lighting

**Exhibit D**

CONSENT TO PAYMENT AND DEVELOPMENT AGREEMENT

The undersigned, being the [Manager] of [LDG Balcones Trails GP, LLC], a Texas limited liability company, being the general partner of [LDG Balcones Trails, LP], as Texas limited partnership (the “Partnership”), has read that certain Payment and Development Agreement dated as of March \_\_\_\_, 2021 entered into by and among (i) the City of Kyle, Texas (ii) LDG Multifamily, LLC, a Kentucky limited liability company herein (the “Agreement”) here by contents to, acknowledges, and agrees to all terms and conditions of the Agreement and covenants and agrees to assume and perform all duties and obligations to be performed and/or discharged by to the Partnership as set forth in the Agreement.

[LDG Balcones Trails, LP,  
a Texas limited partnership]

By: [LDG Balcones Trails GP, LLC,  
a Texas limited liability company,  
its general partner]

\_\_\_\_\_

By: \_\_\_\_\_

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