

**AMENDED AND RESTATED
LIMESTONE CREEK DEVELOPMENT AGREEMENT**

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This Amended and Restated Limestone Creek Development Agreement (this “Agreement”) is made and entered into as of June 21, 2022 (the “Effective Date”) by and among **The City of Kyle, Texas**, a home rule municipality situated in Hays County, Texas (the “City”), and **Meritage Homes of Texas, LLC**, an Arizona limited liability company, their successors and assigns (the “Developer”), and consented to by Kyle Land Partners, LLC, a Texas limited liability company (the “Consenting Party”) . The City and Developer are sometimes each individually herein referred to as a “Party” and sometimes collectively herein referenced as the “Parties”. Capitalized terms in the Recitals have the meaning given in Section 2 of this Agreement.

RECITALS

- A. Developer owns approximately 161.5 acres of land, more or less, located within the City and described by metes and bounds on the attached Exhibit “A” (the “Property”).
- B. Developer and the City intend that the Property be developed as a high-quality, master-planned community (the “Project”), that will benefit and serve the present and future citizens of the City pursuant to development regulations contained in this Agreement, as described on the Concept Plan attached hereto as Exhibit “B”.
- C. The City is the provider of water and wastewater service to the Property and has requested the Developer construct additional infrastructure and/or participate in the costs of water and wastewater facilities both within the Property and off-site.
- D. The City has approved that certain Limestone Creek Preliminary Plan on January 31, 2022.
- E. Prior to the Effective Date the Property was subject to that certain Agreement Regarding Roadway and Drainage Improvements – Spooner Tract, entered into December 15, 2020 (the “Original Agreement”) between the City and Sandera Land Development Company, LLC, as predecessor in interest to Developer (the “Previous Owner”), which provided for certain improvements to the Property for the benefit of the City.
- F. Developer has acquired the Property from the Previous Owner, and the City and Developer wish to amend and restate the Original Agreement with this Agreement, in order to (i) construct Waterstone Boulevard in a more efficient manner than as required in the Original Agreement, (ii) provide for the construction of Goforth Boulevard, at the expense of previously approved lots within the Project, (iii) provide for the enhancement of drainage facilities as part of the construction of Goforth Boulevard, (iv) add additional community enhancements to the Project, (v) provide for the Developer’s participation in additional water and wastewater infrastructure improvement for the benefit of the Project, and (vi) provide certain development incentives to the Developer in return for the enhancements described in items (i)-(v) above.

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants, and conditions contained in this Agreement, and other good and valuable consideration, the City and Developer agree as follows:

ARTICLE I.
RECITALS

1.01 The recitals set forth above are true and correct and are incorporated herein and made a part hereof as findings for all purposes.

ARTICLE II.
DEFINITIONS

2.01 **Terms Defined in this Agreement.** In this Agreement and the recitals above, each of the following terms shall have the meanings indicated:

“**Agreement**” has the meaning given in the preamble above.

“**Assessment(s)**” means special assessments levied pursuant to the PID Act.

“**Assessment Ordinance**” means an ordinance approved by the City Council levying Assessments on the Property, in accordance with the PID Act.

“**Authorized Improvement(s)**” means a public improvement authorized by the PID Act.

“**City**” means the City of Kyle, Texas.

“**City Code**” means the City’s Code of Ordinances in effect as of the Effective Date.

“**City Council**” means the council of the City or any successor governing body.

“**City Manager**” means the person designated by the City as the city manager pursuant to the City Code.

“**City Engineer**” means the engineer for the City.

“**Concept Plan**” means the concept plan attached hereto as Exhibit “B”.

“**Consenting Party**” has the meaning given in the preamble above.

“**Designated Successor(s) and Assign(s)**” means (i) any entity which is the successor by merger or otherwise to all or substantially all of Developer’s assets and liabilities including, but not limited to, any merger or acquisition pursuant to any public offering or reorganization to obtain financing and/or growth capital; or (ii) any entity which may have acquired all of the outstanding stock or ownership of assets of Developer’s.

“**Developer**” has the meaning given in the preamble above.

“**Effective Date**” and similar references shall mean the date defined in Section 11.01.

“**Eminent Domain Fees**” means the reasonable and necessary legal proceeding/litigation costs, compensation awards by courts or negotiated amounts for the condemned property interest, attorneys’ fees, appraiser and expert witness fees, interest, court costs, mediation fees, deposition costs, copy charges, courier fees, postage and taxable court costs.

“**Final Plat**” means a map of a subdivision, addition or development to be recorded in the applicable City plat records after approval by City.

“**Goforth Boulevard**” means the approximately 2,800 linear feet of roadway within the Property, generally depicted on the Concept Plan and on Exhibit “C” attached hereto.

“**Lennar Agreement**” means that certain Cost Sharing and Escrow Agreement by and amongst Lennar Homes of Texas Land & Construction, the Developer, and Prominent Title, LLC as escrow agent which provides for Lennar Homes of Texas Land & Construction and Developer sharing the costs of constructing Waterstone Boulevard and the sharing of costs thereto.

“**Notice**” has the meaning given in Section 11.06.

“**Off-Site Properties**” means those properties depicted on Exhibit “D” attached hereto which are not, as of the Effective Date, owned by the Developer.

“**Original Agreement**” has the meaning given in the recitals.

“**Original Developer**” has the meaning given in Section 8.01.

“**Party**” or “**Parties**” means the City and Developer, individually or collectively.

“**Public Improvement District**” or “**PID**” means a public improvement district, as described in the PID Act.

“**PID Act**” means Chapter 372 of the Texas Local Government Code, as amended.

“**PID Bonds**” means bonds issued pursuant to the PID Act, secured by the Assessments on the Property.

“**PID Project Costs**” means the costs of the Authorized Improvements for the Project.

“**PID/TIRZ Cure Period**” has the meaning given in Section 7.04.

“**Preliminary Plat**” means a map showing the salient features of a proposed development, submitted for the purpose of preliminary consideration and communication prior to the submission of a Final Plat.

“**Previous Owner**” has the meaning given in the recitals.

“**Private Amenity Site**” means a private amenity for the benefit of residents within the Project that shall include, but not necessarily be limited to, a pool, cabana with restrooms, splash pad, playground, and parking area.

“**Project**” means the development of the Property as a master-planned community.

“**Property**” means the land described on Exhibit “A”.

“**Service and Assessment Plan**” means a service and assessment plan as described in the PID Act.

“**Tax Increment Reinvestment Zone**” or “**TIRZ**” means a tax increment reinvestment zone as described in the TIRZ Act.

“**TCEQ**” means the Texas Commission on Environmental Quality.

“**TIRZ Act**” means Chapter 311 of the Texas Tax Code, as amended.

“**TIRZ Fund**” means a fund help by the City, separate and apart from all other City funds, for the deposit and management of revenues collected by the TIRZ.

“**TIRZ Project & Finance Plan**” means a project and finance plan, approved by the City Council, as described in the TIRZ Act.

“**Trail System**” has the meaning given in Section 4.01.

“**Transportation Master Plan**” means the City’s adopted Transportation Master Plan Update 2021, approved by the City Council on September 7, 2021.

“**Water Storage Tank Contribution**” has the meaning given in Section 5.02.

“**Waterstone Boulevard**” means the approximately 4,280 linear foot roadway designed by the Developer and approved by the City pursuant to the Waterstone Permit, the specific measurements and terms shall control over this Agreement.

“**Waterstone Permit**” means permit # CP-21-0098, approved by the City for the construction of Waterstone Boulevard.

ARTICLE III.
JURISDICTIONAL AUTHORITY, VESTING RIGHTS AND DEVELOPMENT
REGULATIONS

3.01 Chapter 245 Permit. The City acknowledges that the Developer shall be deemed vested from the Effective Date of this Agreement to develop the Project in accordance with this Agreement and the City’s Code of Ordinances to the extent and for such matters as vesting is applicable pursuant to Chapter 245 of the Texas Local Government Code. The Developer’s

vesting shall expire (1) on the fifth anniversary from the date a concept plan is filed with the City if no progress has been made towards completion of the Project; or (2) if this Agreement is terminated by reason of Developer's default beyond any applicable notice and cure periods (the "Vested Rights"). Progress toward completion of the Project shall be defined as set forth in Section 245.005(c), Texas Local Government Code. To the extent any such standards or other criteria specified in this Agreement are in direct conflict with any other current or future provisions of the City Code or any other City ordinances, policies or requirements, this Agreement shall govern. A vested right under this Agreement shall not apply to regulations mandated by state or federal law, or that are necessary to prevent imminent harm to human safety or property, which may be modified and made applicable to the Project after the Effective Date. The Parties acknowledge and agree that this paragraph shall not apply to fees imposed in conjunction with development permits.

3.02 Developer's Rights to Continue Development. In consideration of Developer's agreements set forth in this Agreement, the City agrees that it will not, during the term of this Agreement, impose or attempt to impose: (a) any moratorium on the building or development of the Project or (b) any land use or development regulation that limits the rate or timing of land use approvals, whether affecting Preliminary Plats, Final Plats, construction plans or other necessary approvals, for the Project. This Agreement on the part of the City will not apply to temporary moratoriums uniformly imposed throughout the City due to an emergency constituting an imminent threat to the public health or safety, provided that the temporary moratorium continues only during the duration of the emergency.

3.03 Phased Development. Developer intends to develop the Project in phases. Subject to City consent, Developer may change the phase of development from time to time in response to market conditions or other factors. Phases may be developed concurrently. The City acknowledges and agrees that the portions of the Property not under active development may remain in use for agricultural or ranching purposes and/or wildlife management. Prior to the levy of any assessments, that portion of the Property being assessed shall be removed from agricultural use for ad valorem tax purposes.

3.04 Concept Plan. The Concept Plan complies with the City's goals and objectives in providing quality housing within the City and it is intended that the Project will be built with the number of lots shown on the Concept Plan. The Concept Plan shall be approved in accordance with the terms and conditions of this Agreement upon approval of the Council and execution of this Agreement following the approval process set out in the City's Code.

Any Preliminary Plat for the Project, or updates thereto, that comply with the Concept Plan, federal law, state law, and City Code, shall be approved by the City Council in accordance with applicable law when submitted for review and approval. Final Plats that comply in all material aspects with this Agreement, the Preliminary Plat, the Concept Plan, federal law, state law and City Code (including subdivision regulations) shall be approved by the City in accordance with applicable law when submitted for review and approval.

3.05 Permitting. The City shall cooperate with Developer to expeditiously process and review all development applications related to the development of the Project.

3.06 Home Construction. The Developer shall have the right to construct up to 50 single family residential units prior to the acceptance of public infrastructure for the first phase of development, provided that the roads within the first phase of development have been paved. The City shall not unreasonably withhold, delay, or condition the issuance of a building permit for any single-family residential unit so requested by the Developer pursuant to this Agreement.

ARTICLE IV.
TRAILS AND AMENITIES

4.01 Trail System. The Developer shall design, permit, and construct a minimum of 5,000 linear feet of trails throughout the Project (the “Trail System”), on a phase-by-phase basis as development progresses, as generally depicted on the Concept Plan.

4.02 Amenities. The Developer shall construct the Private Amenity Site as shown on the applicable Preliminary Plat. The Developer shall commence construction on the Private Amenity Site no later than the date of acceptance of the second phase of development of the Project.

4.03 Entry Monumentation. The Developer shall begin construction on entry monumentation with landscaping at the entrance of the Project on Waterstone Boulevard within ninety (90) days of acceptance of the first phase of development of the Project.

4.04 City Fees. The Developer shall pay all standard impact fees, adjacent land mile fees, parkland fees, and similar fees as required by the City Code.

ARTICLE V.
WASTEWATER, WATER, & DRAINAGE INFRASTRUCTURE

5.01 Wastewater Infrastructure.

(A) *Construction of Wastewater Infrastructure.* The Developer shall design, permit, and construct all wastewater infrastructure within the project in accordance with applicable TCEQ regulations and the City Code.

(B) *Pump and Haul.* In the event the Developer desires to receive wastewater service for any portion of the Property prior to completion of any wastewater infrastructure necessary for service to the Property or if flows within the Property are inadequate to sufficiently serve the Property, the Developer may request and the City shall provide pump and haul wastewater service to the Property at the Developer’s sole cost and expense provided that the following conditions are met:

- (i) The Developer and City reach a written agreement regarding the terms and rates of service, and that the agreed upon rates cover the City’s cost of providing pump and haul service;
- (ii) Developer has installed the infrastructure necessary for the City to provide pump and haul service; and
- (iii) Developer may request pump and haul wastewater services for no more than fifty (50) residential lots.

5.02 Water Infrastructure Cost Participation. The Developer shall pay to the City a fee in the amount of \$1,423.00 per LUE (the “Water Storage Tank Contribution”) at the time of final plat] for the purpose of participating in the cost of an elevated water storage tank outside the Property, which shall benefit the end-users of water services within the Property. The Developer shall not pay the Water Storage Tank Contribution from any of the proceeds of the PID bonds or assessments.

5.03 Goforth Boulevard Infrastructure. The Developer shall build, in conjunction with the below defined Goforth Boulevard, water, wastewater, and drainage infrastructure as shown on Exhibit “C” attached hereto, both within the Property and through the herein after defined Off-Site Properties, subject to the provisions of Section 6.04 below.

ARTICLE VI. **TRANSPORTATION**

6.01 Dedication of Roadways. Developer shall dedicate all roadways within the Project to the City in compliance with the City Code. All roadways, including any related rights-of-way, shall be dedicated to the City on the applicable Final Plat. Once construction is complete, the roadways, subject to inspection and acceptance by the City, shall be accepted as complete to the plans and specifications by the City in accordance with the City Code. Following acceptance, the City shall be responsible for ongoing maintenance of roadways.

6.02 Waterstone Boulevard. As of the Effective Date, the Developer has designed Waterstone Boulevard and the City has issued a permit for construction of Waterstone Boulevard. The Developer shall construct or cause the construction of Waterstone Boulevard as a four-lane street as provided for in the Waterstone Permit, as generally depicted on the Concept Plan, and as provided for in the Lennar Agreement. Waterstone Boulevard shall be constructed prior to or concurrently with the development of the first phase of construction on the Project and shall include a roundabout intersection with Goforth Boulevard. With respect to sidewalks, the sidewalk on the south side of Waterstone Boulevard shall be a minimum of six (6) feet wide when adjacent to commercial properties and a minimum of four (4) feet wide when adjacent to residential properties, the north side of Waterstone Boulevard shall be abutted by a eight (8) foot wide mixed use path, though the exact location and placement shall be determined by the City and Developer generally in accordance with the Concept Plan and update to the Preliminary Plat.

6.03. Goforth Boulevard. The Developer shall design, permit, and construct Goforth Boulevard in consideration of the development incentives provided herein by the City. Construction of Goforth Boulevard shall commence no sooner than the commencement of construction on the third phase of development of the Project as depicted on the Concept Plan and shall include the infrastructure elements described in Section 5.03 above. With respect to sidewalks, the sidewalk on one side of Goforth Boulevard shall be a minimum of five (5) feet wide, and the sidewalk on the other side shall be abutted by a twelve (12) foot wide mixed-use path, though the exact location and placement shall be determined by the City and Developer generally in accordance with the Concept Plan and update to the Preliminary Plat.

6.04. Off-Site Land Acquisition. The Parties acknowledge that in order to facilitate the

construction of Goforth Boulevard and its inclusion of same into the City's Transportation Master Plan network the Off-Site Properties will need to be acquired, as generally shown in Exhibit "D" attached hereto. The Developer shall use commercially reasonable efforts to acquire the Off-Site Properties, but if, however, Developer is unable to obtain any of the Off-Site Properties within 120 days of commencing efforts to obtain the needed Off-Site Properties, then, as a condition to requiring the Developer to construct Goforth Boulevard outside the Property, the City shall use its best efforts and pursue all reasonable actions to secure the Off-Site Properties, including consideration of the use of the City's power of eminent domain. If the City takes such eminent domain action, the Developer shall fund all reasonable and necessary Eminent Domain Fees paid or incurred by the City in the exercise of its eminent domain powers and shall escrow with a mutually agreed upon escrow agent the City's reasonably estimated Eminent Domain Fees both in advance of the initiations of each eminent domain proceeding and as funds are needed by the City. If the escrow fund remains appropriately funded in accordance with this Agreement and in accordance with the City's discretionary governmental powers, the City will use all reasonable efforts to expedite such condemnation procedures so that Goforth Boulevard can be constructed as soon as reasonably practicable. If the Eminent Domain Fees exceed the amount of funds escrowed in accordance with this paragraph, Developer shall deposit additional funds as requested by the City into the escrow account within ten (10) days after written notice from the City. Any unused escrow funds will be refunded to Developer within thirty (30) days after any condemnation award or settlement becomes final and non-appealable. Nothing in this subsection is intended to constitute a delegation of the police powers or governmental authority of the City, and the City reserves the right, at all times, to control its proceedings in eminent domain. To the extent Eminent Domain Fees are paid by the Developer, the Developer may seek reimbursement of any or all eligible Eminent Domain Fees from PID Bonds, or if PID Bonds are not issued, Assessments.

ARTICLE VII.

PUBLIC IMPROVEMENT DISTRICT & TAX INCREMENT REINVESTMENT ZONE

7.01 Public Improvement District.

(A) The Parties acknowledge and anticipate that the Developer will submit a petition for the formation of a Public Improvement District to the City. The City shall use its best efforts to initiate and approve all necessary documents and ordinances required to effectuate this Agreement, to consider the creation of the PID, to consider the levy the Assessments (as defined in a Service and Assessment Plan), and consider the issuance of PID Bonds. The City may approve the Service and Assessment Plan providing for the levy of the Assessments on the Property. The City and the Developer will jointly determine the PID Project Costs and prepare a Service and Assessment Plan for the PID. After the City approves the final PID Project Costs, prepares a proposed assessment roll based thereon, and files the Service and Assessment Plan and proposed assessment roll for public inspection, the City will levy special assessments against the Property. Promptly following preparation and approval of a Service and Assessment Plan acceptable the City and subject to the City Council making findings that the Authorized Improvements confer a special benefit on the Property, the City Council shall consider an Assessment Ordinance. Nothing contained in this Agreement, however, shall be construed as creating a contractual obligation that controls, waives, or supplants the City Council's legislative discretion or functions.

- (B) The City will reimburse eligible Project Costs as defined in the PID Act which are deemed substantially complete by the City for public improvement infrastructure, with funds received by the City from the initiation of a PID assessment. Such reimbursement shall be outlined in a future reimbursement agreement or financing agreement between the Parties to reflect specific reimbursement amounts. Any municipal bonds issued for the PID must comply with the City's PID Policy and are subject to all applicable laws. The City, other than as described in the applicable PID bond ordinance, is in no way responsible for repayment of debt on such bonds. If the City issues PID bonds, the City is only responsible for payments for costs of Authorized Improvements from PID bond proceeds and/or revenues to be generated by the levy and collection of assessments within the PID.
- (C) The Developer acknowledges that the City may require at that time a professional services agreement that obligates the Developer to fund the costs of the City's professionals relating to any professional services rendered in relation to the creation of the PID, the levy of assessments, issuance of PID Bonds, or any other matters related to the financing or refinancing of the Authorized Improvements through either PID Bonds or a reimbursement agreement and/or financing agreement, which amount shall be agreed to by the Parties and considered a cost payable from such PID Bonds.
- (D) Prior to the execution of a financing agreement between the City and the Developer, the general terms of the PID are set forth in Exhibit "E", attached hereto, and shall serve as a guiding document in the creation and approval of the financing agreement.

7.02 Tax Increment Reinvestment Zone.

- (A) Prior to the issuance of the first series of PID Bonds, the City, subject to the consent and approval of the City Council, will consider creation of a TIRZ that includes the Property. The Developer has requested that the TIRZ provide tax increment revenue generated from the TIRZ as follows: subject to subsections (C) and (D) below, forty percent (40%) of the City's ad valorem tax increment generated by the TIRZ (i) for a period of up to thirty years (30) on an improvement area basis (the "City Participation") which will be collected by the City in accordance with the applicable TIRZ Project and Finance Plan. The general terms of the TIRZ are further set forth in Exhibit "F", attached hereto.
- (B) In accordance with the TIRZ Project and Finance Plan, the City Participation and the County TIRZ Increment (defined below), if any, shall be placed into a TIRZ Fund. After the payment of administrative expenses related to the TIRZ, monies in the TIRZ Fund shall be distributed to offset the PID assessment levied upon the parcels within the Property on a parcel by parcel basis as to the residential portions of the TIRZ. Amounts in the TIRZ fund shall not be comingled with any other fund and shall be separate and apart from all other funds held by or on behalf of the City.
- (C) The Parties acknowledge that the TIRZ may include property owned by the Consenting Party ("Offsite TIRZ Property"), and the tax increment generated by Offsite TIRZ Property will not be used to offset the PID assessment as described above, and Developer shall have no right to the funds generated by the Offsite TIRZ Property's collected tax increment. Funds generated by the Offsite TIRZ Property shall be used in accordance with a separate agreement between the City and the Consenting Party.

- (D) The Developer will use best efforts to negotiate with Hays County (the “County”) for the County to contribute \$0.0833 per \$100 of valuation of the County’s collected ad valorem taxes on the captured appraised value during the term of the TIRZ, which is equal to twenty-two and ninety-six hundredths percent (22.96%) based on the County’s 2021 tax rate of \$0.3629 per \$100 (the “County TIRZ Increment”). Upon successful negotiations between the Developer and the County, the City will use best efforts to enter into an interlocal agreement with the County for the County’s TIRZ contribution. The County TIRZ Increment shall be used as a direct offset to the City Participation. If the County participates in the TIRZ, then the City Participation will be reduced so that the combined City and County contribution will be equal to the amount that would have been generated if only the City had participated at forty percent (40%).

7.03 Disclosure Information. The Developer agrees, represents and warrants that any information provided by the Developer for inclusion in a disclosure document for an issue of bonds will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

7.04 PID and TIRZ Community Benefit. The Parties acknowledge that this Agreement is entered into with the express understanding that the additional benefits described herein the Developer is providing to the City are in consideration for the City’s consideration of the PID and the TIRZ.

- (A) If the City fails to approve the formation of the PID within ninety (90) days of the Effective Date, the Developer shall have the right to, no less than ninety (90) days following written notice being delivered to the City (the “PID Cure Period”), terminate this Agreement. If, within the PID Cure Period, the City creates the PID, the Developer’s right to terminate under this Section shall be waived.
- (B) If the City fails to approve the formation of the TIRZ within one hundred fifty (150) of the Effective Date, the Developer shall have the right to, no less than ninety (90) following written notice being delivered to the City (the “TIRZ Cure Period”), terminate this Agreement. If, within the TIRZ Cure Period, the City creates the TIRZ the Developer’s right to terminate under this Section shall be waived.

ARTICLE VIII. PID TRUE UP

8.01 PID True Up.

(A) The following definitions shall be used in this Article VIII:

- (1) “Maximum Special Assessment” means, for each lot classification identified in the Service and Assessment Plan (“SAP”), an Special Assessment equal to an amount that produces an average annual installment (inclusive of principal, interest, and

administrative expenses) resulting in the Maximum Equivalent Tax Rate. The Maximum Special Assessment shall only be calculated upon (i) for a parcel being created by a subdivision plat, at the time of the filing of a subdivision plat, and (ii) for parcels whose Special Assessments are securing a series of PID Bonds, at the time such PID Bonds are issued.

- (2) “Maximum Equivalent Tax Rate” means, for each lot classification identified in the SAP, a maximum overlapping tax rate equivalent, including all taxing entities, of \$3.30 per \$100 of estimated buildout value, and \$3.10 per \$100 of estimated buildout value with the offset generated by the TIRZ, but in no case less than a PID Special Assessment tax rate equivalent of \$0.78 per \$100 of estimated buildout value, and \$0.58 per \$100 of estimated buildout value with the offset generated by the TIRZ. The estimated buildout value for a lot classification shall be determined by the PID administrator using information provided by the Owner and confirmed by the City Council by considering such factors as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, builder contracts, discussions with homebuilders, reports from third party consultants, information provided by the Owner, or any other information that may help determine buildout value.

(B) Mandatory Reduction in Special Assessments if Maximum Special Assessment Exceeded.

- (1) Maximum Special Assessment Exceeded at Plat. If the subdivision of any assessed property by a recorded subdivision plat causes the Special Assessment per lot to exceed the Maximum Special Assessment, then prior to the City approving the plat, the Owner must partially prepay the Special Assessment for each property that exceeds the Maximum Special Assessment in an amount sufficient to reduce the Special Assessment to the Maximum Special Assessment.
- (2) Maximum Special Assessment Exceeded at PID Bond Issuance. At the time PID Bonds are issued, if the Special Assessment per Lot for any lot classification identified in the SAP exceeds the Maximum Special Assessment, then prior to the issuance of PID Bonds, the Special Assessment on the parcel shall be reduced until the Special Assessment equals the Maximum Special Assessment.

ARTICLE IX.
AMENDMENTS TO THE AGREEMENT

9.01 Amendments to Agreement. This Agreement may be amended only by a written agreement signed by the City and Developer, or all the then-current owners of all portions of the Property (other than the individual owners of occupied single-family, duplex, townhouse or attached single family residential lots); provided, however, a Developer or an Authorized Successor or Assign of a portion of the Property (other than an individual owner of an occupied single family, duplex, townhouse or attached single family residential lot) and the City may amend this Agreement as it relates solely to such Developer’s or Authorized Successor or Assign’s parcel without the joinder of any other landowner, provided that the owner of the Property listed on the signature page of this Agreement (the “Original Developer”) must be Party to such amendment if the Original Developer then owns any portion of the Property. In addition, as long as the Original Developer

owns any portion of the Property, the Original Developer and the City may amend this Agreement without the joinder of any other landowner.

ARTICLE X.
REPRESENTATIONS AND WARRANTIES

10.01 Authority, No Conflict. This Agreement constitutes the legal, valid and binding obligation of Developer, enforceable against Developer in accordance with its terms. Developer has the authority and capacity to execute and deliver this Agreement and to perform its obligations under this Agreement.

10.02 Performance. Developer and the City will reasonably cooperate with one another to accomplish the intent and purposes of this Agreement and will perform each and all of its respective duties and responsibilities pursuant to this Agreement.

10.03 Organization and Good Standing.

- (a) The City is a duly organized and validly existing political subdivision created under the laws of the State of Texas, with full power and authority to conduct its business as it is now being conducted, to own or use the properties and assets that it purports to own or use, and to perform all its obligations under this Agreement.
- (b) The Developer is a duly organized and validly existing limited liability company created under the laws of Arizona, is duly authorized to conduct business in the State of Texas and has full power and authority to enter into this Agreement and perform all its obligations hereunder.

10.04 Authority; No Conflict. This Agreement constitutes the legal, valid and binding obligation of the City, enforceable against the City in accordance with its terms. The City has the absolute and unrestricted right, power, authority, and capacity to execute and deliver this Agreement and to perform its obligations under this Agreement.

10.05 Wastewater Infrastructure. The Parties acknowledge that the Developers internal wastewater infrastructure may be enhanced in efficiency by the City's capital wastewater improvements, and the Developer shall cooperate in good faith with the City if the City requests a modification to the Developer's designs in order to better provide wastewater service, provided that such modification does not negatively impact the Project.

ARTICLE XI.
DEFAULT AND REMEDIES FOR DEFAULT

11.01 Preventative Default Measures. The Parties presently enjoy a good working relationship and understand the meaning and intent of this Agreement; however, the Parties recognize that individual representatives of each of the Parties will likely change over the course of this Agreement. The City agrees that day-to-day oversight of the implementation of this Agreement shall at all times during the Term be assigned directly to the City Manager. In the event of a dispute involving an interpretation or any other aspect of this Agreement, upon Developer's request, the City Manager shall convene a meeting of the Parties as soon as reasonably practical and use all reasonable efforts to avoid processing delays and to resolve the dispute and carry out the spirit and purpose of this Agreement.

11.02 Default. It shall be a default under this Agreement if either Party shall fail to perform any of its obligations under this Agreement or such failure shall remain uncured following the expiration of thirty (30) days after written notice of such failure from the other Party. However, in the event the default is of a nature that cannot be reasonably cured within such thirty (30) day period, the defaulting Party shall have a longer period of time as may be reasonably necessary to cure the default in question.

11.03 Remedies Between the City and Developer. If a Party contends that the other Party is in default of this Agreement, the non-defaulting Party shall give written notice of such contention to the defaulting Party, specifying the nature of the alleged default, and allow the applicable time period for cure of the default set forth in Section 11.02 above. The defaulting Party shall either cure the alleged default timely, or if the non-defaulting Party and defaulting Party agree in writing for an extension of the time to cure, not later than the extended cure deadline, or, within the time for cure stated in the non-defaulting Party's initial notice of default, give written notice to the non-defaulting Party denying the existence of the alleged default and invoking the following dispute resolution mechanisms. First, if both Parties shall mutually agree to submit to mediation, they shall attempt to resolve the dispute amicably. If mediation is unsuccessful or if one or both of the Parties decline to engage in mediation, then either Party may institute legal proceedings in a state district court in Hays County, Texas, pursuing all available remedies at law or equity, including without limitation a suit for specific performance and/or a writ of mandamus in the event of a default by the City. All matters of fact and law shall be submitted to and determined by the court (subject to appeal). Each party shall pay its own costs and attorney fees.

11.04 No Liability For Actions of Others. Except as expressly set forth herein: (a) the liabilities, obligations and responsibilities of each owner of the Property or any portion thereof, their successors and assigns, under this Agreement are several, and not joint; and (b) no owner of the Property or any portion thereof, or successor or assign, will be in default under this Agreement or otherwise liable or responsible for any default which is not caused by such landowner or by any person acting by, through or under such owner or successor or assign.

11.05 No Third-Party Beneficiary. This Agreement is not intended, nor will it be construed, to create any third-party beneficiary rights in any person or entity who is not a Party.

11.06 Reservation of Rights. To the extent not inconsistent with the terms of this Agreement, each Party reserves all rights, privileges, and immunities under applicable laws.

ARTICLE XII. **MISCELLANEOUS PROVISIONS**

12.01 Effective Date. The Parties agree that the "Effective Date" of this Agreement shall be the date first written above.

12.02 Term. The term of this Agreement shall be in full force and effect from the Effective Date hereof. Unless earlier terminated as provided in this Agreement, this Agreement shall terminate thirty-five (35) years after the Effective Date.

12.03 Agreement Binds Succession and Runs with the Land. This Agreement shall bind and inure to the benefit of the Parties, their successors and assigns. The terms of this Agreement shall constitute covenants running with the land comprising the Property and shall be binding on all future developers and Developers of land within the Property. Nothing in this Agreement is intended to impose obligations on individual owners of platted lots, except as expressly set forth in this Agreement.

12.04 Assignment.

- a. Developer may, assign this Agreement with respect to all or a portion of the Property from time to time to a purchaser of all or a portion of the Property, with the prior written consent of the City, such consent shall not be unreasonably withheld and which shall be given if Developer provides information showing that the proposed assignee has the technical and financial capacity as well as the development experience to carry out all of the obligations under this Agreement. Developer may, in its sole and absolute discretion, assign this Agreement with respect to all or a portion of the Property from time to time to an affiliate without the prior consent of the City, so long as: (i) the assignment is in writing; (ii) the assignment provides that the assignee assumes such assigned rights and obligations without modification or amendment; (iii) the assignment is executed by Developer and the assignee; and (iv) Developer provides a copy of the fully executed assignment to the City within five (5) business days after the effective date of the assignment. Upon such assignment with respect to all or a portion of the Property, Developer shall be fully released from any and all obligations under this Agreement and shall have no further liability with respect to this Agreement relating to the portion of the Property conveyed to the assignee to which this Agreement is so assigned. A default by any subsequent partial assignee shall not constitute a default by Developer under this Agreement.
- b. Any sale of a portion of the Property or assignment of any right hereunder shall not be deemed a sale or assignment to a Designated Successor or Assign unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is to a Designated Successor or Assign.

12.05 Entire Agreement. This Agreement contains the entire agreement of the Parties. There are no other agreements or promises, oral or written, between the Parties regarding the subject matter of this Agreement. This Agreement can be amended only by written agreement signed by the Parties as provided for in this Agreement. This Agreement and the agreements between the Parties referenced in this Agreement, supersede all prior agreements between the Parties concerning the subject matter of this Agreement.

12.06 Notice. It is contemplated that the Parties will engage in informal communications with respect to the subject matter of this Agreement. However, any formal notices or other communications (“Notice”) required to be given by one Party to another by this Agreement shall be given in writing addressed to the Party to be notified at the address set forth below for such Party, (i) by delivering same in person, (ii) by depositing the same in the United States Mail, certified or registered, return receipt requested, postage prepaid, addressed to the Party to be notified, or (iii) by depositing the same with Federal Express or another nationally recognized courier service guaranteeing “next day delivery”, addressed to the Party to be notified, or (iv) by sending same by facsimile with receipt of confirmation. Notice deposited in the United States

mail in the manner described above shall be deemed effective from and after the earlier of the date of actual receipt or three (3) days after the date of such deposit. Notice given in any other manner shall be effective on the date delivered, if sent by confirmed facsimile or personal delivery, or the day after deposit with a "next day delivery" service. For the purposes of notice, the addresses of the Parties shall, until changed as provided below, be as follows:

Developer:

Meritage Homes of Texas, LLC
Attn: Elliot Jones
8920 Business Park Dr., Suite 350
Austin, TX 78759

With a copy to:

Miklos Cinclair PLLC
Attn: Kevin Pierce
1755 Whittington Place Suite 305
Farmers Branch, TX 75234

City:

City of Kyle
Attn: City Manager
100 W. Center Street
Kyle, Texas 78640

With a copy to:

The Knight Law Firm, LLP
Attn: Paige Saenz
223 W. Anderson Lane, Suite A105
Austin, Texas 78752

The Parties shall have the right from time to time to change their respective addresses, and each shall have the right to specify as its address any other address within the United States of America by at least five (5) days written notice to the other Party.

12.07 No Joint Venture. It is acknowledged and agreed by the Parties that the terms of this Agreement are not intended to and shall not be deemed to create any partnership or joint venture among the Parties. The City, its past, present and future officers, elected officials, employees and agents do not assume any responsibilities or liabilities to any third party in connection with the development of the Project.

12.08 Time. Time is of the essence of this Agreement. In computing the number of days for purposes of this Agreement, all days will be counted, including Saturdays, Sundays and legal holidays; however, if the final day of any time period falls on a Saturday, Sunday or legal holiday, then the final day will be deemed to be the next day that is not a Saturday, Sunday or legal holiday.

12.09 Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence in

such performance; however, in the event a Party is unable, due to force majeure, to perform its obligations under this Agreement, then the obligations affected by the force majeure shall be temporarily suspended. Within three (3) business days after the occurrence of a force majeure, the Party claiming the right to temporarily suspend its performance, shall give Notice to all the Parties, including a detailed explanation of the force majeure and a description of the action that will be taken to remedy the force majeure and resume full performance at the earliest possible time. The term “force majeure” means events or circumstances that are not within the reasonable control of the Party whose performance is suspended and that could not have been avoided by such Party with the exercise of good faith, due diligence and reasonable care, including, without limitation, acts of God or the public enemy, war, terrorism, criminal activity, riot, civil commotion, insurrection, government or de facto governmental action or failure to act (unless caused by the intentionally wrongful acts or omissions of the Party), fires, explosions, floods, hurricanes, adverse weather, pandemics, materials or labor shortages, strikes, slowdowns, or work stoppages.

12.10 Severability. If any provision of this Agreement is illegal, invalid, or unenforceable under present or future laws, then, and in that event, it is the intention of the Parties that the remainder of this Agreement shall not be affected.

12.11 Waiver. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this Agreement shall not be deemed a waiver of such provision or of any other provision of this Agreement, and such Party shall have the right at any time(s) thereafter to insist upon strict performance of any and all of the provisions of this Agreement.

Section 11.12 Attorney’s Fees and Court Costs. In the event that any matter relating to this Agreement results in the institution of legal proceedings by any Party to this Agreement, the each party shall be responsible for their own legal fees incurred in connection with such legal proceeding.

12.12 Applicable Law and Venue. **THE CONSTRUCTION AND VALIDITY OF THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS.** Venue for any dispute arising from or related to this Agreement shall be in a Texas state district court for Hays County as applicable, and shall be in accordance with the Texas Civil Practice and Remedies Code.

12.13 Further Assurances. Both Parties agree that at any time after execution of this Agreement, they will, upon request of the other Party, execute and deliver such further documents and do such further acts and things as may be reasonably necessary or desirable to effectuate the terms of this Agreement.

12.14 Incorporation of Exhibits and Other Documents by Reference. All Exhibits and other documents attached to or referred to in this Agreement are incorporated by reference for the purposes set forth in this Agreement.

12.15 Counterparts. This Agreement may be executed in multiple counterparts, which shall be construed together as a single original instrument as though all Parties had signed one instrument, and, when executed, each counterpart shall be binding upon and inure to the benefit of each of the Parties executing the instrument whether or not all other parties have executed same.

12.16 Interpretation. Each of the Parties has been represented by counsel of their choosing in the negotiation and preparation of this Agreement. Regardless of which Party prepared the initial draft of this Agreement, this Agreement shall, in the event of any dispute, however its meaning or application, be interpreted fairly and reasonably and neither more strongly for or against any Party.

12.17 1295 Form. The Parties agree and acknowledge that a 1295 form, as described by Section 2252.908 of the Texas Government Code, is not required of the Developer because the Developer is a publicly traded entity or is a subsidiary of a public traded entity.

12.18 Anti-Boycott Verifications

(A) 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 City to comply with such Section and to the extent such Section does not contravene applicable Federal 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. 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.

(B) 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 the City to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal 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. As used in this Section, 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 133(f), 17 C.F.R. § 230.133(f), and exists to make a profit.

(C) 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 13 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 boycott energy companies and will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, “boycott energy companies,” a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), 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. As used in this Section, 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 133(f), 17 C.F.R. § 230.133(f), and exists to make a profit.

(D) 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 City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification and the following definitions:

(i) ‘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;

(ii) ‘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

(iii) ‘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.

As used in this Section, 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 133(f), 17 C.F.R. § 230.133(f), and exists to make a profit

12.19 Amendment and Restatement. This Agreement amends and replaces, in its entirety, the Original Agreement, and the Original Agreement shall have no further effect on the Parties, the Property, or any other third party.

12.20 Exhibits.

<u>Exhibit “A”</u>	Description of the Property
<u>Exhibit “B”</u>	Concept Plan
<u>Exhibit “C”</u>	Goforth Boulevard
<u>Exhibit “D”</u>	Off-Site Properties
<u>Exhibit “E”</u>	PID Term Sheet
<u>Exhibit “F”</u>	TIRZ Term Sheet

[SIGNATURE PAGE FOLLOWS]

EXECUTED in multiple counterparts, each of which shall constitute an original, this 24 day of June, 2022.

CITY:

CITY OF KYLE, TEXAS
a Texas home-rule municipal corporation

Attest:

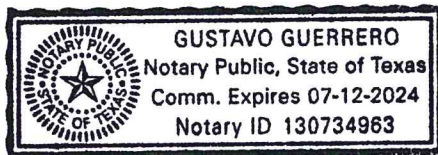
By: Jennifer Holm
Name: Jennifer Holm
Title: City Secretary

By: Travis Mitchell
Name: Travis Mitchell
Title: Mayor

THE STATE OF TEXAS §
COUNTY OF HAYS §

This instrument was acknowledged before me on this 24 day of June, 2022, by Travis Mitchell, Mayor of the City of Kyle, Texas, a Texas home-rule municipal corporation, on behalf of said corporation.


(SEAL)



Gustavo Guerrero
Notary Public, State of Texas

DEVELOPER:

Meritage Homes of Texas, LLC
an Arizona limited liability company

By: 
Name: JUSTIN R. BELMORE
Title: VP OF LAND ACQUISITION

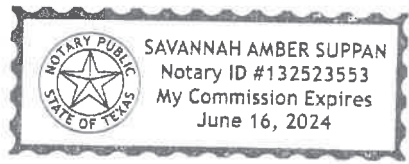
THE STATE OF TEXAS §
COUNTY OF ~~HAYS~~ TRAVIS §
₉₅

This instrument was acknowledged before me on this 27 day of June, 2022, by Justin R. Belmore, as VP of Land Acquisition of Meritage Homes of Texas, LLC, an Arizona limited liability company, on behalf of said limited liability company.

(SEAL)



Notary Public, State of Texas



The Consenting Party is executing this Agreement solely to acknowledge that it owns property in the proposed TIRZ, and that it consents to the terms of the TIRZ that are identified in this Agreement. Consenting Party does not assume any rights or obligations under this Agreement except as may explicitly be described therein.

CONSENTING PARTY:

Kyle Land Partners, LLC
a Texas limited liability company

By:  _____

Name: Todd McCullough

Title: Manager

EXHIBIT "A"
THE PROPERTY

METES AND BOUNDS DESCRIPTION
161.5 ACRE TRACT

BEING A 161.5 ACRE TRACT OUT OF THE JAMES WILLIAMS SURVEY, ABSTRACT NUMBER 473, HAYS COUNTY, TEXAS, BEING ALL OF A CALLED 179.278 ACRE TRACT OF LAND, DESCRIBED IN A DEED TO MERITAGE HOMES OF TEXAS LLC, RECORDED IN DOCUMENT NUMBER 21036270, OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS [O.P.R.H.C.T.], SAVE AND EXCEPT A 5.895 ACRE TRACT AND A 11.946 ACRE TRACT IN SAID DEED, AND BEING ALL OF A CALLED 7.87 ACRE TRACT, DESCRIBED TO LASALLE MUNICIPAL UTILITY DISTRICT NO 1, RECORDED IN DOCUMENT NUMBER 21016927, [O.P.R.H.C.T.], SAID 161.5 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2-inch iron rod found for the northwest corner of said 179.278 acre tract, also on the east right-of-way line of County Road (CR) 145 (Volume 5, Page 205, Plat Records of Hays County, Texas [P.R.H.C.T.]), same being the southwest corner of a called 85.1806 acre tract, described in a deed to Allauddin N. Maredia, and recorded in Document Number 17039745 [O.P.R.H.C.T.];

THENCE, S46°44'17"E, departing the east right-of-way of said C.R. 145 and continuing with the common line of said 179.278 acre and said 85.1806 acre tract, a distance of 4,013.29 feet to a 1/2-inch iron rod found for the northeast corner of said 179.278 acre tract, and the southeast corner of said 85.1806 acre tract, same being on the northwest line of a called 236.1 acre tract, described in a deed to Tack Development, Ltd., recorded in C.F. Number 18007777 [O.P.R.H.C.T.];

THENCE S43°23'05"W, departing the south line of said 85.1806 acre tract and continuing with the common line of said 179.278 acre tract and said 236.1 acre tract, a distance of 1,947.18 feet to a 1/2-inch iron rod found for the southeast corner of said 179.278 acre tract, same being the northwest corner of Quail Ridge Subdivision, a subdivision of record in Volume 2, Page 337, [P.R.H.C.T.];

THENCE N46°44'14"W, departing the west line of said 236.1 acre tract and continuing with the common line of said 179.278 acre tract and said Quail Ridge Subdivision, a distance of 2,842.59 feet to a 1/2-inch iron rod found at the southeast corner of the said 5.895 acre save and except tract;

THENCE departing north line of said Quail Ridge Subdivision, and continuing over and across said 179.278 acre tract with the east and north lines of the said 5.895 acre save and except tract and the south line of the said 7.87 acre tract, the following eight (8) courses and distances:

- 1) N43°15'48"E, a distance of 195.23 feet to a 1/2-inch iron rod with cap stamped "PAYNE 6064" found and the beginning of a curve to the right,
- 2) with said curve to the right, defined by an arc length of 141.87 feet, a radius of 330.03 feet, a delta angle of 24°37'51", a chord bearing of N09°38'34"W, a chord distance of 140.78 feet to a 1/2-inch iron rod with cap stamped "PAYNE 6064" found,

CONTINUED ON NEXT PAGE



DOUCET

7401B Highway 71 West, Suite 160, Austin, TX 78735

Office: 512.583.2600

Fax: 512.583.2601

Doucetengineers.com

“Exhibit “-----”

- 3) N02°44'09"E, a distance of 243.78 feet to a 1/2-inch iron rod with cap stamped "PAYNE 6064" found and the beginning of a curve to the left,
- 4) with said curve to the left, defined by an arc length of 31.23 feet, a radius of 20.00 feet, a delta angle of 89°28'43", a chord bearing of N42°12'11"W, a chord distance of 28.16 feet to a 1/2-inch iron rod with cap stamped "PAYNE 6064" found,
- 5) N86°49'32"W, a distance of 280.56 feet to a 1/2-inch iron rod with cap stamped "PAYNE 6064" found and the beginning of a curve to the right,
- 6) with said curve to the right, defined by an arc length of 573.03 feet, a radius of 1,040.13 feet, a delta angle of 31°33'55", a chord bearing of N71°23'01"W, a chord distance of 565.81 feet to a 1/2-inch iron rod with cap stamped "PAYNE 6064" found,
- 7) N55°32'03"W, a distance of 126.49 feet to a 1/2-inch iron rod with cap stamped "PAYNE 6064" found, and
- 8) S86°40'31", a distance of 20.47 feet to a 1/2-inch iron rod with cap stamped "PAYNE 6064" found on the west line of said 179.278 acre tract and on the south right-of-way line of said C.R. 145;

THENCE N43°16'02"E, with the east right-of-way line of said C.R. 145, a distance of 106.18 feet to a 1/2-inch iron rod with cap stamped "PAYNE 6064" found on the west line of said 179.278 acre tract, at the southwest corner of the said 11.946 acre save and except tract;

THENCE, departing the east right-of-way of said C.R. 145 and continuing over and across said 179.278 acre tract with the south and east lines of the said 11.946 acre save and except tract, and the north line of the said 7.87 acre tract, the following eight (8) courses and distances:

- 1) S10°17'05"E, a distance of 17.42 feet to a 1/2-inch iron rod with cap stamped "PAYNE 6064" found,
- 2) S55°36'03"E, a distance of 114.06 feet to a 1/2-inch iron rod with cap stamped "PAYNE 6064" found and the beginning of a curve to the left,
- 3) with said curve to the left, defined by an arc length of 529.19 feet, a radius of 960.25 feet, a delta angle of 31°34'31", a chord bearing of S71°23'26"E, a chord distance of 522.51 feet to a 1/2-inch iron rod with cap stamped "PAYNE 6064" found,
- 4) S86°49'32"E, a distance of 279.97 feet to a 1/2-inch iron rod with cap stamped "PAYNE 6064" found and the beginning of a curve to the left,
- 5) with said curve to the left, defined by an arc length of 31.59 feet, a radius of 20.00 feet, a delta angle of 90°29'25", a chord bearing of N47°49'44"W, a distance of 28.41 feet to a 1/2-inch iron rod with cap stamped "PAYNE 6064" found,
- 6) N02°43'44"E, a distance of 419.07 feet to a 1/2-inch iron rod with cap stamped "PAYNE 6064" found, and the beginning of a curve to the right. and

CONTINUED ON NEXT PAGE



"Exhibit "-----"

- 7) with said curve to the right, defined by an arc length of 136.59 feet, a radius of 330.03 feet, a delta angle of $23^{\circ}42'48''$, a chord bearing of $N14^{\circ}32'37''E$, a chord distance of 135.62 feet to a 1/2-inch iron rod with cap stamped "PAYNE 6064" found, and
- 8) $N47^{\circ}21'17''W$, a distance of 480.50 feet to a 1/2-inch iron rod with cap stamped "PAYNE 6064" found on the west line of said 179.278 acre tract and on the said east right-of-way of C.R. 145;

THENCE $N43^{\circ}16'09''W$, with the west line of said 179.278 acre tract and on the said east right-of-way of C.R. 145, a distance of 958.21 feet to the POINT OF BEGINNING and containing approximately 161.5 acres.

Basis of bearings is the Texas Coordinate System, South Central Zone [4204], NAD83 (2011), Epoch 2010, observed using the Leica Smartnet Network. All distances shown are adjusted to surface values using a combined scale factor of 1.000081, units: US survey feet.

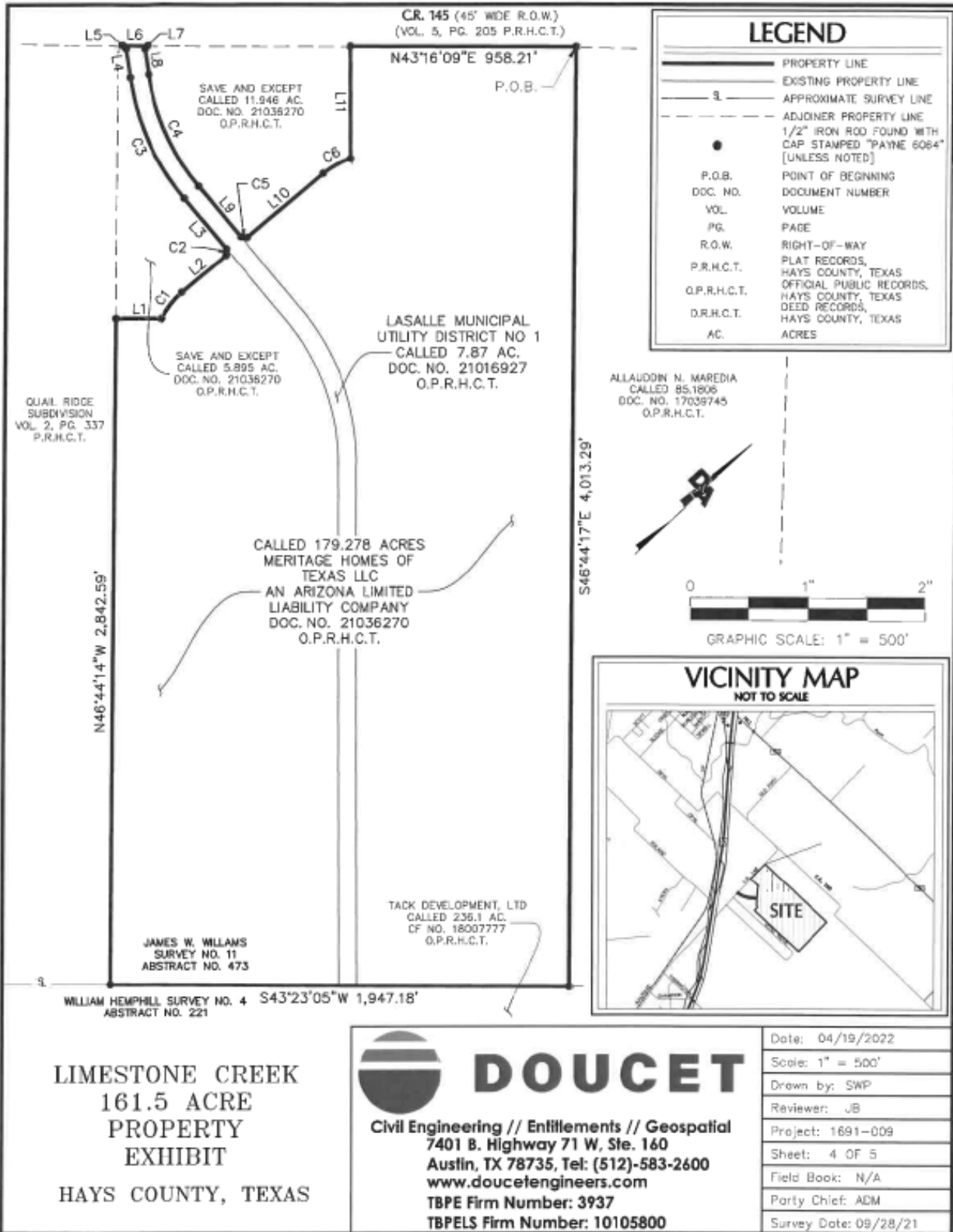
I, John Barnard, Registered Professional Land Surveyor, hereby certify that this description and accompanying exhibit of even date represent an actual survey performed on the ground.

04/19/2022

John Barnard
Registered Professional Land Surveyor
Texas Registration No. 5749
Doucet & Associates
jbarnard@doucetengineers.com
TBPLS Firm No. 10105800

Date





LINE TABLE		
LINE	BEARING	DISTANCE
L1	N43°15'48"E	195.23'
L2	N02°44'09"E	243.78'
L3	N86°49'32"W	280.56'
L4	N55°36'03"W	126.49'
L5	S86°40'31"W	20.47'
L6	N43°16'02"E	106.18'
L7	S10°17'05"E	17.42'
L8	S55°36'03"E	114.06'
L9	S86°49'32"E	279.97'
L10	N02°43'44"E	419.07'
L11	N47°21'17"W	480.50'

CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD LENGTH
C1	141.87'	330.03'	24°37'51"	N09°38'34"W	140.78'
C2	31.23'	20.00'	89°28'43"	N42°12'11"W	28.16'
C3	573.03'	1,040.13'	31°33'55"	N71°23'01"W	565.81'
C4	529.19'	980.25'	31°34'31"	S71°23'26"E	522.51'
C5	31.59'	20.00'	90°29'25"	N47°49'44"E	28.41'
C6	136.59'	330.03'	23°42'48"	N14°32'37"E	135.62'

CONTROL NOTE:

BASIS OF BEARING IS THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE (4204), NORTH AMERICAN DATUM 1983 (NAD83), 2011 ADJUSTMENT (EPOCH 2010). ALL COORDINATE VALUES AND DISTANCES SHOWN ARE SURFACE VALUES AND MAY BE CONVERTED TO GRID BY USING THE SURFACE ADJUSTMENT FACTOR OF 0.9999190085604686.
UNITS: US SURVEY FEET.

I, JOHN BARNARD, REGISTERED PROFESSIONAL LAND SURVEYOR, HEREBY CERTIFY THAT THIS PLAT AND ACCOMPANYING LEGAL DESCRIPTION OF EVEN DATE REPRESENT AN ACTUAL SURVEY PERFORMED ON THE GROUND UNDER MY SUPERVISION.

 04/19/2022

JOHN BARNARD
REGISTERED PROFESSIONAL LAND SURVEYOR
TEXAS REGISTRATION NO. 5749
DOUCET & ASSOCIATES
JBARNARD@DOUCETENGINEERS.COM



LIMESTONE CREEK
161.5 ACRE
PROPERTY
EXHIBIT
HAYS COUNTY, TEXAS



DOUCET

Civil Engineering // Entitlements // Geospatial
7401 B. Highway 71 W, Ste. 160
Austin, TX 78735, Tel: (512)-583-2600
www.doucetengineers.com
TBPE Firm Number: 3937
TBPELS Firm Number: 10105800

Date:	04/19/2022
Scale:	1" = 500'
Drawn by:	SWP
Reviewer:	JB
Project:	1691-009
Sheet:	5 OF 5
Field Book:	N/A
Party Chief:	ADM
Survey Date:	09/28/21

EXHIBIT "B"
CONCEPT PLAN



Land Use Summary

Color	Category	Units
Light Green	50' x 120' Residential	483 units
Dark Green	Townhome Residential	219 units
Light Blue	Residential Side-Track	682 units
Dark Blue	Approximate Gross Site Area	179.2 acres
Light Purple	Approximate Gross Density	3.0 units/ac
Light Orange	Commercial	15.4 acres
Light Green	Major Right-of-Way	11.8 acres
Light Green	Development/Drainage Channels	7.0 acres
Light Green	Easement	1.8 acres
Light Green	Approximate Net Site Area	124.4 acres
Light Green	Approximate Net Density	5.0 units/ac

Phasing Summary

Color	Phase 1	Phase 2	Phase 3	Phase 4
Light Green	181 units	72 units	98 units	112 units
Dark Green	94 units	125 units		
Light Blue	273 units	197 units	90 units	112 units

SEC Planning, LLC
 Land Planning • Landscape Architecture • Community Planning
 20275 N. 110th
 Suite 100
 Overland Park, KS 66213
 Phone: 913.241.1100
 Fax: 913.241.1101
 www.secplanning.com

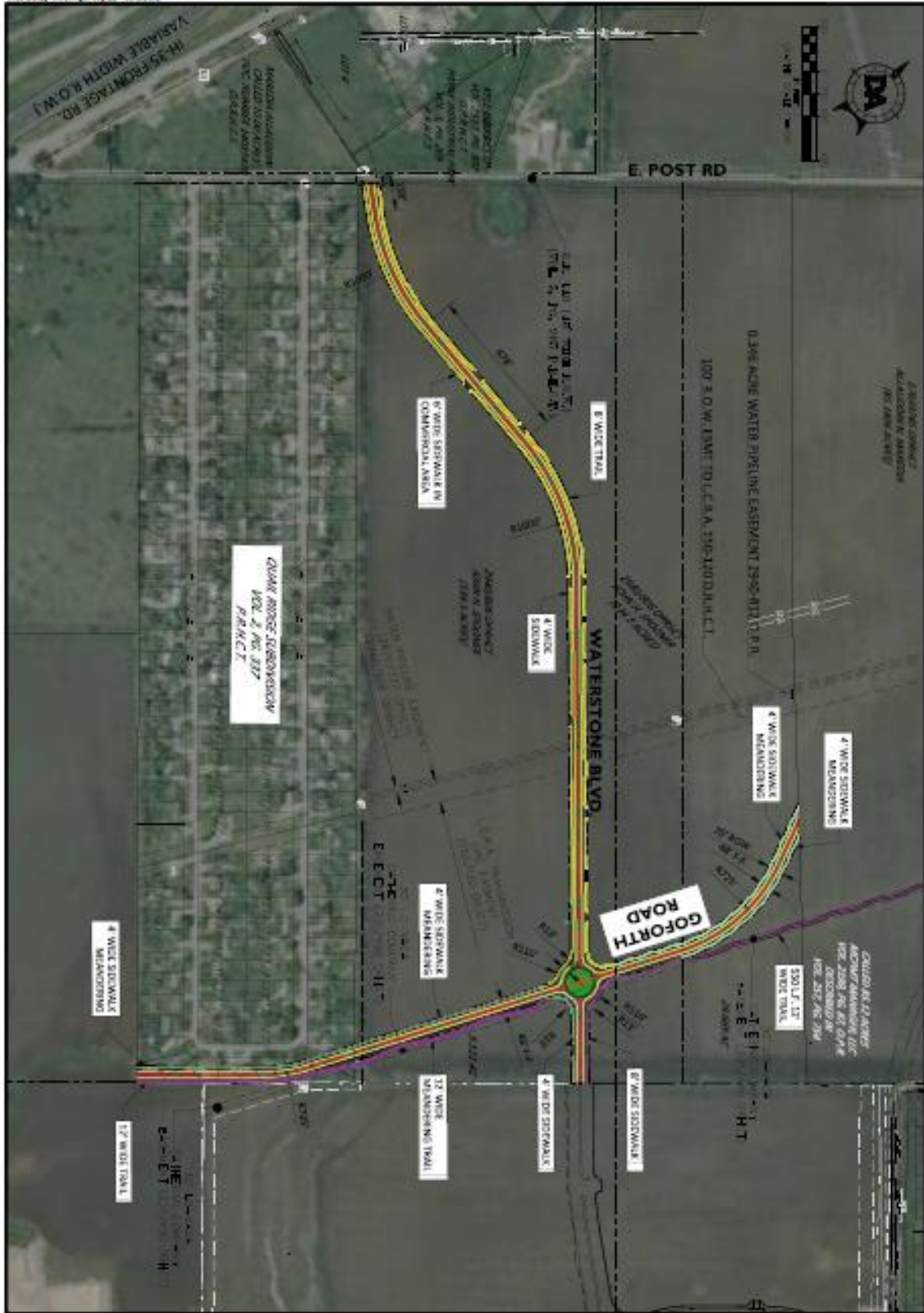
LOTTING 'E' - REVISED
LIMESTONE CREEK
 KILLEE, TEXAS

Scale: 1" = 300'
 North
 Date: May 20, 2022

This document is prepared by SEC Planning, LLC. It is intended for informational purposes only and is not to be used for any other purpose. It is not a contract and does not constitute an offer of any product or service. It is subject to change without notice and does not constitute an offer of any product or service. It is subject to change without notice and does not constitute an offer of any product or service.

EXHIBIT "C"
GOFORTH BOULEVARD

Drawing: C:\pwr_working\jls\2006\jls\1177\Development Agreement Exhibit C & D.dwg
 User: RAMMS
 Last Modified: Apr. 05, 22 - 09:28
 Plot Date/Time: Apr. 05, 22 - 09:21:52

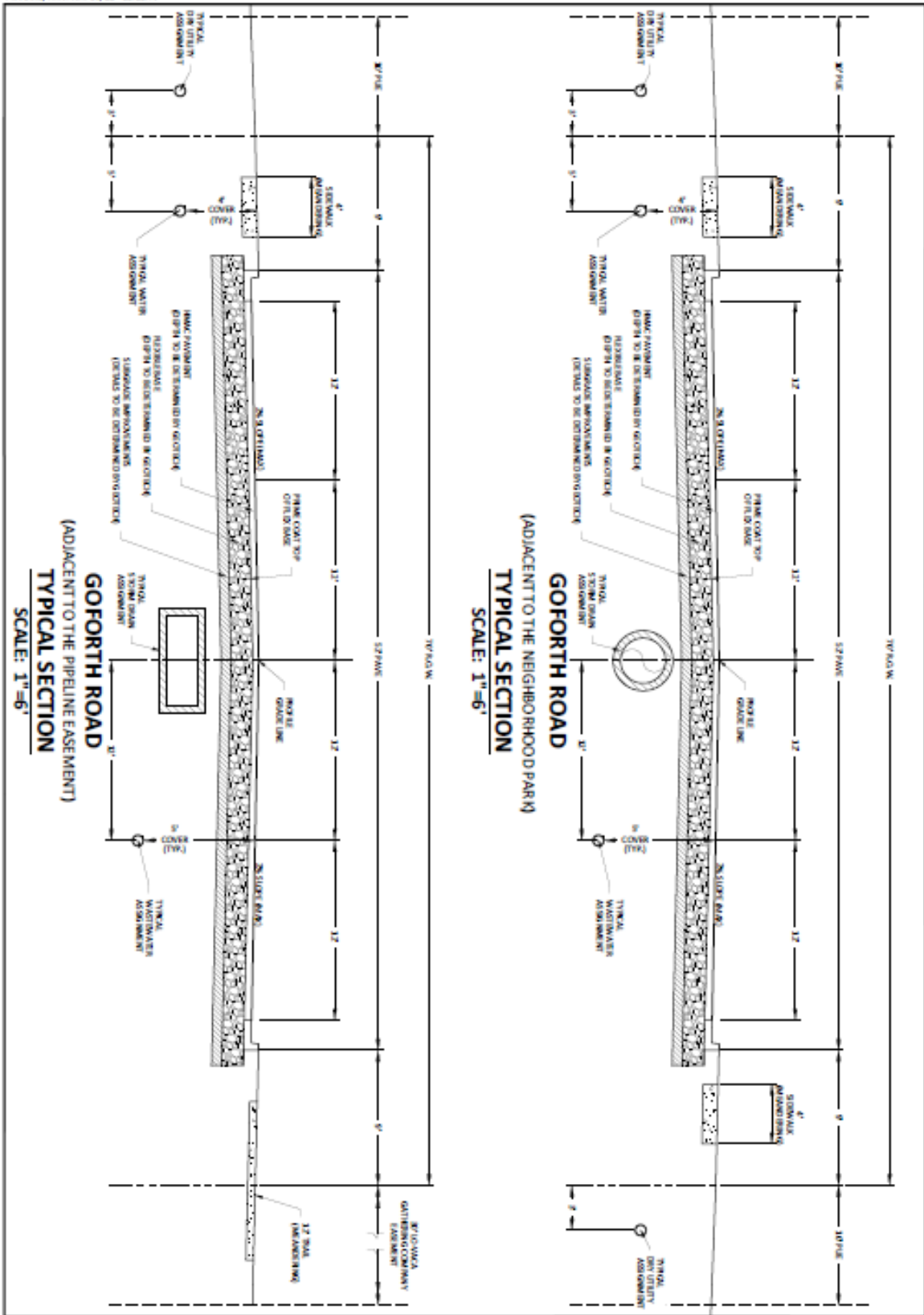


Scale: 1" = 40'
 Date: 04/10/22
 Project No.: 1591400

LIMESTONE CREEK SUBDIVISION
 KYLE, TEXAS

DEVELOPMENT AGREEMENT
 EXHIBIT C

DOUGET
 Civil Engineering, Surveying & Geospatial
 7405 S. Highway 71 W. Ste. 140
 Austin, TX 78726, Tel: (512) 866-2600
 www.dougetengineering.com
 1915 Ross Burnside, 2025
 17251 Ross, Houston, TX 77056




Scale: 1" = 6' Date: 05/14/22 Project No.: 1001-000	LIMESTONE CREEK SUBDIVISION KYLE, TEXAS	DEVELOPMENT AGREEMENT EXHIBIT C	 DOUCET Civil Engineering / Surveying / Geospatial 7401 S. Highway 71 W, Ste. 100 Austin, TX 78725, Tel: (512) 885-0400 www.doucetengineering.com TSP# Reg Number: 2957 TSP# Reg Number: 10125800
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EXHIBIT "D"
OFF-SITE PROPERTIES



Scale: 1" = 100'
Date: 06/11/22
Project No.: 180317-000

LIMESTONE CREEK SUBDIVISION
KYLE, TEXAS

DEVELOPMENT AGREEMENT
QUAIL RIDGE ACQUIRED LOTS
EXHIBIT D

DOUGET
Civil Engineering, Drafting, & Inspection
7401 S. Highway 71 W. Ste. 140
Austin, TX 78738, Tel: (512) 485-3400
www.dougetengineering.com
1978 Reg. Number: 2007
1978-81 Reg. Number: 307880

EXHIBIT "E"
PID TERM SHEET

CITY OF KYLE, TEXAS
LIMESTONE CREEK PUBLIC IMPROVEMENT DISTRICT

It is requested that the following limitations and performance standards shall apply to the Limestone Creek Public Improvement District agreed to by Developer and the City connection with the development of the proposed Project.

FINANCING CRITERIA – PUBLIC IMPROVEMENT DISTRICT

1. Maximum Authorized Improvements for the PID: \$50,000,000
2. Minimum appraised value to lien ratio for each PID bond issued: 3:1 (provided that the City, in its sole and absolute discretion, may consider a lower value to lien ratio at the time of bond issuance)
3. Maximum total equivalent tax rate including PID annual installment as of date of first assessment levy with and without the TIRZ offset:

Without offset: \$3.30/\$100 Assessed Value
With offset: \$3.10/\$100 Assessed Value
4. Maximum years of capitalized interest: 2
5. Maturity of bonds (to extent allowed by law): 30 years
6. Improvements to be funded by the PID are limited to those defined as Authorized Improvements under the PID Act.
7. Maximum annual permitted increased in annual assessment installment: 2%

MISCELLANEOUS

1. **The PID may seek PID bond issues in advance of construction of the Project subject to compliance with these standards. No PID bonds will be issued without the approval by the City of a Service and Assessment Plan for the District.**
2. **No General Obligation or Certificate of Obligation bonds will be utilized by the City to fund the PID.**

3. Special assessments on any given portion of the property may be adjusted in connection with subsequent bond issues as long as the maximum annual assessment rate is not exceeded, and the special assessments are determined in accordance with the Service and Assessment Plan. Special assessments on any portion of the property will bear a direct proportionate relationship to, and will not exceed, the special benefit of the public improvements to that improvement area.
4. The City shall not be obligated to provide funds for any improvements for the Project except from the proceeds of the bonds or special assessments.
5. The PID Bond Indenture will contain language precluding the City from making any debt service payments for the PID Bonds other than from available special assessment revenues or tax increment revenues, if available.
6. The PID will be responsible for payment of all of the City's reasonable and customary costs and expenses associated with the financing and administrative activities of the PID.
7. It is agreed that the PID will be exempt from any public bidding or other purchasing and procurement policies per Texas Local Government Code Section 252.022(a) (9) which states that a project is exempt from such policies if "paving drainage, street widening, and other public improvements, or related matters, if at least one-third of the cost is to be paid by or through special assessments levied on property that will benefit from the improvements."
8. No additional security or surety will be provided by the Developer, or its assignees, for the construction of the Authorized Improvements beyond typical performance bond or other similar surety agreements.
9. The PID shall comply with the City's approved PID policy, except as modified by the Agreement and a future financing agreement, to be agreed upon by the City and Developer. The City acknowledges that the PID policy does not contain mandatory criteria, and serves to guide the City and its City Council in approving and facilitating PIDs, and that the City may choose at any time to apply or waive any of the terms of the PID Policy on a case by case basis.

EXHIBIT "F"
TIRZ TERM SHEET

CITY OF KYLE, TEXAS
LIMESTONE CREEK TAX INCREMENT REINVESTMENT ZONE

It is requested that the following terms shall apply to the Limestone Creek Tax Increment Reinvestment Zone agreed to by Developer and the City in connection with the development of the proposed Project.

Financing Criteria

1. Participating Entities: City of Kyle, Texas and Hays County, Texas
2. City Contribution Rate: 40%, subject to the County's participation as set forth in Section 7.02 of this Agreement
3. Base value of TIRZ: 2022 values
4. Term of TIRZ: Concurrent with PID bonds

Miscellaneous

1. The TIRZ revenues shall be used to pay administrative expenses of the TIRZ and to offset PID annual installments.
2. The city will agree to use TIRZ revenues generated from each parcel in the Project to offset a portion of such parcel's assessment and to the extent there are TIRZ revenues remaining after such offset, any such excess revenues will be returned to the City as ad valorem taxes.
3. TIRZ administrative costs shall be determined annually by the City in its sole discretion.