

**AFTER RECORDING, RETURN TO:**

City Secretary  
City of McKinney  
P.O. Box 517  
222 N. Tennessee Street  
McKinney, Texas 75069

**DEVELOPMENT AGREEMENT  
BETWEEN  
THE CITY OF MCKINNEY, TEXAS  
AND  
McKinney Ranch, Ltd., and Honey Creek Investments, LLC  
FOR  
THE CROSS "F" PLANNED DEVELOPMENT**

THIS DEVELOPMENT AGREEMENT, is entered into effective the 15th day of May, 2017, by and between the **CITY OF MCKINNEY**, a Texas municipal corporation and home-rule city ("CITY"), (1) McKinney Ranch, Ltd., a Texas limited partnership, whose address is 11520 N. Central Expressway, Suite 138, Dallas, Texas 75243, and (2) Honey Creek Investments, LLC, a Texas limited liability company, whose address is 11520 N. Central Expressway, Suite 138, Dallas, Texas 75243, (hereinafter referred to collectively as "OWNER" whether one or more) (the CITY and the OWNER may be referred to collectively as the "PARTIES"), concerning the development of the "Property" described herein-below and by metes and bounds in Exhibit "A" hereto, witnesseth that:

WHEREAS, OWNER's predecessors-in-interest obtained zoning on the Property that established Planned Development Zoning for Single-Family, Multi-Family, Office and Retail Uses according to the requirements outlined in City of McKinney, Texas, Ordinance No. 1703, dated the 3<sup>rd</sup> day of March 1987 ("PD Ordinance"); and

WHEREAS, Section III of Ordinance No. 1703 requires the OWNER and CITY to enter into and execute a Development Agreement before any platting or development may occur on any portion of the Property; and

WHEREAS, OWNER has requested and CITY has agreed to enter into this Development Agreement to allow OWNER to begin platting and developing the Property; and

WHEREAS, the Property shall be developed by McKinney Ranch, Ltd. and Honey Creek Investments, LLC, who shall be solely responsible for all obligations hereunder; and

WHEREAS, the physical location of the Property and the lack of adequate roadway and utility facilities to serve the Property demonstrate that infrastructure improvements will likely be required as a condition to development in the future; and

WHEREAS, OWNER understands that prior to record platting the Property the CITY's development standards and ordinances will require the OWNER to fund and construct certain roadway and utility improvements, as set forth in the CITY's Subdivision Ordinance, that are necessitated by the development of the Property and a general statement of such required public improvements (based on existing conditions) is outlined herein; and

WHEREAS, the CITY and OWNER agree that all the public improvements, as described in this Development Agreement or the Exhibits hereto, are essential for the proper functioning of the Development and the health, safety and general welfare of the residents and occupants of buildings within the Development; and

WHEREAS, the OWNER, together with the OWNER's grantees, assigns, successors, trustees and all others holding any interest now or in the future, agree and enter into this Agreement which shall operate as a covenant running with the land and be binding upon the OWNER, his representatives, grantees, assigns, successors, trustees and all others holding any interest now or in the future.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the City and the OWNER do mutually contract and agree as follows, to-wit:

A. INCORPORATION OF RECITALS

The Recitals, and specifically including the WHEREAS defining "OWNER", set forth above, are hereby approved and incorporated into the body of this Agreement as if copied in their entirety.

B. PROPERTY

This Agreement is for Property located in the City of McKinney, in an area located generally north and east of Erwin Park, and along either side of Honey Creek in the City of McKinney, Collin County, Texas, containing approximately 1,470 acres of land, more fully described in Exhibits "A-1" and "A-2" attached hereto and fully incorporated herein by reference (the "Property"), which area of land when combined with the approximately 313 acres of land owned by Honey Creek Joint Venture II, which is the subject of a similar Development Agreement, and an additional approximately 151 acres of land that is not proposed for development, is all of the remaining portion of the approximately 2,113.636 acres of land

originally zoned by the PD Ordinance that is still subject to and governed by the PD Ordinance.

C. TITLE TO PROPERTY ESTABLISHED

OWNER hereby represents and warrants that OWNER is the record owner in fee simple of the Property as more fully described on Exhibits "A-1" and "A-2" and that such Property when combined with the approximately 313 acres of land owned by Honey Creek Joint Venture II, which is the subject of a similar Development Agreement, and an additional approximately 151 acres of land that is not proposed for development, is all of the remaining portion of the approximately 2,113.636 acres of land originally zoned by the PD Ordinance that is still subject to and governed by the PD Ordinance. Any substantial (outside of normal surveyor error or boundary dispute) misrepresentation or breach of the above representation and warranty shall entitle City to terminate this Agreement immediately and rescind, repeal and/or revoke any and all actions taken, approvals granted and permits issued by City in reliance on such representation. Within ten (10) business days after the complete execution of this Agreement, OWNER shall provide City with evidence of ownership of the Property by the tender of a current title commitment or title report indicating the fee simple ownership for the entirety of the Property broken down by owner. The legal descriptions of the Property shall be affixed hereto at such time and this Agreement shall be filed in the Land Records of Collin County, Texas and shall become a covenant running with the land.

D. ZONING & PLATTING

The Property shall be zoned and platted, if required by applicable ordinance or state law, in accordance with the CITY's Zoning Ordinance and Subdivision Ordinance, then in force, before any Development Permit or Building Permit will be issued for the development of the Property.

E. PUBLIC IMPROVEMENTS

All public improvements, including utilities, drainage structures and easements, roadways, sidewalks, hike and bike trails, street lighting, street signage, rights-of-ways, parkland dedication and all other required improvements and dedications shall be constructed and provided to the CITY by the OWNER, at no cost to the CITY, in accordance with the CITY's Ordinances which are then in effect. The following provides a general description of the minimum construction requirements for roadways and utilities which, under current conditions, would be required by OWNER as a condition to development of the Property (subject to the City's approval of phases or partial development):

1. Traffic Impact Analysis. At the time of development, and prior to platting the Property and the issuance of any development permits for the Property the OWNER shall cause a Traffic Impact Analysis ("TIA") to be performed by a

professional engineer acceptable to the CITY to determine capacity in and on the roadways in the vicinity of the Property and the ability of such roadways to support the traffic that will be generated by the OWNER's proposed development of the Property. Such TIA shall also identify the offsite roadway improvements that must be constructed at a minimum to serve the OWNER's proposed development of the Property in accordance with the CITY's Street Design Standards, then in effect.

The TIA shall be performed at no cost to the CITY and will be subject to review and approval by the CITY Engineer. The TIA will also be subject to review and approval by the Texas Department of Transportation ("TxDOT") if a TxDOT controlled roadway is involved. The CITY Engineer shall have the right to require the OWNER to perform additional TIA(s), at no cost to the CITY, if a significant amount of time has passed between the date the previous TIA was performed and the date the Property development commences or if the proposed development of the Property changes from the development assumptions contained in the prior TIA or if in the opinion of the CITY Engineer some other change in conditions has occurred which merits re-evaluation of an earlier TIA.

2. Off-site Roadway Level of Service. The OWNER of the Property must maintain the greater of the then current Level of Service ("LOS") on the roadway system serving the Property or Level of Service "D" on the roadways between the Property and the nearest major roadway based on the anticipated traffic routes from/to the Property as approved by the CITY Engineer. A major roadway is defined as an improved 4 lane divided roadway ("Arterial Roadway" classification as defined by CITY), TxDOT maintained roadway, or US Highway (i.e., US 75 and US 380).
  - (a) The OWNER will be required to obtain and dedicate to the CITY, at no cost to the CITY, all rights-of-way and easements as may be necessary to construct any off-site roadway improvements identified on the TIA as being necessary to serve the OWNER's proposed development of the Property.
  - (b) The OWNER will also be required to construct, at no cost to the CITY, any off-site roadway improvements that are identified on the TIA as being necessary to serve the OWNER's proposed development of the Property in accordance with the CITY's Street Design Standards, then in effect, or as may be otherwise agreed by the CITY.
  - (c) The CITY may, in its sole discretion, enter into a separate agreement with the OWNER that will allow the OWNER to fulfill its obligations under this Paragraph No. D(2) and also allow the CITY to make any additional roadway improvements that the CITY determines should be made in coordination with the OWNER's off-site roadway

improvements and which additional CITY roadway improvements are not identified in the TIA as being necessary to or required by the development of the Property.

- (d) The OWNER must provide all appropriate documentation regarding the necessary rights-of-way and off-site roadway construction to the CITY Engineer for approval.
3. Right-of Way Dedication. The OWNER shall dedicate to the CITY, at no cost to the CITY, that amount of right-of-way along perimeter roadways adjacent to the Property which will yield at least one-half (½) of the ultimate right-of-way width that is not already dedicated by plat or legal instrument as road right-of-way, at such time as development occurs. If a Master Plan roadway is situated on or across the Property the OWNER shall dedicate to the CITY the full right-of-way for such Master Plan roadway at such time as development occurs. The CITY will compensate the OWNER for that portion of the Master Plan roadway right-of-way that is so dedicated and which is not roughly proportionate to the impact the development of the Property will have on the CITY's roadway system. The OWNER shall dedicate all right-of-way for the interior streets serving the Property at the time of development. The OWNER shall also dedicate all easements necessary for construction and safety purposes for roadways on the Property and perimeter roadways adjacent to the Property as required herein-above. The final alignment of right-of-way dedications shall be consistent with the CITY's Thoroughfare Development Plan and as approved by the CITY Engineer.
4. Roadway Plan Approval. All roadway construction plans shall be approved by the CITY's Engineer or his agent prior to approval of a Development Permit for any portion of the Property.
5. Roadway Construction. The OWNER shall construct, at no cost to the CITY, all required roadway improvements in accordance with the CITY's Subdivision Ordinance and Street Design Standards, then in effect. In addition to complying with the CITY's ordinance and standards, the OWNER shall also comply with TxDOT's standards and specifications when the roadway improvements are being made on along, about or to TxDOT roadways. In the event of a conflict between the CITY's requirements and TxDOT's requirements the OWNER shall comply with the more stringent of those requirements.
- (a) Gravel and seal coat roadways are not acceptable.
  - (b) Roadways along the anticipated traffic routes must be reinforced concrete pavement with appropriate subgrade treatment all of which items must be approved by the CITY Engineer. The pavement on all

such roadways must be designed for the minimum service life set forth in the then applicable Design Manual, or other ordinance or regulation, of the City of McKinney without the need for any major maintenance overhauls.

- (c) A pavement analysis shall be performed by the OWNER, at no cost to the CITY, to determine the adequacy of the current pavement structure to handle the OWNER's projected traffic along with existing traffic volumes and recommendations by the OWNER must be made based upon the analysis for roadway improvements as needed. The OWNER shall create a pavement design to handle the expected traffic volumes and other criteria as determined by the circumstances surrounding the development of the Property and as approved by the CITY Engineer.
  - (d) Additional roadway improvements may be required to maintain safe roadway conditions. The determination regarding what additional improvements may be necessary shall be based upon the engineering judgment of the CITY Engineer and good engineering practices criteria.
  - (e) If the CITY has a project to construct any of the roadways for which the OWNER is responsible, in whole or in part, the CITY and the OWNER may enter into a separate agreement whereby the OWNER is allowed, in the sole discretion of the CITY, to provide the CITY a cash escrow in an amount that will cover the OWNER's roughly proportionate obligation for construction of such roadway(s) in lieu of constructing said roadway improvements.
6. Utility Easement Dedication. The OWNER shall dedicate to the CITY, at no cost to CITY, that amount of easement across the Property as deemed necessary by the CITY Engineer to facilitate the construction of water and wastewater utilities as shown on the CITY's Master Plans for Water and Wastewater (hereafter referred to collectively as the "Master Plans") and as approved by the CITY Engineer. The final alignment of easement dedications shall be consistent with the City's Master Plans and as approved by the City Engineer.
7. Utility Plan Approval. All utility plans and improvements are subject to the approval of the CITY Engineer, and all utility lines shall be constructed of materials of a quality and grade meeting at least the minimum standards of the then current and appropriate Design Manual. Upon approval of all utility construction plans for the Property by the CITY Engineer, or his designee, the OWNER may develop in accordance with such approved plans.

8. Utility Construction. The OWNER shall construct, at his sole cost, all necessary utility lines up to twelve inches (12") in diameter to provide service to the Property in accordance with the CITY's standards or as required by the Master Plans, at such time as demand on the Property requires or concurrent with the development of the Property, as determined by the CITY. The OWNER shall also construct, at no cost to the CITY, all necessary utility lines to serve the interior of the Property; said lines shall be at least eight inches (8") in diameter or larger as demand of the development on the Property requires. In addition to the requirements stated herein, the OWNER shall construct any necessary off-site and/or oversize utility improvements up to the sizes shown on Master Plans and as per City of McKinney standards. In the event the proposed development of the Property requires utility improvements in excess of the CITY's minimum standards and Master Plans the OWNER shall construct any off-site and oversize utility improvements as may be required to serve the Property. No septic systems shall be permitted.
9. Hike and Bike Trail. To the extent that the CITY's Master Trail Plan shows a hike and bike trail along, across or adjacent to the Property, the OWNER shall, at no cost to the CITY, dedicate the easement or right-of-way for and construct all required concrete hike and bike trail improvements in accordance with the CITY's Subdivision Ordinance and Master Trail Plan. The hike and bike trail shall be tied in or connected to the CITY's trail system or to the location(s)/area(s) identified as planned future extensions of the trail system specifically including, but not limited to, school sites, parkland sites and planned connections to creek and river greenways. Final location and all hike and bike trail construction plans shall be subject to review and approval by the Director of Parks and Recreation. All hike and bike trail construction plans must be approved by CITY's Parks Director or his agent prior to approval of a Development Permit for any portion of the Property being developed.
10. Easement Acquisition. Prior to construction of the public improvements described in this Paragraph E, the OWNER agrees to use commercially reasonable efforts to obtain any and all offsite right-of-way and easements necessary for the construction of such improvements. However, if the OWNER is unable to acquire all of the necessary easements and rights-of-way within a six (6) month period beginning upon written notice to the CITY, then the CITY agrees to use its eminent domain authority, upon written request by the OWNER, to the extent permitted by law to acquire all offsite right-of-way and easements described in this Agreement. The CITY's exercise of eminent domain authority shall also be subject to the CITY's determination, in its sole discretion, that the offsite right-of-way and easements are necessary for public use and that the OWNER exercised commercially reasonable efforts including, but not limited to, making a legitimate offer to purchase the offsite right-of-way and easements

compliant with the standards enunciated by SB 18. The CITY's obligation to exercise its eminent domain authority pursuant to this Paragraph E.10 shall also be subject to the then approval and finding of necessity by the CITY Council.

The OWNER shall pay all costs and expenses, whether incurred by the CITY or otherwise, in connection with such eminent domain actions and acquisition of such right-of-way and easements including, but not limited to, settlements, court awards, damages, interest, expert witness fees, mediation fees, attorney's fees, staff time/costs, deposition costs, copy charges, courier fees, postage and taxable costs of court. From time to time and upon ten (10) days written or electronic notice from the CITY, including the CITY Attorney, the OWNER shall advance, by wire transfer, funds to the CITY to pay such costs and expenses. Each such notice to the OWNER shall itemize, in reasonable detail, the purposes (as described above) for which the funds are required, including the estimated, line-item costs. The CITY shall undertake all eminent domain actions in accordance with SB 18, wherein the CITY shall have the right to make the necessary determinations of which interests are necessary for public use. If it is determined by a Court of competent jurisdiction that an interest to be acquired does not constitute public use, the CITY shall have no obligation to continue acquisition thereof, and OWNER shall have the continuing obligation to comply with this Paragraph E. The CITY shall provide to the OWNER copies of all appraisal reports, including updates, if any, at least 30 days prior to all offers being made to landowners. The CITY shall also provide to the OWNER prior notice of the attorneys, appraisers, and other consultants that the CITY will engage to assist the CITY in connection with the acquisitions. The CITY shall provide to the OWNER a monthly accounting of all costs and expenses paid or incurred by the CITY in connection with this Paragraph E.10. OWNER'S default in payment of any advance requested under this Paragraph E.10 shall provide CITY the immediate right to cease any actions or efforts to acquire right-of-way or easements until full payment is actually received. In addition, CITY shall have the right to immediately terminate this Agreement and withhold any further development approvals and permits for the Property if OWNER fails to make any payment or advance under this Paragraph E.10.

F. PARKLAND

The OWNER shall dedicate required parkland, if any, concurrent with platting and development of the Property to provide for the recreational needs created by the development of the Property in accordance with the Subdivision Ordinance then in effect, or such other ordinance as may hereafter be adopted by the CITY regarding parkland dedication, and as determined by the CITY's Parks Department. The following provides a general description of the minimum requirements for parkland dedication which, under current conditions, would be required by OWNER as a



condition to development of the Property (subject to the City's approval of phases or partial development):

1. Any parkland that the OWNER of the Property is required to dedicate to the CITY shall be shown on the plat of the Property as a fee simple conveyance to the CITY and shall be conveyed to the CITY by General Warranty Deed free of all liens and encumbrances, save and except the encumbrances affecting the Property at the time of the OWNER's acquisition thereof, and at no cost to the CITY. The OWNER shall also provide the CITY with a OWNER's title policy of insurance in an amount equal to the value of the land conveyed, which amount shall be determined by the CITY.
2. Subject to any waivers the CITY Council may grant for the conveyance of an amount of land in excess of the minimum park land dedication requirements, the OWNER shall also be responsible for, and pay the costs of, providing convenient access by improved streets and sidewalks, and providing adequate drainage improvements so that the parkland site is suitable for the purpose intended, and shall provide water, sewer and electrical utilities to the parkland site in accordance with the procedures applicable to other public improvements as specified in the Subdivision Ordinance of the CITY.
3. In the alternative and subject to the determination of the Director of the CITY's Parks Department all or part of the OWNER's parkland dedication requirements may be satisfied by the payment of money in lieu of land. The amount of cash to be paid in lieu of parkland dedication shall be determined based upon the Collin Central Appraisal District's most recent appraisal of all or part of the Property at the time the fees are paid for any future phase of development and shall be computed under the current ordinance requirement of one (1) acre of parkland dedication, outside of any floodplain on the Property, for each fifty (50) single-family residential lots.
4. If the CITY allows the Property to be developed in phases and approves the dedication of the parkland or cash in lieu of dedication in conjunction with the phasing of the Property's development, the OWNER shall dedicate parkland as the residential lots or school sites, if any, adjacent to the particular parkland areas are platted, unless requested by the Director of Parks and Recreation prior to such time in order to serve the development of the Property. The OWNER's payment of cash in lieu of dedication, if approved, shall be made in proportion to the number of residential lots being platted at the time each such phase is platted. In any event, all required parkland shall be dedicated or cash in lieu of dedication shall be paid to the CITY by the OWNER prior to the platting of the last phase of development of the Property. The OWNER shall not be allowed to file the plat for the last phase of the Property until the parkland dedication or cash payment is satisfied.

5. Any parkland the OWNER designates for dedication or dedicates to the CITY shall be left in its natural state unless previously agreed otherwise in writing by the CITY's Director of Parks and Recreation. In addition, such parkland shall not be used to provide topsoil for the development of the Property. Further, said parkland shall not be used for construction staging and/or storage or the operation and parking of vehicles. The parkland so designated for dedication or dedicated to the CITY shall not be used for the relocation of dirt from the Property or for fill unless the site must be altered for health and safety concerns and the placement of fill on the parkland is previously agreed to in writing by the CITY's Director of Parks and Recreation.

G. AVAILABILITY OF WATER AND WASTEWATER SERVICE IN THE FUTURE

The CITY makes no guarantee that water supply or wastewater treatment capacity will be available at any particular time or place, it being fully understood by both parties hereto that the ability of the CITY to supply water and wastewater services is subject to its contract with the North Texas Municipal Water District, a governmental agency and body politic and corporate, hereinafter referred to as "N.T.M.W.D.", and that this Agreement will only allow utilization of the CITY's water and wastewater system capacity when and if capacity is present and available from the N.T.M.W.D. Notwithstanding the foregoing, the CITY will supply the development on the Property with water supply and wastewater treatment capacity if such capacity is present and available from N.T.M.W.D. The CITY shall be the sole judge of the availability of such capacity of water supply and/or wastewater services, provided, however, that the CITY will attempt to insure that said water supply and wastewater treatment capacity is available.

H. CITY DEVELOPMENT ORDINANCES

The OWNER shall develop the Property in accordance with the standards set forth in the CITY's Zoning, Subdivision and land development ordinances, then in force, including but not limited to provisions regarding drainage, erosion control, pro-rata payments, parkland dedication, storm water management, tree preservation, Street Design Standards, Public Improvements Policy and construction standards. The OWNER expressly acknowledges that by entering into this Agreement, the OWNER, its successors, assigns, vendors, grantees, and/or trustees, shall not construe any language contained herein or in any exhibits attached hereto as waiving any of the requirements of the CITY's Zoning Ordinance or Subdivision Ordinance or any other ordinance of the CITY, as applicable.

I. TREE ORDINANCE

OWNER expressly acknowledges the McKinney Tree Preservation Ordinance and the duty to develop the Property in accordance with the standards contained therein and any amendments to those standards.

J. STORMWATER

OWNER agrees to abide by all terms of the McKinney Storm Water Ordinance No. 2014-09-063, as amended.

K. PRO-RATA FEES

Off-site water and sewer facilities may be subject to either pro rata payments paid to third parties or reimbursements collected from third parties in accordance with City Ordinances. For any applicable off-site facilities in place as of the date of OWNER's development of the Property, the OWNER shall be responsible to pay applicable pro-rata fees in the amount of one-half (½) of the actual construction and engineering costs of up to a twelve-inch (12") diameter pipe if off-site facilities have been constructed adjacent to the Property by the CITY or any other party prior to the date hereof and the OWNER utilizes such facilities for the Property. If, however, the water or sewer facilities are bounded on both sides by the Property then the OWNER shall be responsible to pay applicable pro-rata fees in the full amount of the actual construction and engineering costs of up to a twelve-inch (12") diameter pipe if the OWNER utilizes such facilities. Should the OWNER construct off-site water and sewer facilities such that pro-rata fees are due to the OWNER, the CITY agrees to collect any fees due to the OWNER related to the construction of the line(s) as those properties utilizing such facilities are developed during the period of ten (10) years after OWNER's installation of such off-site water and sewer facilities. The OWNER shall submit final construction costs to the CITY for approval prior to final acceptance of the improvements for use in determining pro-rata fees to be collected on behalf of the OWNER.

The OWNER shall not be required to pay pro-rata fees for any major transmission line(s) that may be constructed upon, through, under, across or adjacent to the Property that merely transport(s) water or wastewater to or from a treatment facility and to which line(s) OWNER is not permitted any right to tap or tie in to.

L. IMPACT FEES

OWNER shall pay roadway impact fees and/or utility impact fees on the proposed development of the Property. Impact fees for the Property shall be charged in accordance with Ordinance No. 2013-11-108 (Roadway) and Ordinance Nos. 2013-11-109, 2013-12-118, and 2017-03-021 (Utility), and as these ordinances may be amended in the future. These fees shall be due upon the time established by these Ordinances save and except only to the extent any waiver of or variance

from said Ordinances is granted by the CITY and is contained in a separate agreement between OWNER and CITY which agreement shall supersede and control.

M. NO WAIVER

The OWNER expressly acknowledges that by entering into this Agreement, the OWNER, its successors, assigns, vendors, grantees, and/or trustees, shall not construe any language contained herein or in any Exhibits as waiving any of the requirements of the Zoning Ordinance or Subdivision Ordinance in force by the CITY, except as specifically herein agreed.

N. REVOCACTION

In the event the OWNER fails to comply with any of the provisions of this Agreement, the CITY shall be authorized to revoke any and all Certificates of Occupancy that may have been previously issued in relation to the subdivision and/or development of the Property; and the CITY shall be further authorized to file this instrument in the records of Collin County as a Mechanic's Lien against the OWNER's property; and in the alternative, the CITY shall be authorized to levy an assessment against the OWNER's property for public improvements actually constructed by the CITY to be held as a tax lien against the Property by CITY.

O. ROUGH PROPORTIONALITY AND WAIVER OF CLAIMS

OWNER has been represented by legal counsel in the negotiation of this Agreement and been advised, or has had the opportunity to have legal counsel review this Agreement and advise OWNER, regarding OWNER's rights under Texas and federal law. OWNER hereby waives any requirement that the CITY retain a professional engineer, licensed pursuant to Chapter 1001 of the Texas Occupations Code, to review and determine that the exactions required by the CITY as a condition of approval for the development of this Property are roughly proportional or roughly proportionate to the proposed development's anticipated impact. (These exactions may include but are not limited to the making of dedications or reservations of land, the payment of fees, the construction of facilities, and the payment of construction costs for public facilities.) OWNER specifically reserves its right to appeal the apportionment of municipal infrastructure costs in accordance with Tex. Loc. Gov't Code § 212.904. However, notwithstanding the foregoing, OWNER hereby releases the City from any and all liability under Tex. Loc. Gov't Code § 212.904 regarding or related to the cost of those municipal infrastructure improvements required for the development of the Property.

It is the intent of this Agreement that the provision for roadway and utility improvements made herein constitutes a proportional allocation of OWNER's responsibility for roadway and utility improvements for the Property. OWNER

hereby waives any federal constitutional claims and any statutory or state constitutional takings claims under the Texas Constitution and Chapter 395 of the Tex. Loc. Gov't. Code. OWNER further releases CITY from any and all claims based on excessive or illegal exactions; it being agreed that OWNERS' infrastructure contribution(s) (after receiving all contractual offsets, credits and reimbursements) is roughly proportional or roughly proportionate to the demand that is placed on the roadway and utility systems by OWNER's Property. OWNER further acknowledges that the benefits of zoning and platting have been accepted with full knowledge of potential claims and causes of action which may be raised now and in the future, and OWNER acknowledges the receipt of good and valuable consideration for the release and waiver of such claims. **OWNER shall indemnify and hold harmless CITY from any claims and suits of third parties, including but not limited to OWNER's successors, assigns, grantees, vendors, trustees or representatives, brought pursuant to this Agreement or the claims or types of claims described in this paragraph.**

P. CONTINUITY

This Agreement shall be a covenant running with the land, and be binding upon OWNER, its successors, heirs, assigns, grantees, vendors, trustees, representatives, and all others holding any interest now or in the future.

Q. NOTICES

All Notices shall be in writing, shall be signed by or on behalf of the PARTY giving the Notice, and shall be effective as follows: (a) on or after the 3rd business day after being deposited with the United States mail service, Certified Mail, Return Receipt Requested with a confirming copy sent by FAX; (b) on the day delivered by a private delivery or private messenger service (such as FedEx or UPS) as evidenced by a receipt signed by any person at the delivery address (whether or not such person is the person to whom the Notice is addressed); or (c) otherwise on the day actually received by the person to whom the Notice is addressed, including, but not limited to, delivery in person and delivery by regular mail or by E-mail (with a confirming copy sent by FAX). All Notices given pursuant to this section shall be addressed as follows:

To the OWNER: McKinney Ranch, Ltd.  
11520 N. Central Expressway, Suite 138  
Dallas, Texas 75243  
Email: [santiago@metromanagement.com](mailto:santiago@metromanagement.com)

Honey Creek Investments, LLC  
11520 N. Central Expressway, Suite 138  
Dallas, Texas 75243  
Email: [santiago@metromanagement.com](mailto:santiago@metromanagement.com)

To the CITY:                   City of McKinney  
  Attn: City Manager  
  P.O. Box 517  
  222 N. Tennessee Street  
  McKinney, Texas 75069  
  Fax: (972) 547-2607

The PARTIES will have the right from time to time to change their respective addresses upon written notice to the other PARTY given as provided above. If any date or notice period described in this Agreement ends on a Saturday, Sunday or legal holiday, the applicable period for calculating the Notice will be extended to the first business day following such Saturday, Sunday or legal holiday.

R.    ENTIRE AGREEMENT

This Agreement constitutes the entire Agreement between the PARTIES relative to the subject matter hereof. There have not been and are no agreements, covenants, representations or warranties among the PARTIES, either oral or written, relative to such subject matter other than those expressly stated or provided for herein.

S.    PARTIES BOUND/PROPERTY BENEFITED

This Agreement shall be binding upon and inure to the benefit of the authorized successors and/or assigns of the PARTIES. The PARTIES hereto acknowledge that each has entered into this Agreement willingly and that each PARTY has equal bargaining powers. Neither PARTY has been coerced or has acted under duress.

T.    ASSIGNABILITY

This Agreement shall not be assignable by OWNER without the prior written consent of the CITY, and such consent shall not be unreasonably withheld, conditioned or delayed.

U.    TERMINATION AND RELEASE

Upon satisfactory completion by OWNER and final acceptance by CITY of all requirements of this Agreement, this Agreement shall terminate and CITY will execute a release of covenant to OWNER, its heirs, successors, assigns, grantees, vendors, trustees, representatives, and all others holding any interest

now or in the future. This Agreement shall not terminate until the requirements of all parties have been fulfilled.

V. APPLICABLE LAW; VENUE

This Agreement is entered into pursuant to, and is to be construed and enforced in accordance with, the laws of the State of Texas, and all obligations of the PARTIES are performable in Collin County. Exclusive venue for any action to enforce or construe this Agreement shall be in the Collin County District Court.

W. COUNTERPART ORIGINALS

This Agreement may be executed in multiple counterpart originals, each of which shall have equal dignity and effect.

X. NO THIRD-PARTY BENEFICIARIES

This Agreement only inures to the benefit of, and may only be enforced by, the PARTIES. No other person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement.

Y. MAINTENANCE BOND

Prior to final acceptance of improvements to Property, OWNER has furnished to CITY a good and sufficient maintenance bond in the amount of fifteen percent (15%) of the contract price of such improvements, or in such amount as approved by the City Engineer, with a reputable and solvent corporate surety, in favor of CITY, to indemnify City against any repairs arising from defective workmanship or materials used in any part of the construction of improvements to Property, for a period of two (2) years from the date of final acceptance of such improvements.

Z. GENERAL PROVISIONS

1. OWNER hereby agrees that OWNER shall comply with CITY'S Subdivision Ordinance, Street Design Standards, Public Improvements Policy and any other applicable policies, rules, regulations and ordinances of CITY regarding development of Property then in force.
2. OWNER agrees that no platting or development shall occur on any portion of the property prior to City Council approval of this Agreement.
3. OWNER agrees that all coordination required with public and/or private utility agencies to eliminate conflicts with proposed street grades or underground improvements shall be the responsibility of OWNER.

Likewise, coordination with agencies requiring special conditions (i.e., railroads and the Texas Department of Transportation) shall be the responsibility of OWNER.

4. It is understood that any obligation on the part of the CITY to make any refunds with respect to infrastructure improvements constructed within the Property shall cease, with respect to such improvements, on the tenth (10<sup>th</sup>) anniversary after the improvements are completed, inspected, and accepted by the CITY. Such 10-year period may be extended for good cause and agreed to in writing by the CITY and the OWNER.
5. This Agreement does not constitute a “permit” under Chapter 245 of the Texas Local Government Code and no “rights” are vested by this Agreement; however, nothing in this Agreement shall constitute a waiver by OWNER of any rights of OWNER under said Chapter 245 to the extent only that such rights may vest through some other application not related to the annexation of the Property.
6. Save and except to the extent specifically stated herein to the contrary, the Property shall be developed in accordance with the standards set forth in the City of McKinney Zoning, Subdivision and land development ordinances, including but not limited to provisions regarding drainage, erosion control, pro rata payments, tree preservation, Street Design Standards, Public Improvements Policy and construction standards in force at the time of any development of the Property.

*[Signatures continued on following page.]*



**CITY OF McKINNEY**

By: \_\_\_\_\_  
PAUL G. GRIMES  
City Manager

Date Signed: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
SANDY HART, TRMC, MMC  
City Secretary  
DENISE VICE, TRMC  
Assistant City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
MARK S. HOUSER  
City Attorney

THE STATE OF TEXAS §  
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, in and for said County, Texas, on this day personally appeared PAUL G. GRIMES, City Manager of the **CITY OF McKINNEY**, a Texas Municipal Corporation, known to me to be the person who's name is subscribed to the foregoing instrument, and acknowledged to me that he has executed the same on CITY's behalf.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE \_\_\_\_\_  
DAY OF \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public \_\_\_\_\_ County, Texas  
My commission expires \_\_\_\_\_

**OWNER:**

**McKinney Ranch, Ltd., a Texas limited partnership**

By: Creu Property Corp.,  
general partner

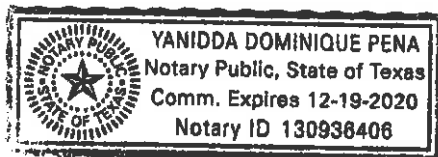
By: Santiago Jorba  
Santiago Jorba, Vice President

Date Signed: 5/31/17

THE STATE OF TEXAS,  
COUNTY OF DALLAS

This instrument was acknowledged before me on the \_\_\_ day of May, 2017, by Santiago Jorba, in his capacity as Vice President of Creu Property Corp., a Texas corporation, the general partner of McKinney Ranch, Ltd., a Texas limited partnership, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that Creu Property Corp. is the General Partner of *McKinney Ranch, Ltd., a Texas limited partnership*, and that he executed the same on behalf of and as the act of said entities.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE May  
DAY OF 31, 2017.



YD Pena  
Notary Public Collin County, Texas  
My commission expires Dec. 19, 2020

**Honey Creek Investments, LLC, a  
Texas limited liability company**

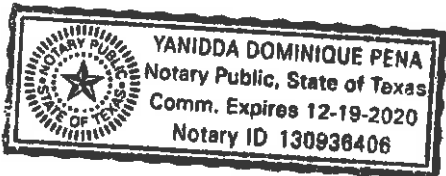
By: Santiago Jorba  
Santiago Jorba, Manager

Date Signed: 5/31/2017

THE STATE OF TEXAS,  
COUNTY OF DALLAS

This instrument was acknowledged before me on the \_\_\_\_\_ day of May, 2017, by Santiago Jorba, in his capacity as Manager of *Honey Creek Investments, LLC*, a Texas limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same on behalf of and as the act of said entity.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE May  
DAY OF 31, 2017.



YD Pena  
Notary Public Collin County, Texas  
My commission expires Dec. 19, 2020

**Exhibit "A-1"**

*Description of Property owned by McKinney Ranch, Ltd.  
(Containing Approximately 1,216 Acres of Land)*

EXHIBIT A-1

**BEING** a tract of land situated in the in the L.D. Davidson Survey, Abstract No. 285, the E. Hamilton Survey, Abstract No. 372, the W.H. Horn Survey, Abstract No. 1070, the W.M. Rice Survey, Abstract No. 770, and the Meredith Hart Survey, Abstract No. 371, City of McKinney, Collin County, Texas, and being the remainder of a 189.1 acre tract and 1064.2 acre tract of land described in a deed to Franklin Family Partnership recorded in Volume 5540, Page 826, Land Records, Collin County, Texas, and being part of a 3.00 acre tract of land described in a deed to Lela M. Fryar recorded in Volume 703, Page 617, Land Records, Collin County, Texas, and being all of a 10.00 acre tract of land described in a deed to Richard Loren Franklin recorded in Clerk File No. 95-0015568 Land Records, Collin County, Texas, and being more particularly described as follows:

**COMMENCING** at a railroad spike found in asphalt at the intersection of the centerline of County Road 166 and County Road 168, said point being the apparent intersection of four surveys: the southeast corner of the Thomas E. Pelham Survey, Abstract Number 724, the southwest corner of the Jno. Cahill Survey, Abstract number 143, the northeast corner of said D. J. Franklin Survey, and the northwest corner of said L. D. Davidson Survey;

**THENCE** North 89°41'47" East along the centerline of said County Road 168 a distance 1278.96 feet to a 5/8" iron rod set for corner at the **POINT OF BEGINNING**, said point being the northeast corner of a tract of land described in a deed to Richard K. Hester et ux. Sarah P. Hester recorded in Volume 4171, Page 3124, Land Records, Collin County, Texas;

**THENCE** North 89°41'47" East continuing along the centerline of said County Road 168 a distance of 3769.64 feet to a 1/2" iron rod found at the southeast corner of a tract of land described in a deed to Elizabeth Langston recorded in Volume 1372, Page 595, Land Records, Collin County, Texas;

**THENCE** North 00°06'09" West with the east line of said Elizabeth Langston a distance of 1018.25 feet to a 5/8" iron rod with red cap marked KHA set at the northeast corner of a tract of land described in a deed to R.J. Knowles recorded in Volume 1372, Page 589, Land Records, Collin County, Texas;

**THENCE** South 89°01'12" East passing at 314.35 feet a PK nail with washer found in asphalt at the most southerly southwest corner of a tract of land described in a deed to Charles M. and Jean A. Hicks recorded in Volume 5273, Page 6598, Land Records, Collin County, Texas, and continuing for a total distance of 1592.06 feet to an X-Cut set for corner on top of a concrete bridge in the west line of a tract of land described in a deed to Theresa N. Roeder recorded in Clerk File No. 95-0077977, Land Records, Collin County, Texas, said point being in the centerline of Honey Creek;

**THENCE** along the centerline of said Honey Creek and with the west line of said Theresa N. Roeder the following calls:

South 23°24'12" West a distance of 128.37 feet to a point for corner;

South 08°30'42" East a distance of 83.53 feet to a point for corner;

South 30°17'56" East a distance of 75.19 feet to a point for corner;

South 52°40'13" East a distance of 96.34 feet to a point for corner;

South 61°30'47" East a distance of 352.39 feet to a point for corner;

South 53°06'14" East a distance of 95.82 feet to a point for corner;  
South 10°46'14" East a distance of 114.32 feet to a point for corner;  
South 12°54'15" East a distance of 67.33 feet to a point for corner;  
South 31°17'25" East a distance of 99.36 feet to a point for corner;  
South 45°27'58" East a distance of 51.57 feet to a point for corner;  
South 64°03'22" East a distance of 108.23 feet to a point for corner;  
South 59°27'11" East a distance of 107.89 feet to a point for corner;  
South 20°52'23" East a distance of 108.15 feet to a point for corner;  
South 13°47'15" West a distance of 62.76 feet to a point for corner;  
South 35°01'12" West a distance of 271.26 feet to a point for corner;  
South 06°27'44" East a distance of 137.08 feet to a point for corner;  
South 21°49'33" West a distance of 62.38 feet to a point for corner;  
South 06°52'20" West a distance of 90.73 feet to a point for corner;  
South 15°37'43" East a distance of 52.21 feet to a point for corner;  
South 64°55'40" East a distance of 29.37 feet to a point for corner;  
North 85°47'24" East a distance of 225.38 feet to a point for corner;  
South 73°52'41" East a distance of 284.02 feet to a point for corner;  
South 70°08'41" East a distance of 69.22 feet to a point for corner;  
South 46°07'44" East a distance of 58.55 feet to a point for corner;  
South 30°27'53" East a distance of 74.84 feet to a point for corner;  
South 45°09'41" East a distance of 73.01 feet to a point for corner;  
South 86°20'18" East a distance of 45.67 feet to a point for corner;  
North 70°07'08" East a distance of 125.46 feet to a point for corner in the west line of a tract of land described in a deed called "Tract One" to J.A. and Imogene Gooch Revocable Living Trust, recorded in Volume 5636, Page 4136, Land Records, Collin County, Texas;

**THENCE** South 03°48'49" East departing the centerline of said Honey Creek and with the west line of said Tract One J.A. and Imogene Gooch Revocable Living Trust along a barbwire fence passing at 51.57

feet a 1/2 inch iron rod found and continuing for a total distance of 199.72 feet to a 5/8" iron rod with red cap marked KHA set at the southwest corner of said Tract One J.A. and Imogene Gooch Revocable Living Trust;

**THENCE** with the south line of said Tract One J.A. and Imogene Gooch Revocable Living Trust the following calls:

South 79°35'20" East a distance of 110.76 feet to a 5/8" iron rod with red cap marked KHA set for corner;

South 44°57'54" East a distance of 90.13 feet to a 5/8" iron rod with red cap marked KHA set for corner;

North 67°12'40" East a distance of 174.48 feet to a 5/8" iron rod with red cap marked KHA set for corner;

South 81°24'25" East a distance of 71.46 feet to a 5/8" iron rod with red cap marked KHA set for corner;

South 66°47'34" East a distance of 178.26 feet to a point for corner in the centerline of said Honey Creek;

**THENCE** along the centerline of said Honey Creek the following calls:

South 59°29'36" West a distance of 48.92 feet to a point for corner;

South 07°03'42" West a distance of 54.33 feet to the northwest corner of a tract of land described in a deed called "Tract Two" to J.A. and Imogene Gooch Revocable Living Trust recorded in Volume 5636, Page 4136, Land Records, Collin County, Texas;

**THENCE** departing the centerline of said Honey Creek and with the north, line of said Tract Two J.A. and Imogene Gooch Revocable Living Trust the following calls:

South 25°06'09" West a distance of 85.01 feet to a 5/8" iron rod with red cap marked KHA set for corner;

South 86°06'11" West a distance of 105.59 feet to a 5/8" iron rod with red cap marked KHA set for corner;

North 62°04'42" West a distance of 70.34 feet to a 5/8" iron rod with red cap marked KHA set for corner;

North 79°09'48" West a distance of 78.47 feet to a 5/8" iron rod with red cap marked KHA set for corner;

South 76°09'56" West a distance of 228.54 feet to a 5/8" iron rod with red cap marked KHA set at the northwest corner of said Tract Two J.A. and Imogene Gooch Revocable Living Trust;

**THENCE** South 03°23'52" East a along a barbwire fence a distance of 152.85 feet to a 5/8" iron rod found at the southwest corner of said Tract Two J.A. and Imogene Gooch Revocable Living Trust;

**THENCE** with the south line of said Tract Two J.A. and Imogene Gooch Revocable Living Trust and along the general course of a barbwire fence the following calls:

South 87°28'40" East a distance of 72.08 feet to a 5/8" iron rod with red cap marked KHA set for corner;

South 88°58'34" East passing at 497.31 feet a 1/2 iron rod found and continuing for a total distance of 541.00 feet to a point for corner in the centerline of said Honey Creek, said point being in the west line of a tract of land described in a deed to J.A. and Imogene Gooch Revocable Living Trust recorded Clerk File Number 93-0106681, Land Records, Collin County, Texas;

**THENCE** along the centerline of said Honey Creek and along the west line of said J.A. and Imogene Gooch Revocable Living Trust the following calls:

South 30°08'34" East a distance of 29.56 feet to a point for corner;

South 57°19'01" East a distance of 47.61 feet to a point for corner;

South 82°37'56" East a distance of 90.58 feet to a point for corner;

South 42°52'24" East a distance of 162.01 feet to a point at the northwest corner of a tract of land described in a deed to Tom E. Engle and Karen A. Engle recorded in Volume 5418, Page 4142, Land Records, Collin County, Texas;

**THENCE** South 30°34'59" East with the west line of said Tom E. Engle and Karen A. Engle and continuing along the centerline of said Honey Creek a distance of 152.05 feet to a point at the northwest corner of a tract of land described in a deed to Tom E. Engle and Karen A. Engle recorded in Volume 5380, Page 4044, Land Records, Collin County, Texas;

**THENCE** along the centerline of said Honey Creek and along the west line of said Tom E. Engle and Karen A. Engle the following calls:

South 30°08'44" East a distance of 33.20 feet to a point for corner;

South 36°32'02" East a distance of 121.42 feet to a point for corner;

South 66°37'07" East a distance of 60.66 feet to a point for corner;

South 43°37'28" East a distance of 56.43 feet to a point for corner;

South 00°08'40" East a distance of 35.47 feet to a point for corner;

South 30°29'42" West a distance of 24.38 feet to a point for corner;

South 47°51'01" West a distance of 49.96 feet to a point for corner;

**THENCE** South 89°53'34" East departing the centerline of said Honey Creek and with the south line of said Tom E. Engle and Karen A. Engle passing at 58.03 feet a 1/2 inch iron rod with cap found and continuing along a barbwire fence for a total distance of 983.93 feet to a metal fence post found for corner, from which a one inch iron rod found in asphalt in the centerline of County Road 202 bears South 89°53'34" East a distance of 21.86 feet;



**THENCE** South 00°25'41" West along the general course of a barbwire fence a distance of 1552.26 feet to a point for corner in the centerline of said Honey Creek;

**THENCE** along the centerline of said Honey Creek the following calls:

- South 69°49'58" East a distance of 82.17 feet to a point for corner;
- South 14°23'29" East a distance of 70.58 feet to a point for corner;
- South 02°11'17" West a distance of 169.40 feet to a point for corner;
- South 40°43'43" West a distance of 72.63 feet to a point for corner;
- South 67°07'59" West a distance of 69.48 feet to a point for corner;
- South 85°04'46" West a distance of 109.78 feet to a point for corner;
- South 32°43'24" West a distance of 60.16 feet to a point for corner;
- South 09°08'50" East a distance of 124.19 feet to a point for corner;
- South 56°32'04" East a distance of 73.66 feet to a point for corner;
- South 63°18'11" East a distance of 37.12 feet to a point for corner;
- South 69°59'42" East a distance of 111.44 feet to a point for corner;
- South 46°14'26" East a distance of 90.73 feet to a point for corner;
- South 11°15'17" East a distance of 191.67 feet to a point for corner;
- South 17°55'11" East a distance of 85.72 feet to a point for corner;
- South 69°18'16" East a distance of 235.92 feet to a point for corner;
- South 29°14'27" East a distance of 57.98 feet to a point for corner;
- South 51°31'28" East a distance of 440.72 feet to a point for corner;
- South 43°32'59" East a distance of 140.07 feet to a point for corner;
- South 62°01'13" East a distance of 104.31 feet to a point for corner;
- North 69°11'35" East a distance of 73.64 feet to a point for corner;
- North 50°17'09" East a distance of 128.74 feet to a point for corner;
- North 74°01'37" East a distance of 82.53 feet to a point for corner;
- South 48°40'54" East a distance of 124.07 feet to a point for corner;

South 26°42'21" West a distance of 77.82 feet to a point for corner;  
South 05°56'42" East a distance of 73.50 feet to a point for corner;  
South 45°47'12" East a distance of 501.35 feet to a point for corner;  
South 55°49'11" East a distance of 191.12 feet to a point for corner;  
South 14°28'12" West a distance of 75.33 feet to a point for corner;  
South 52°02'47" West a distance of 124.63 feet to a point for corner;  
South 17°36'16" West a distance of 89.41 feet to a point for corner;  
South 08°17'38" East a distance of 60.50 feet to a point for corner;  
South 46°25'51" East a distance of 223.59 feet to a point for corner;  
North 86°02'30" East a distance of 68.62 feet to a point for corner;  
North 68°04'39" East a distance of 251.87 feet to a point for corner;  
South 38°28'19" East a distance of 46.61 feet to a point for corner;  
South 13°57'02" East a distance of 143.42 feet to a point for corner;  
South 74°53'01" East a distance of 55.67 feet to a point for corner;  
South 89°34'39" East a distance of 76.12 feet to a point for corner;  
North 74°24'09" East a distance of 112.70 feet to a point for corner;  
North 48°36'26" East a distance of 133.78 feet to a point for corner;  
South 40°05'49" East a distance of 40.71 feet to a point for corner;  
South 01°35'11" East a distance of 106.35 feet to a point for corner;  
South 47°59'10" East a distance of 79.63 feet to a point for corner;  
North 83°01'26" East a distance of 57.88 feet to a point for corner;  
North 71°34'34" East a distance of 308.45 feet to a point for corner;  
North 49°30'50" East a distance of 80.60 feet to a point for corner in the west line of a tract of land described in a deed to E.R. Hartley et ux. Elga Hartley recorded in Volume 592, Page 35, Land Records, Collin County, Texas;

**THENCE** South 00°34'13" West with the west line of said E.R. Hartley and along a barbwire fence a distance of 538.17 feet to a six inch diameter Bois d'Arc fence post found for corner;

**THENCE** North 87°27'55" West departing the west line of said E.R. Hartley a distance of 272.40 feet to a six inch diameter Bois d'Arc fence post found at the northwest corner of a tract of land described in a deed to Eddie P. Howell et ux. Gailyn A. Howell recorded in Volume 1128, Page 160, Land Records, Collin County, Texas;

**THENCE** South 00°40'35" West with the west line of said Eddie P. Howell and along the general course of a barbwire fence a distance of 2013.95 feet to a 1/2" iron rod found for corner in asphalt in the centerline of County Road 201;

**THENCE** North 87°51'07" West along the centerline of said County Road 201 passing at 1612.90 feet a 100D nail found 1.27 feet to the left at a right angle to this course, said point being the southeast corner of said 3.00 acre Lela M. Fryar tract, and passing at 1862.71 feet a 100D nail found 2.06 feet to the left at a right angle to this course, said point being the southwest corner of said 3.00 acre Lela M. Fryar tract, and continuing for a total distance of 2286.16 feet to a 1/2" iron rod found for corner;

**THENCE** North 00°15'13" East along the general course of a barbwire fence a distance of 1969.91 feet to a 1/2" iron rod found for corner, from which a wood fence post found bears North 24°56'54" West a distance of 3.4 feet;

**THENCE** North 89°06'26" West along the general course of a barbwire fence passing at 466.94 feet a wood fence post found 0.9 feet to the right and at right angles to this course, and continuing for a total distance of 507.01 feet to a 1/2" iron rod found for corner in the east line of a tract of land described in a deed to RAJICA 131, L.P. recorded in Volume 5894, Page 3815, Land Records, Collin County, Texas;

**THENCE** North 00°27'12" East with the east line of said RAJICA 131, L.P. a distance of 1470.19 feet to a 1/2" iron rod found for corner in asphalt at the intersection of the centerline of County Road 201 and County Road 1006;

**THENCE** South 89°25'38" West along the centerline of said County Road 1006 a distance of 4793.69 feet to a 1/2" iron rod found in gravel pavement at the northeast corner of a tract of land described in a deed to Perry J. Graham et ux. Donna M. Graham recorded in Volume 1233, Page 811, Land Records, Collin County, Texas;

**THENCE** South 89°30'39" West continuing along the centerline of said County Road 1006 and with the north line of said Perry J. Graham a distance of 431.57 feet to a 5/8" iron rod found for corner;

**THENCE** in a southerly direction continuing along the centerline of said County Road 1006 the following calls:

South 10°38'17" West a distance of 428.46 feet to a 1/2" iron rod found for corner in asphalt;

South 13°53'52" West a distance of 203.34 feet to a bent 1/2" iron rod found for corner in asphalt;

South 24°17'55" West a distance of 316.45 feet to a 5/8" iron rod set for corner in asphalt;

South 03°15'22" West a distance of 290.50 feet to a 5/8" iron rod set for corner in asphalt;

South 01°02'46" East passing at 1043.25 feet a 3/8" iron rod found in asphalt at the southwest corner of a tract of land described in a deed to Rene Bates et ux. Beverly Bates recorded in Volume 3419, Page 878, Land Records, Collin County, Texas, and continuing for a total distance

of 1113.87 feet to a 1/2" iron rod found in asphalt at the northeast corner of a tract of land described in a deed to Don W. Collins et ux. Carol A. Collins recorded in Volume 4355, Page 2347, Land Records, Collin County, Texas;

**THENCE** South 89°31'09" West departing the centerline of said County Road 1006 and with the north line of said Don W. Collins and along the general course of a barbwire fence a distance of 795.63 feet to a 1/2" iron rod found at the base of an 18 inch diameter hackberry tree at the northwest corner of said Don W. Collins;

**THENCE** South 89°41'41" West continuing along the general course of a barbwire fence a distance of 1875.27 feet to a PK nail found in a fence post for corner;

**THENCE** North 00°43'53" West a distance of 1307.74 feet to a 1/2" iron rod with cap marked "RPLS 3963" found in the south line of a tract of land described in a deed to Baylor Health Care System as "Tract Two," recorded in Volume 5848, Page 4498, Land Records, Collin County, Texas;

**THENCE** with the south and east lines of said Tract Two Baylor Health Care System the following calls:

North 89°24'24" East a distance of 1227.09 feet to a 1/2" iron rod with cap marked "RPLS 3963" found for corner;

North 00°33'36" West a distance of 985.72 feet to a 1/2" iron rod with cap marked "RPLS 3963" found for corner in the south line of a tract of land described in a deed to Paul H. Powell III et ux. Lois M. Powell recorded in Clerk's File number 94-0015097, Land Records, Collin County, Texas;

**THENCE** North 89°14'20" East with the south line of said Paul H. Powell III passing at 40.07 feet a 1/2" iron rod found at the southeast corner of said Paul H. Powell III and continuing for a total distance of 512.56 feet to a 1/2" iron rod found at the southeast corner of a tract of land described in a deed to Harris Living Trust recorded in Volume 5272, Page 4335, Land Records, Collin County, Texas;

**THENCE** with the east line of said Harris Living Trust and along the general course of a barbwire fence the following calls:

North 00°12'24" West a distance of 583.36 feet to a 5/8" iron rod with red cap marked KHA set for corner;

North 00°04'15" West a distance of 407.78 feet to a 5/8" iron rod with red cap marked KHA set for corner;

North 00°32'47" West a distance of 436.72 feet to a 5/8" iron rod with red cap marked KHA set for corner;

North 00°12'16" West a distance of 186.87 feet to a 5/8" iron rod with red cap marked KHA set for corner;

North 00°23'27" West passing at 365.71 a one inch iron pipe found and continuing for a total distance of 386.47 feet to a point for corner in the centerline of a branch of Honey Creek;

**THENCE** along the centerline of said branch of Honey Creek and with the north line of said Harris Living Trust the following calls:

South 72°44'03" West a distance of 125.12 feet to a point for corner;

South 39°28'31" West a distance of 51.51 feet to a point for corner;

South 63°44'23" West a distance of 33.10 feet to a point for corner;

South 37°57'37" East a distance of 16.98 feet to a point for corner;

South 36°15'42" West a distance of 19.80 feet to a point for corner;

South 64°35'28" West a distance of 58.39 feet to a point for corner;

South 45°31'42" West a distance of 49.55 feet to a point for corner;

South 32°41'45" West a distance of 59.25 feet to a point for corner;

South 40°51'22" West a distance of 121.61 feet to a point for corner;

South 63°34'40" West a distance of 29.23 feet to a point for corner;

North 85°58'05" West a distance of 58.96 feet to a 1/2" iron rod found at the northeast corner of a tract of land described in a deed to David G. Neeley et ux. Rebecca R. Neeley recorded in Clerk's File Number 94-0025775, Land Records, Collin County, Texas;

**THENCE** continuing along the centerline of said branch of Honey Creek and with the north line of said David G. Neeley the following calls:

North 89°22'35" West a distance of 72.02 feet to a point for corner;

South 04°40'00" East a distance of 35.21 feet to a point for corner;

South 74°50'15" West a distance of 17.33 feet to a point for corner;

North 55°04'13" West a distance of 28.87 feet to a point for corner;

South 23°44'27" West a distance of 123.52 feet to a point for corner;

South 70°54'12" West a distance of 114.56 feet to a point for corner;

North 35°39'13" West a distance of 79.19 feet to a point for corner;

North 63°08'32" West a distance of 45.46 feet to a point for corner;

South 72°46'07" West a distance of 86.38 feet to a point for corner;

South 38°40'25" West a distance of 22.63 feet to a point for corner;

North 68°32'11" West a distance of 102.53 feet to a point for corner;

South 44°03'04" West a distance of 58.73 feet to a 3/4" iron rod found at the northeast corner of a tract of land described in a deed to Keith E. and Lori Harrell recorded in Volume 4440, Page 3021, Land Records, Collin County, Texas,

**THENCE** continuing along the centerline of said branch of Honey Creek and with the north line of said Keith E. and Lori Harrell the following calls:

South 79°23'13" West a distance of 37.51 feet to a point for corner;

North 47°32'40" West a distance of 42.44 feet to a point for corner;

North 72°28'18" West a distance of 70.08 feet to a point for corner;

North 56°53'01" West a distance of 66.46 feet to a point for corner;

South 78°07'59" West a distance of 46.04 feet to a point for corner;

South 43°04'56" West a distance of 48.94 feet to a point for corner;

North 74°10'51" West a distance of 125.61 feet to a point for corner;

North 33°01'17" West a distance of 74.85 feet to a point for corner;

North 68°29'44" West a distance of 29.01 feet to a point for corner;

North 07°25'52" West a distance of 40.54 feet to a point for corner;

North 40°02'58" West a distance of 94.29 feet to a point for corner;

South 84°39'58" West a distance of 22.04 feet to a point for corner;

North 59°26'17" West a distance of 40.20 feet to a point for corner;

North 15°49'55" West a distance of 23.01 feet to a point for corner;

North 48°27'36" West a distance of 47.23 feet to a point for corner;

North 59°18'49" West a distance of 101.75 feet to a point in the east line of a tract of land described in a deed to Wanda L. Fisher et al. recorded in Volume 374, Page 532, Deed Records, Collin County, Texas;

**THENCE** North 00°55'28" West departing the centerline of said branch of Honey Creek and with the east line of said Wanda L. Fisher tract and along a barbwire fence a distance of 720.60 feet to a 5/8" iron rod with red cap marked KHA set for corner;

**THENCE** South 89°17'46" West along the general course of a barbwire fence a distance of 713.22 feet to a PK nail found at the base of a fence post at the southeast corner of a tract of land described in a deed to Harold D. Johnson recorded in Volume 2587, Page 727, Land Records, Collin County, Texas;

**THENCE** North 00°23'33" West with the east line of said Harold D. Johnson and along a barbwire fence passing at 466.07 feet a 5/8" iron rod found at the northeast corner of said Harold D. Johnson and continuing for a total distance of 1350.72 feet to a wood fence post found at the northeast corner of a tract of land described in a deed to Trilby Hurst Affidavit Of Heirship recorded in Clerk's File Number 93-0064796, Land Records, Collin County, Texas;

**THENCE** South 89°52'55" West with the north line of said Trilby Hurst a distance of 467.83 feet to a point for corner in the centerline of Davidson's Branch;

**THENCE** departing the north line of said Trilby Hurst and along the centerline of said Davidson's Branch the following calls:

North 48°11'00" East a distance of 222.94 feet to a point for corner;

North 15°55'35" East a distance of 104.74 feet to a point for corner;

North 55°42'39" East a distance of 57.02 feet to a point for corner;

North 39°45'09" East a distance of 63.93 feet to a point for corner;

North 01°45'38" East a distance of 152.13 feet to a point for corner;

North 28°32'35" East a distance of 35.53 feet to a point for corner;

North 80°45'09" East a distance of 85.74 feet to a point for corner;

North 04°37'13" East a distance of 87.05 feet to a point for corner;

North 61°36'30" East a distance of 71.17 feet to a point for corner;

South 77°42'39" East a distance of 11.98 feet to a point for corner;

South 22°51'06" East a distance of 31.69 feet to a point for corner in the 1966 Survey Of Common Line Between The Hannah Helen Hochman 24 Acres And The H.C. Franklin 43 Acres recorded in Volume 683, Page 154 Land Records, Collin County, Texas;

**THENCE** North 00°14'13" West with said Survey Of Common Line passing at 50.00 feet a 1/2" iron rod found at the base of a wood fence post, passing at 248.84 feet a 1/2" iron rod found at the northeast corner of a tract of land described in a deed to Raymond V. Martin and Barbara H. Martin recorded in Volume 4340, Page 2489, Land Records, Collin County, Texas, and continuing for a total distance of 367.50 feet to a 5/8" iron rod with red cap marked KHA set for corner;

**THENCE** North 00°15'47" East continuing with said Survey Of Common Line a distance of 291.33 feet to the **POINT OF BEGINNING** and containing 1218.714 acres of land.

**LESS AND EXCEPT** that certain tract containing approximately 2.3794 acres of land, as the same is more particularly described on the following page.

Description of "Less and Except Tract"

DESCRIPTION 2.3794 Acres of Land

SITUATED in Collin County, Texas, in the Eason Hamilton Survey, Abstract No. 372, being a reurvey of part of the 42.84 acres of land as described in a deed from Noy M. Brown, et al to J. A. Gooch and wife, Imogene Gooch, dated June 8, 1981, recorded in Volume 582, Page 382, of the Collin County Deed Records, being described by meter and brands as follows:

BEING an old iron pin found in the center of the old bed of Honey Creek, in a north-south fence and at the southwest corner of the 2.682-acre of land, Tract Two, as described in a deed from Franklin Family Partnership to J. A. Gooch and Imogene Gooch, Trustee of the J. A. Gooch and Imogene Gooch Revocable Living Trust, dated March 18, 2003, recorded in Volume 8636, Page 4138 of the Collin County Land Records;

Thence northerly with an old, old fence as follows:

North 179°38' West, 162.37 feet;

North 143°35' West, 102.14 feet to an iron pin found at the southwest corner of the J. A. Gooch 3.667-acre, Tract One, Vol. V, 3636, P. 4138;

Thence up the center of the old bed of Honey Creek and with the north line of said 40.64-acre tract and with the south line of said 3.667-acre tract as follows:

South 78°30'26" East, 110.04 feet; South 43°57' East, 90.0 feet;

North 68°17'54" East, 174.48 feet; South 80°18'31" East, 71.46 feet;

South 65°42'40" East, 178.28 feet to a point in the center of the bed of Honey Creek where the water presently flows and at the southeast corner of said 3.667-acre tract and at an old corner of said 40.64-acre tract;

Thence southerly with the center of Honey Creek where the water presently flows as follows:

South 60°34'30" West, 48.82 feet; South 80°53' West, 54.33 feet to a point in said Creek at the northeast corner of said 2.682-acre tract where the Present Bed of Honey Creek joins the Old Bed of Honey Creek;

Thence westerly up the center of the old bed of Honey Creek and with the north line of said 2.682-acre tract and with a south line of said 40.64-acre tract as follows:

South 29°11'23" West, 88.01 feet; South 87°11'05" West, 105.59 feet;

North 60°38'48" West, 70.34 feet; North 78°04'34" West, 78.44 feet;

South 77°14'20" West, 222.56 feet to the PLACE OF BEGINNING and containing 2.3794 acres of land.



**Exhibit "A-2"**

*Description of Property owned by Honey Creek Investments, LLC  
(Containing Approximately 254 Acres of Land)*

## EXHIBIT A-2

BEING, a tract of land situated in the Meredith Hart Survey, Abstract Number 371, Collin County, Texas, and being all of the called 254.64 acre tract of land to Honey Creek Joint Venture II, as recorded in Collin County File Number 94-0092023, of the Deed Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING at a 1 inch iron pipe found in a North-South paved road (County Road Number 202) at the northwest corner of said Meredith Hart Survey and the northwest corner of said Honey Creek tract, said point also being the southwest corner of a tract of land to Malinda A. Warden called Tract 2 as recorded in Collin County File No. 2005-0055890 of said Deed Records and lying on the east line of a tract of land to Robert Allen Davis and Laurie L. Davis as recorded in Volume 3543, Page 396 of said Deed Records;

THENCE South 88 degrees 52 minutes 49 seconds East along the north line of said Honey Creek tract a distance of 155.17 feet to a 5/8 inch iron rod found for the southeast corner of said Warden tract lying on the south right-of-way line of Farm Road No. 543, (a variable width right-of-way), said point also lying at the beginning of a curve to the left;

THENCE with said curve to the left and along said south line of Farm Road No. 543 having a radius of 359.62 feet, a central angle of 27 degrees 16 minutes 51 seconds, an arc length of 171.23 feet, a chord bearing of South 75 degrees 14 minutes 21 seconds East a distance of 169.62 feet to a broken concrete highway monument found for corner;

THENCE South 88 degrees 52 minutes 49 seconds East continuing along said south line of Farm Road No. 543 a distance of 1135.30 feet to a broken concrete highway monument found for corner at the beginning of a curve to the right;

THENCE with said curve to the right continuing along said south line of Farm Road No. 543 having a radius of 2825.16 feet, a central angle of 02 degrees 43 minutes 37 seconds, an arc length of 134.47 feet, a chord bearing of South 87 degrees 20 minutes 32 seconds East a distance of 134.46 feet to 1/2 inch iron rod found for the most northerly northeast corner of said Honey Creek tract and the northwest corner of a tract of land to Evelyn Cole Family, LTD as recorded in Collin County File Number 2000-0040586 of said Deed Records;

THENCE South 01 degree 39 minutes 39 seconds West departing said south line of Farm Road No. 543 and along the common line of said Honey Creek tract and said Cole tract a distance of 1147.33 feet to a 1 inch iron pipe found for the southwest corner of said Cole tract and an inner ell corner of said Honey Creek tract;

THENCE South 87 degrees 32 minutes 32 seconds East along the south line of said Cole tract and the south line of a tract of land to Mescal Hill Wilson as recorded in Instrument Number 20091215001497350 of the Official Public Records of Collin County, Texas, passing the common southeast and southwest corner of said Cole and Wilson tracts and continuing a total distance of 1177.20 feet to a 3/8 inch iron rod found for the most easterly northeast corner of said Honey Creek

tract and the northwest corner of a tract of land to Gregory Mills as recorded in Collin County File Number 2001-0044545 of said Deed Records;

THENCE South 01 degree 00 minutes 36 seconds West along the east line of said Honey Creek tract a distance of 1783.23 feet to a square bolt found for corner at an angle point on said east line, said point also being the southwest corner of a tract of land to Mackuehn Partners, LLC. as recorded in Instrument Number 20140131000096000 of said Official Records and the northwest corner of a tract of land to Robert Nicholas Oliver as recorded in Instrument Number 20070510000633570 of said Official Records;

THENCE South 00 degrees 57 minutes 33 seconds West continuing along the east line of said Honey Creek and along the west line of said Oliver tract a distance of 1062.76 feet to a 5/8 inch iron rod with cap stamped "R.P.L.S. 5430" set for a southeast corner of said Honey Creek tract and the southwest corner of said Oliver tract, said point also lying in the aforementioned County Road Number 202 and on the north line of a tract of land to Helen L. Cambell Supplemental Needs Trust as recorded in Instrument Number 20130423000545440 of said Official Records;

THENCE South 89 degrees 14 minutes 22 seconds West along the common line of said Honey Creek tract and said Trust tract along said County Road Number 202 a distance of 457.49 feet to a PK nail found for the northwest corner of a tract of land to Daniel Travis Squires and Dalana Lin Squires as recorded in Instrument Number 20140401000304730 of said Official Records;

THENCE South 01 degree 12 minutes 08 seconds West departing said County Road Number 202 and along the common line of said Honey Creek tract and said Squires tract a distance of 469.12 feet to a 5/8 inch iron rod found for corner;

THENCE North 87 degrees 11 minutes 23 seconds West continuing along said common line a distance of 245.21 feet to a 5/8 inch iron rod found for corner;

THENCE South 01 degree 33 minutes 59 seconds West continuing along said common line and along the west line of said Trust tract a distance of 829.22 feet to a 5/8 inch iron rod found for corner;

THENCE North 85 degrees 17 minutes 53 seconds West along the southerly line of said Honey Creek tract a distance of 184.73 feet to a point in the center of Honey Creek;

THENCE with the southerly line of said Honey Creek tract and the center of Honey Creek the following courses and distances;

North 60 degrees 24 minutes 45 seconds West a distance of 109.27 feet; North 46 degrees 36 minutes 54 seconds West a distance of 72.41 feet; North 54 degrees 51 minutes 40 seconds West a distance of 59.44 feet; North 42 degrees 36 minutes 58 seconds West a distance of 84.43 feet; North 49 degrees 15 minutes 50 seconds West a distance of 200.09 feet; North 43 degrees 14 minutes 41 seconds West a distance of 168.42 feet; North 18 degrees 52 minutes 24 seconds West a distance of 52.83 feet; North 25 degrees 56 minutes 16 seconds East a distance of 66.43 feet; North 12 degrees 20 minutes 03 seconds West a distance of 67.01 feet; North 51 degrees 09

minutes 18 seconds West a distance of 90.73 feet; South 80 degrees 11 minutes 04 seconds West a distance of 105.97 feet; South 44 degrees 09 minutes 44 seconds West a distance of 157.50 feet; North 71 degrees 32 minutes 52 seconds West a distance of 102.21 feet; North 43 degrees 44 minutes 50 seconds West a distance of 177.80 feet; North 60 degrees 01 minutes 30 seconds West a distance of 206.11 feet; North 48 degrees 50 minutes 27 seconds West a distance of 157.77 feet; North 30 degrees 38 minutes 03 seconds West a distance of 105.92 feet; North 53 degrees 16 minutes 07 seconds West a distance of 86.80 feet; North 83 degrees 45 minutes 32 seconds West a distance of 167.62 feet; North 15 degrees 09 minutes 06 seconds West a distance of 212.76 feet; North 13 degrees 24 minutes 18 seconds West a distance of 90.73 feet; North 40 degrees 03 minutes 14 seconds West a distance of 41.74 feet;

THENCE North 47 degrees 29 minutes 14 seconds East departing said center of Honey Creek a distance of 44.08 feet to a 5/8 inch iron rod found for corner on the west line of said Honey Creek tract;

THENCE North 00 degrees 45 minutes 31 seconds West along the west line of said Honey Creek tract a distance of 582.40 feet to a 5/8 inch iron rod found for corner;

THENCE North 12 degrees 05 minutes 41 seconds West continuing along said west line a distance of 84.06 feet to a 5/8 inch iron rod found for corner;

THENCE North 25 degrees 09 minutes 52 seconds West continuing along said west line a distance of 181.31 feet to a 5/8 inch iron rod found for corner;

THENCE North 00 degrees 31 minutes 02 seconds East continuing along said west line and generally near the center of said County Road Number 202 a distance of 1340.78 feet to a 1/2 inch iron rod found for corner;

THENCE North 01 degree 14 minutes 46 seconds East continuing along said west line and said County Road Number 202 a distance of 538.52 feet to a 5/8 inch iron rod with cap stamped "R.P.L.S. 5430" set for corner;

THENCE North 00 degrees 00 minutes 58 seconds West continuing along said west line and said County Road Number 202 a distance of 671.18 feet to a 5/8 inch iron rod with cap stamped "R.P.L.S. 5430" set for corner;

THENCE North 00 degrees 09 minutes 16 seconds East continuing along said west line and said County Road Number 202 a distance of 576.89 feet to the POINT OF BEGINNING containing 11,090,197 square Feet, or 254.596 acres of land.