

**RELEASE AND HOLD HARMLESS AGREEMENT**

STATE OF TEXAS            )  
  )        KNOW ALL MEN BY THESE PRESENTS:  
COUNTY OF COLLIN        )

WHEREAS, this Release and Hold Harmless Agreement (“Agreement”) is hereby entered into by and between Sphinx Development Corporation (“Releasor”), and the City of McKinney, Texas, a Texas municipal corporation (the “City”); and

WHEREAS, Releasor has submitted an application for low income housing tax credits (“LIHTC”) to the Texas Department of Housing and Community Affairs (“TDHCA”) for a housing development generally described as mixed-income, mixed-use, multifamily rental community of 124 units and 13,600 sf of commercial and retail space, Sphinx at Throckmorton Villas, (the “Project”), generally located on property located in the City at 820 E. University Drive (the “Property”); and

WHEREAS, Releasor has also submitted a request to the City for passage of a Resolution by the City Council of the City of McKinney, Texas (“City Council”), supporting the Project; and

WHEREAS, Releasor has also submitted or intends to submit an application to the City requesting a zoning amendment on the Property necessary in order to develop the Project, from “ML” and “RG18” zoning to PD (Planned Development) zoning; and

WHEREAS, Texas law, at Texas Government Code, § 2306.6705(5), provides for Releasor to execute this Agreement to release and hold the City harmless in the event that Releasor’s zoning amendment application on the Property is denied; and

WHEREAS, Releasor’s providing this Agreement to the City is consistent with the City’s LIHTC Resolution Policy.

NOW, THEREFORE, for and in consideration of the foregoing premises, and other good and valuable consideration, the receipt of which is hereby acknowledged, Releasor, and its successors, assigns and grantees, does hereby completely release the City from and waive any and all claims, whether known or unknown, which arise or may arise, from Releasor's zoning amendment application, including but not limited to, its denial of appropriate zoning.

Furthermore, Releasor agrees to indemnify and hold harmless the City, its officers employees, agents, and representatives, from any and all claims, counterclaims, demands, actions, and causes of action of any kind or character, whether known or unknown, present or future, asserted by Releasor its successors, assigns and grantees, or any third party, with regard to any damages to the Property or Project, as identified above, that may be or have been brought against the City, its officers, employees, agents and representatives, as the result of the City's consideration of Releasor's zoning amendment application, including but not limited to, its denial of appropriate zoning.

EXECUTED on the dates acknowledged below, and effective as of the last date signed.

RELEASOR:



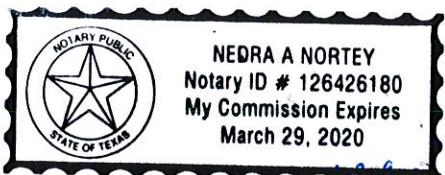
Date signed: January 9, 2017

Jidefor 'Jay' Oji  
President and CEO, Sphinx Development Corporation

THE STATE OF TEXAS    §  
  §  
COUNTY OF COLLIN    §

BEFORE ME, the undersigned authority, on this day personally appeared Jidefor 'Jay' Oji, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that said instrument was executed and intended as a release for the purposes and consideration therein described and in the capacity therein stated.

SUBSCRIBED AND SWORN TO before me on this 9<sup>th</sup> day of January, 2017, to certify which witness my hand and seal of office.



Nedra A. Northey  
Notary Public in and for  
the State of Texas

My Commission Expires: 03.29.2020

CITY OF MCKINNEY, TEXAS

By \_\_\_\_\_  
Paul Grimes  
City Manager

Date signed: \_\_\_\_\_

THE STATE OF TEXAS    §  
                                      §  
COUNTY OF COLLIN    §

BEFORE ME, the undersigned authority, on this day personally appeared Paul Grimes, City of McKinney City Manager, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that said instrument was executed and intended as a release for the purposes and consideration therein described and in the capacity therein stated.

SUBSCRIBED AND SWORN TO before me on this \_\_\_\_\_ day of \_\_\_\_\_, 2017, to certify which witness my hand and seal of office.

\_\_\_\_\_  
Notary Public in and for  
the State of Texas

My Commission Expires: \_\_\_\_\_