AFTER RECORDING, RETURN TO:

City Secretary
City of McKinney
P.O. Box 517
401 E. Virginia Street
McKinney, Texas 75069

City of McKinney, Texas
ANNEXATION AND DEVELOPMENT AGREEMENT
For
Approximately 10.644 Acres of Land
Situated at the southwest corner of
County Road 161 (Ridge Road) and future Fremont Drive
Owned by Bernd and Valerie Fitzau

This ANNEXATION AND DEVELOPMENT AGREEMENT ("Agreement"), is entered into effective the _____ day of _____, 202___, by and between the ***CITY OF McKINNEY***, a Texas municipal corporation and home-rule city ("CITY") and ***BERND AND VALERIE FITZAU***, a married couple, whose address is 107 Legacy Pointe, Boerne, TX 78006-6029, being the present owner of the subject property at the time of the execution of this Agreement ("OWNER"), witnesseth that:

WHEREAS, The CITY's development-related regulations including zoning, subdivision, signage, fencing, and stormwater standards are consolidated in the Unified Development Code of the City of McKinney, Texas (the "UDC") that is contained in Chapter 150 of the Code of Ordinances, City of McKinney, Texas; and

WHEREAS, Article 3 of the UDC contains the "Subdivision Regulations" of the CITY that establish procedures and standards for the development and subdivision of land and for the surveying and platting thereof, requiring the installation of adequate public facilities to serve the subject property and providing penalties for violations, among other things; and

WHEREAS, OWNER owns certain real property located within the extraterritorial jurisdiction ("ETJ") of the CITY that is more particularly described herein below and identified as the "Property"; and

WHEREAS, OWNER has voluntarily requested that the CITY acting by and through its City Council annex the Property into the CITY's corporate limits and the CITY desires to annex the Property into the CITY's corporate limits; and

WHEREAS, OWNER understands that the:

(1) OWNER is not required to enter into this Agreement; and

(2) CITY may only annex the Property in accordance with the requirements of Tex. Loc. Gov't Code Chapter 43; and

(3) CITY's annexation of the Property requires the consent of OWNER; and

WHEREAS, OWNER and CITY have entered into this Agreement pursuant to the authority provided by Chapter 43 and Section 212.172, *et seq.*, of the Texas Local Government Code; and

WHEREAS, OWNER desires to obtain water and sanitary sewer service for the Property from the CITY; and

WHEREAS, OWNER and the CITY have entered into this Agreement to allow the CITY to annex the Property into the CITY's corporate limits; 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 to be constructed by OWNER as a condition to development of the Property 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 or their successor-in-interest and/or any developer(s) 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, a subsequent facilities agreement specific to the then proposed use of the Property may be required at such time as development of the Property begins which may supersede or amend this Agreement by setting forth in detail the public improvements that will be required for the Property and until such occurrence all applicable ordinances and the terms of this Agreement shall govern the Property's development and provide notice to OWNER of the CITY's development requirements; and

WHEREAS, OWNER, together with 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 OWNER, its representatives, grantees, assigns, successors, trustees and all others holding any interest in the Property now or in the future; and

WHEREAS, the OWNER and the CITY are sometimes referred to herein individually as a "party" and collectively as the "parties."

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, OWNER and CITY agree as follows:

A. INCORPORATION OF RECITALS

The Recitals 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 in the ETJ, which Property abuts the CITY's corporate limits and is the subject of a pending annexation proceeding contemporaneously with CITY's consideration of this Agreement, and is located in the general vicinity of the southwest corner of the future intersection of County Road 161 (Ridge Road) and Fremont Drive, located in the D.M. Crutchfield Survey, Abstract No. 205, containing approximately 10.644 acres of land, more or less, more fully described in Exhibit "A" attached hereto and fully incorporated herein by reference for all purposes allowed by law (the "Property").

C. ANNEXATION AND COVENANTS RUNNING WITH THE LAND

1. It is specifically understood and agreed by and between the parties that the Property is outside the CITY's corporate limits within the ETJ and abuts the CITY's corporate limits. **OWNER has voluntarily requested that the CITY annex the Property identified in Exhibit A into the CITY's corporate limits for all purposes allowed by law, subject to the terms of this Agreement. In the event of any conflict between this Agreement and any annexation services agreement or service plan for the Property, this Agreement shall control.**

2. It is specifically understood and agreed that but for OWNER's petition requesting the Property be annexed into the CITY's corporate limits the Property would remain outside the CITY's corporate limits and within the CITY's extra-territorial jurisdiction.

3. It is further understood and agreed that the CITY does not currently have public improvements in place to serve the Property and/or the proposed development of the Property. It is also understood and agreed that the CITY does not have any plans to improve or construct all of the roadways; extend all of the water, sanitary sewer and storm sewer lines; and construct the parks necessary to serve the Property. Neither does the CITY have the funds budgeted or otherwise available or projects and bonds approved by the voters to provide all of the public improvements necessary to serve the Property.

4. OWNER and the CITY hereby specifically agree that the entirety of the Property shall be annexed into the CITY's corporate limits; and, that this obligation to annex the Property shall constitute and hereafter be a covenant running with the land.

5. OWNER and OWNER's respective successors, assigns, and heirs shall hereafter notify every purchaser of all, or any part, portion, tract, or lot situated within and about the Property of this covenant running with the land to annex the Property into the CITY's corporate limits.

6. **OWNER acknowledges that the Property is within the CITY's extra-territorial jurisdiction and represents to the CITY that OWNER has not engaged in any discussions or negotiations with any other city or town seeking to have the Property annexed into the extra-territorial jurisdiction or corporate limits of any municipality or town save and except the CITY. OWNER specifically understands and agrees that the CITY shall have no obligation to design, extend, construct and provide the public improvements necessary to serve the Property and that should OWNER desire to develop the Property prior to the time that adequate public improvements are on or adjacent to the Property, it shall be OWNER's responsibility and obligation to design, extend and construct such public improvements.**

7. **OWNER does hereby, in exchange for the annexation of the Property, waive and hold harmless and agree to indemnify the CITY from and against any and all claims or demands that the CITY design, extend, construct and provide the public improvements necessary to serve the Property. In addition, OWNER hereby waives any vested rights they may otherwise have under Section 43.002(a)(2), Section 212.172(g), and Chapter 245 of the Texas Local Government Code to develop the Property in whole or in part in any manner that conflicts with the provisions of this Agreement.**

8. The CITY agrees, in accordance with applicable statutory requirements, to take all steps necessary to complete and approve annexation of the Property into the corporate limits of the CITY (the "Annexation") substantially concurrent with the approval of this Agreement. For the avoidance of doubt, the CITY agrees to take a vote on approval of this Agreement prior to or concurrent with any vote on Annexation or any vote on zoning for the Property. If this Agreement is not approved for any reason, then the CITY shall not take any vote on Annexation or zoning of the Property. Should the CITY fail to complete the Annexation of the Property in accordance with this Agreement, this Agreement shall automatically terminate and OWNER's request for voluntary annexation shall immediately expire and terminate.

9. This Agreement shall further constitute an agreement for the provision of CITY services to the Property upon the CITY's completion of annexation proceedings

for the Property in accordance with the provisions of the Ordinance annexing the Property into the CITY's corporate limits (the "Annexation Ordinance"), the "Service Plan" agreed upon by and between the parties adopted with the Annexation Ordinance, and the requirements of Texas law.

D. ZONING, PLATTING, AND DEVELOPMENT

1. No site plans or plats for the Property shall be submitted to the CITY or any other governmental entity for consideration and approval until after the date on which the "212.172 Zoning Request," defined hereinbelow, is approved by the CITY and all formalities associated with the annexation of the Property into the CITY's corporate limits have been fully performed.

2. The Property shall be zoned and platted or replatted in accordance with the CITY's Unified Development Code (the "UDC") contained in Chapter 150 of the Code of Ordinances, of the City of McKinney, Texas (the "McKinney Code") together with CITY's Engineering Design Manual and Standard Details for Construction that are incorporated into the Unified Development Code by reference before any Building Permit will be issued by the CITY for the development of the Property.

3. Pursuant to Tex. Loc. Gov't Code 212.172, the Owner shall seek to zone the Property for multifamily residential uses under the MF-36 Multifamily Residential Zoning District (the "MF36 District") found in Section 204.L of the UDC, which zoning will allow all uses within the MF36 District by right subject to compliance with all of the standards for the MF36 District (the "212.172 Zoning Request").

4. The CITY shall process the 212.172 Zoning Request for the Property and the Annexation of the Property at the same City Council Meeting.

    a. If the 212.172 Zoning Request for the Property is not approved by the City Council, the Property will not be annexed into the City's corporate limits and shall remain in the City's ETJ.

    b. If the 212.172 Zoning Request for the Property is approved by the City Council, the Property shall promptly become a part of the City's corporate limits and shall not revert to or be released to the City's extraterritorial jurisdiction for any reason or purpose.

5. Following the City Council's approval of (i) this Agreement, and (ii) the Annexation Ordinance and agreed upon Service Plan for the Property, and (iii) the 212.172 Zoning Request for the Property, the OWNER of the Property shall have the ability to access the City's water and wastewater infrastructure systems in order to provide necessary utilities to serve the Property, subject to OWNER's compliance with the McKinney Code

6. Following the City Council's approval of (i) this Agreement, and (ii) the Annexation Ordinance and agreed upon Service Plan for the Property, and (iii) the 212.172 Zoning Request for the Property, the OWNER of the Property shall have the ability to submit site plans or plats or replats for the Property to the CITY in accordance with the UDC and all other applicable provisions of the McKinney Code.

7. OWNER shall be responsible for paying all fees associated with the annexation and the development of the Property as required by the UDC and all other applicable provisions of the McKinney Code.

E. PUBLIC IMPROVEMENTS

All public improvements necessary to serve the Property, including utility lines, drainage structures and lines, easements, roadways, sidewalks, hike and bike trails, street lighting, street signage, rights-of–ways, parkland dedication (or fees in lieu thereof) and all other required improvements and dedications shall be designed, constructed and provided to the CITY by OWNER, at no cost to the CITY, in accordance with the UDC and all other applicable provisions of the McKinney Code which are then in effect.

F. CONVEYANCE OF LAND FOR RECREATIONAL AREAS & FACILITIES

OWNER shall comply with the parkland dedication requirements contained in Article 3, Section 309 of the UDC, as it may be amended from time to time, which as a condition of subdivision development may require OWNER to dedicate land for parks or pay a fee in lieu of dedicating land for parks or a combination of both, as approved by the CITY's Director of Parks and Recreation. In addition to the parkland dedication requirement, OWNER may be required to pay a park development fee, subject to the regulations contained therein.

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 ensure that said water supply and wastewater treatment capacity is available.

H. CITY DEVELOPMENT REGULATIONS

OWNER shall develop the Property in accordance with the standards set forth in the UDC and all other applicable provisions of the McKinney Code including but not limited to provisions regarding drainage, erosion control, pro-rata payments, parkland dedication, park development fees, storm water management, tree preservation, Street Design Standards, Public Improvements Policy and construction standards.

I. 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 the UDC and applicable provisions of the McKinney Code. For any applicable off-site facilities in place as of the date of OWNER's development of the Property, 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 OWNER utilizes such facilities for the Property. If, however, the water or sewer facilities are bounded on both sides by the Property then 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 OWNER utilizes such facilities. Should OWNER construct off-site water and sewer facilities such that pro-rata fees are due to OWNER, the CITY agrees to collect any fees due to 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. 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 OWNER.

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.

J. PROPORTIONALITY FEE

OWNER, or OWNER's successor(s)-in-interest (including a builder-owner), shall pay to the CITY a Proportionality Fee ("Fee") for development of the approximately 10.644 acres of the Property that is situated in the CITY's extraterritorial jurisdiction, which Fee represents a roughly proportional amount necessary to offset the roadway infrastructure capacity needs of the Property. The Fee shall be the equivalent of the roadway impact fee assessed in the adjacent (abutting) roadway impact fee service area (or that service area nearest to the Property if not adjacent)

in effect at the time of building permit and shall be paid at the time of OWNER's submission of each request for a water meter for any development on the Property. OWNER, or OWNER's successor(s)-in-interest (including a builder-owner), shall also pay (at the time of building permit issuance) to the CITY a water and wastewater proportionality fee in an amount equivalent to the then existing fee charged for a particular use in accordance with the CITY's utility impact fee ordinance.

In accordance with the methodology and provisions of the CITY's roadway impact fee ordinance, OWNER shall receive credits for excess vehicle miles contributed by OWNER (as such compare to the amount of vehicle miles of demand the entire Property creates) for right-of-way dedication and construction of on-site and adjacent roadways required by this Agreement. Such credits will only be issued to OWNER for construction of impact fee eligible system roadways, or roadways which become impact fee eligible system roadways, completed to CITY standards and accepted by the CITY. Any credits shall not include OWNER's individual costs for eminent domain, if any.

K. IMPACT FEES

If the CITY's Impact Fee Capital Improvement Plan is updated and the Property is designated as falling within a specific roadway service area and/or a specific utility service area before the Property is developed, OWNER shall pay roadway impact fees and/or utility impact fees on the proposed development of the Property rather than a Proportionality Fee. In such event, Impact fees for the Property shall be charged in accordance with Ordinance No. 2020-12-091 (Roadway) and Ordinance No. 2020-12-092 (Water & Wastewater), 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.

L. NO WAIVER

OWNER expressly acknowledges that by entering into this Agreement, 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 UDC or any other applicable provisions of the McKinney Code in force by the CITY, except as specifically herein agreed.

M. RELATIONSHIP TO ROADWAY AND SEWER/WATER IMPACT FEES AND WAIVER OF CLAIMS.

OWNER has been represented by legal counsel in the negotiation of this Agreement and been advised, or have 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 financial allocation of OWNER's responsibility for roadway and utility improvements for its Property and that the financial contribution, including the proportionality fee and in-kind construction of improvements made by OWNER pursuant to this Agreement, are necessary and attributable to development of the Property. The financial obligation of OWNER herein set forth shall relieve OWNER of any obligation for roadway and water/sewer impact fees for the Property unless impact fees are applicable to this Property, or as otherwise provided herein above. OWNER further waives any statutory or state constitutional takings claims under the Texas Constitution and Chapter 395 of the Tex. Loc. Gov't Code, any federal constitutional claims, and any claims for reimbursement under any existing or future impact fee ordinances of the City of McKinney to the extent such claims are based on OWNER's dedication, construction, or payment obligations under this Agreement. OWNER further releases the CITY from any and all claims based on excessive or illegal exactions; it being agreed that the amount of OWNER's infrastructure contribution proportionality fee (after receiving all contractual offsets, credits and reimbursements) is roughly proportional to the demand that is placed on the CITY's roadway and utility systems by OWNER's development. OWNER further acknowledges that the benefits of annexation, 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 the CITY from and against any claims and suits of any third parties, including but not limited to OWNER's successors, assigns, grantees, vendors, trustees or representatives, brought solely pursuant to this Agreement and/or asserting the claims or types of claims described in this paragraph.

N. 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.

O. ASSIGNMENT

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.

P. TERMINATION AND RELEASE

Upon satisfactory completion by OWNER and final acceptance by the CITY of all requirements of this Agreement, this Agreement shall terminate and the 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 earlier of the following to occur:

1. The requirements and obligations of all parties have been fulfilled; or

2. The passage of forty-five (45) years from the effective date of this Agreement.

Q. CONFLICT OF INTEREST

OWNER shall comply with the requirements of Texas Government Code § 2252.908 by completing and submitting Form 1295 to the Texas Ethics Commission ("Commission") at the time OWNER submits this signed Agreement to CITY, and as follows:

Form 1295 Filing Process: The Commission has made available on its website a new filing application that must be used to file Form 1295. OWNER must use the application to enter the required information on Form 1295 and print a copy of the completed form, which will include a certification of filing that will contain a unique certification number. An authorized agent of OWNER must sign the printed copy of the form and complete the "unsworn declaration" which includes, among other things, the date of birth and address of the authorized representative signing the form. The completed Form 1295 with the certification of filing must be filed with the CITY.

The CITY must notify the Commission, using the Commission's filing application, of the receipt of the filed Form 1295 with the certification of filing not later than the 30th day after the date the Agreement binds all parties to the Agreement. The

Commission will post the completed Form 1295 to its website within seven business days after receiving notice from the CITY.

Form 1295 Availability: Certificate of Interested Parties Form is available from the Texas Ethics Commission website at the following address:

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

For questions regarding and assistance in filling out Form 1295, please contact the Texas Ethics Commission at 512-463-5800.

R. NO BOYCOTTING OF ISRAEL

In accordance with Chapter 2271, Texas Government Code, a Texas governmental entity may not enter into a contract with a company for the provision of goods or services unless the contract contains a written verification from the company that it:

(i) does not boycott Israel; and
(ii) will not boycott Israel during the term of the contract.

Chapter 2271 does not apply to (1) a company that is a sole proprietorship; (2) a company that has fewer than ten (10) full-time employees; or (3) a contract that has a value of less than One Hundred Thousand Dollars ($100,000.00). Unless the company is not subject to Chapter 2271 for the reasons stated herein, the signatory executing this contract on behalf of the company verifies by its signature on this Agreement that the company does not boycott Israel and will not boycott Israel during the Term of this Agreement.

S. NO BOYCOTTING ENERGY COMPANIES

In accordance with Chapter 2276, Texas Government Code, a Texas governmental entity may not enter into a contract with a company for the provision of goods or services unless the contract contains a written verification from the company that it:

(i) does not boycott energy companies; and
(ii) will not boycott energy companies during the term of the contract.

Chapter 2276 does not apply to (1) a company that has fewer than ten (10) full-time employees; and (2) a contract that has a value of less than One Hundred Thousand Dollars ($100,000.00). Unless the company is not subject to Chapter 2274 for the reasons stated herein, the signatory executing this Agreement on behalf of the company verifies by its signature on this Agreement that the company does not boycott energy companies and will not boycott energy companies during the Term of this Agreement.

T. NO BOYCOTTING FIREARM ENTITIES OR FIREARM TRADE ASSOCIATIONS

In accordance with Chapter 2274, Texas Government Code, a Texas governmental entity may not enter into a contract with a company for the provision of goods or services unless the contract contains a written verification from the company that it:

(i) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and
(ii) will not discriminate during the term of the contract against a firearm entity or firearm trade association.

Chapter 2274 does not apply to (1) a company that has fewer than ten (10) full-time employees; and (2) a contract that has a value of less than One Hundred Thousand Dollars ($100,000.00). In addition, this provision does not apply to: (1) a contract with a sole-source provider; or (2) a contract for which the governmental entity did not receive any bids from a company that is able to provide the required written verification. Unless the company is not subject to Chapter 2274 for the reasons stated herein, the signatory executing this Agreement on behalf of the company verifies by its signature on this Agreement that the company does not discriminate against any firearm entity or firearm trade association and will not discriminate against any firearm entity or firearm trade association during the Term of this Agreement.

U. GENERAL PROVISIONS

1. OWNER agrees that construction shall not begin on any proposed improvements to the Property prior to City Council approval of this Agreement.

2. 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.

3. 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 regulations, including but not limited to provisions regarding drainage, erosion control, pro rata payments, tree preservation, Street Design Standards, Public Improvements Policy and construction standards.

[Signature Page Follows]

CITY OF McKINNEY

By: _____
PAUL G. GRIMES
City Manager

Date Signed: _____

ATTEST:

_____
EMPRESS DRANE
City Secretary
TENITRUS PARCHMAN
Deputy 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 whose name is subscribed to the foregoing instrument, and acknowledged to me that he has executed the same on the CITY's behalf.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE _____ DAY OF _____, 20___.

_____
Notary Public _____ County, Texas
My commission expires _____

BERND AND VALERIE FITZAU,
a married couple

By: _____
BERND FITZAU

Date Signed: Jan 21, 2026

By: _____
VALERIE FITZAU

Date Signed: Jan 21, 2026

THE STATE OF TEXAS §
COUNTY OF COLLIN §

This instrument was acknowledged before me on the 21st day of JANUARY, 2026, by ***BERND FITZAU***, known to me to be the person whose name is subscribed to the foregoing instrument.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE RB ~~JANUARY~~ 21st DAY OF RB JANUARY, 2026.

RUBY ANN BATSON
Notary Public, State of Texas
My Comm. Exp. 11-21-2026
ID No. 13180457-3

_____
Notary Public COLLIN County, Texas
My commission expires 11-21-2026

THE STATE OF TEXAS §
COUNTY OF COLLIN §

This instrument was acknowledged before me on the 21st day of JANUARY, 2026, by ***VALERIE FITZAU***, known to me to be the person whose name is subscribed to the foregoing instrument.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 21st DAY OF JANUARY, 2026.

RUBY ANN BATSON
Notary Public, State of Texas
My Comm. Exp. 11-21-2026
ID No. 13180457-3

_____
Notary Public COLLIN County, Texas
My commission expires 11-21-2026

EXHIBIT A

DESCRIPTION OF PROPERTY

Being a tract of land, situated in the D. M. Crutchfield Survey, Abstract No. 205, in Collin County, Texas, and being all of that called 10.648 acre tract of land, described in deed to Valerie Anne Fitzau and spouse, Bernd Fitzau, as recorded in Volume 4068, Page 3194, of the Deed Records, Collin County, Texas (D.R.C.C.T.), said tract being more particularly described, as follows:

BEGINNING at a point for corner, being the southeasterly corner of said 10.648 acre tract, same being the northeasterly corner of a called 14.359 acre tract of land, described in deed to Eric J. Wikstrom, Trustee of the QZ Ranch, dated June 24, 2020, as recorded under Document No. 20200710001064610, of the Official Public Records, Collin County, Texas (O.P.R.C.C.T.), said corner also being in County Road No. 161;

THENCE South 89°16'05" West, along the common line between said 10.648 acre tract and said 14.359 acre tract, passing a 3/8" iron rod found for the northwesterly corner of said 14.359 acre tract, at a distance of 1320.21' and continuing along the southerly line of said 10.648 acre tract, a total distance of 1383.00' to a point for corner in a creek;

THENCE along said creek, same being the westerly line of said 10.648 acre tract, the following (4) four courses and distances:

1. North 49°28'33" West, a distance of 93.43' to a point for corner;

2. North 30°25'40" West, a distance of 68.09' to a point for corner;

3. North 00°39'07" East, a distance of 79.52' to a point for corner;

4. North 25°16'48" East, a distance of 99.35' to a point for corner, being the southwesterly corner of Tract 1, a called 5.051 acre tract, described in deed to Flint K. Loughridge or Regina C. Loughridge, as Trustee or the Loughridge Living Trust, as recorded under Document No. 2023000107816, O.P.R.C.C.T.;

THENCE along the common line between said 10.648 acre tract and said 5.051 acre tract, the following two (2) courses and distances:

1. North 89°14'09" East, passing a 5/8" iron rod found at a distance of 47.26', a 3/8" iron rod found at a distance of 341.79', and continuing in all, a total distance of 638.36' to an angle point;

2. North 57°17'16" East, passing a 1/2" iron rod found at a distance of 161.46' and continuing in all, a total distance of 323.42' to a 5/8" iron rod found for the most northerly corner of said 5.051 acre tract, same being in the southwesterly line of Tract 2, a called

7.36 acre tract, described in deed to Flint Loughridge and wife, Regina Loughridge, as recorded in Volume 3959, Page 1450, D.R.C.C.T.;

THENCE South 62°48'58" East, along the common line between said 10.648 acre tract and said 7.36 acre tract, a distance of 600.33' to a point for corner, being in County Road No. 161, same being the northeasterly corner of said 10.648 acre tract, same being the southeasterly corner of said 7.36 acre tract;

THENCE South 00°11'36" East, along said County Road No. 161, a distance of 180.14' to the POINT OF BEGINNING and containing 463,660 square feet or 10.644 acres of land, more or less.