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 FACILITIES AGREEMENT

FOX HOLLOW ESTATES

THIS ANNEXATION FACILITIES AGREEMENT ("Agreement"), is entered into effective the ___ day of _____, 2026 (the "Effective Date"), by and between ***CITY OF MCKINNEY***, a Texas municipal corporation and home-rule city ("CITY"), and ***RVS MCKINNEY #1, LP***, a Texas limited partnership, whose address is 8105 Rasor Boulevard, Suite 71, Plano, Texas 75024-0344, ("DEVELOPER") witnesseth that:

WHEREAS, Article 3 of the Unified Development Code of the City of McKinney, Texas contained in Chapter 150 of the City's Code of Ordinances (the "Subdivision Regulations") establishes 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, Section 302B(1)(c) of the Subdivision Regulations requires the execution of a Facilities Agreement prior to the issuance of a "Development Permit," as defined in the "UDC," defined hereinbelow, for the clearing, grading, filling, dredging, or construction of public streets, utilities, or drainage, or other improvements which may affect adjacent or surrounding properties in certain circumstances described in Section 302A of the Subdivision Regulations, as amended; and

WHEREAS, DEVELOPER owns certain "Property" defined herein-below that is situated in the extra-territorial jurisdiction of the CITY ("ETJ"), and which Property the DEVELOPER and CITY desire to annex into the CITY's corporate limits; and

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

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WHEREAS, an approximately two-inch (2") diameter water line (the "Existing Water Line") that is located along the south side of County Road 124 / Wilmeth Road ("CR 124") and crosses to the north side of CR 124 in an area east of Private Road 5547 ("PR 5547") (the "Current Location") provides potable water to certain areas of the ETJ including the Property; and

WHEREAS, TxDOT plans to construct the U.S. 380 Bypass (the "Bypass") that will require the Existing Water Line to be relocated from its Current Location to accommodate the Bypass, and it is also planned to expand CR 124 from the Bypass to and past the Property (the "Roadway Expansion"), which Roadway Expansion will also require the Existing Water Line to be relocated from its Current Location to accommodate the Roadway Expansion; and

WHEREAS, the Existing Water Line needs to be increased in size to a twelve-inch diameter water line by DEVELOPER to provide sufficient volume and pressure to serve the development proposed for the Property by DEVELOPER (the "Upsized Water Line"); and

WHEREAS, the Upsized Water Line also needs to be constructed in the projected ultimate locations identified on the City's Capital Improvement Plan (or Master Utility Plan) to avoid conflicts with the planned Bypass and the Roadway Expansion locations identified on the City's master thoroughfare plan; and

WHEREAS, construction of the Upsized Water Line will require DEVELOPER to acquire certain offsite water line easements to serve development of the Property and adjacent or nearby properties for which acquisition DEVELOPER may need CITY's assistance consistent with state and federal law; and

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

NOW THEREFORE, in consideration of the intent and desire of the DEVELOPER, as set forth herein, and to obtain the offsite water easement(s) necessary to serve the Property and adjacent or nearby properties and gain approval of the CITY to record a plat or replat of the Property, the DEVELOPER 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

on the north side of County Road 124 (Wilmeth Road) in an area approximately three thousand two hundred (3,200) feet west of Ridge Road that was platted by Collin County as Wilmeth Road Industrial, Multifamily & Townhome Addition, Lot 1, Block A, and recorded as Clerk's Instrument No. 2024010000363 in the Plat Records of Collin County, Texas on August 7, 2024 containing approximately 29.740 acres of land, more fully described in Exhibit A and depicted in Exhibit B (the "Current Plat") attached hereto and fully incorporated herein by reference (the "Property").

C. ANNEXATION

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. **DEVELOPER 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 the DEVELOPER'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. 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.

3. **The DEVELOPER acknowledges that the Property is within the CITY's extra-territorial jurisdiction and represents to the CITY that the DEVELOPER 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. The DEVELOPER 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 DEVELOPER desire to develop the Property prior to the time that adequate public improvements are on or adjacent to the Property, it shall be the DEVELOPER'S responsibility and obligation to design, extend, and**

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construct such public improvements except as otherwise specifically provided by this Agreement.

4. **The DEVELOPER 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, DEVELOPER 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.**

5. 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 DEVELOPER's request for voluntary annexation shall immediately expire and terminate.

6. This Agreement shall further constitute an agreement for the provision of 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; DEVELOPMENT REGULATIONS

1. The Property shall be zoned and platted or replatted in accordance with the CITY's Unified Development Code 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 (hereafter collectively the "UDC") before any "Building Permit" or "Development Permit" (as defined in the Section 902 of the UDC) will be issued for the development of the Property.

2. The CITY shall process the zoning on the Property contemporaneously with the Annexation of the Property. Pursuant to Tex. Loc. Gov't Code 212.172,

the uses allowed and development standards to be applied within the Property shall be substantially similar to and governed by the following regulations (collectively, the "Governing Regulations"):

(a) The Property shall be developed in accordance with the standards and requirements for the R5 – Residential zoning district of the UDC in effect as of the Effective Date (the "R5 District");

(b) All uses allowed in the R5 District shall be allowed within the Property; and

(c) All other applicable provisions of the McKinney Code as hereby amended or hereafter amended.

3. Should the City Council of the CITY fail to zone the Property the R5 District (as defined in the Governing Regulations) in accordance with applicable statutory requirements substantially concurrent with Annexation and/or approve zoning on the Property that is any way more restrictive than the R5 District without the Developer's consent, the DEVELOPER shall have the right to: (1) use and develop the Property in accordance with the Governing Regulations and this Agreement notwithstanding the ultimate zoning of the Property as a lawful nonconforming use; and/or (2) disannex the Property within thirty (30) days of CITY's failure to zone the Property with the R5 District. If the DEVELOPER elects disannexation in such circumstances, the CITY agrees to immediately disannex the Property and this Agreement shall in all things be null and void and of no further force or effect.

4. Following the annexation of the Property into the corporate limits of the CITY and the approval of zoning on the Property, the DEVELOPER may proceed with development of the Property in accordance with the UDC, as it may be amended by this Agreement.

5. It is specifically understood and agreed by and between the parties that the submission of a (i) plat abandonment, new preliminary plat, and new final plat, (ii) replat, or (iii) conveyance plat (collectively "New Plat") for the Property prior to the Annexation and zoning of the Property in accordance with this Agreement shall make any New Plat deemed "Administratively Incomplete" under the UDC, and as it may hereafter be amended.

6. Following the Annexation and the approval of zoning on the Property in accordance with the CITY's "Zoning Regulations," as set out in Article 2 of the UDC as it may be amended, and this Agreement, DEVELOPER shall submit a New Plat for the Property that will be known as Fox Hollow Estates (the "Development") in strict accordance with the CITY's Subdivision Regulations and Engineering Design Manual together with any variances thereto adopted by this Agreement regarding the Property and the CITY's

Engineering Design Manual, and Standard Details for Construction before commencing any development activities on and about the Property. DEVELOPER hereby agrees and confirms that DEVELOPER will develop the Property consistent with the New Plat for Fox Hollow Estates approved by CITY and recorded with Collin County, Texas.

E. UTILITIES AND PUBLIC IMPROVEMENTS

It is specifically agreed by CITY that following Annexation and for so long as the Property remains within the corporate limits of CITY, DEVELOPER shall have the ability to extend connections to access, and tie in to the CITY's water and wastewater infrastructure systems at DEVELOPER's sole cost and expense in order to provide necessary utilities (including water and wastewater service) to the Property subject to DEVELOPER's compliance with the CITY's Ordinances including, but not limited to, the UDC and the Utilities Chapter of the McKinney Code. DEVELOPER shall be responsible for the design, installation, and construction of all improvements necessary to serve the Property. It is specifically understood and agreed that additional studies will be necessary to determine the transportation, water, stormwater, and wastewater improvements needed to serve DEVELOPER's development of the Property. DEVELOPER intends to construct and/or make financial contributions to certain on-site and off-site public improvements (the "Improvements") necessary to serve the Property as developed in accordance with this Agreement and shall be eligible for impact fee credits for the DEVELOPER's construction and dedication to CITY of eligible facilities at no cost to CITY pursuant to the impact fee ordinance(s) then in effect.

All public improvements, including utilities, easements and rights-of-ways, drainage, streets, sidewalks, street lighting, street signage, park land dedication (or fees in lieu thereof) and all other required improvements and dedications necessitated by the development of the Property shall be provided by or on behalf of DEVELOPER at no cost to CITY, subject to the terms of this Agreement and otherwise 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 that may be required by DEVELOPER 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 permits for the Property the DEVELOPER shall cause a Traffic Impact Analysis ("TIA"), if requested by the CITY, 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 DEVELOPER'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 DEVELOPER'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's Director of Engineering ("Director of Engineering"). 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 Director of Engineering shall have the right to require the DEVELOPER 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 Director of Engineering some other change in conditions has occurred which merits re-evaluation of an earlier TIA.

2. Off-site Roadway Level of Service. The DEVELOPER 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 Director of Engineering. A major roadway is defined as an improved four-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 DEVELOPER 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 DEVELOPER's proposed development of the Property.

   (b) The DEVELOPER 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 DEVELOPER'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 DEVELOPER that will allow the DEVELOPER to fulfill their obligations under this Paragraph No. E(2) and also allow the CITY to make any additional roadway improvements that the CITY determines should be made in coordination with the DEVELOPER'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 DEVELOPER must provide all appropriate documentation regarding the necessary rights-of-way and off-site roadway construction to the Director of Engineering for approval.

3. Right-of Way Dedication. The DEVELOPER 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 DEVELOPER 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 DEVELOPER 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 DEVELOPER shall dedicate all right-of-way for the interior streets serving the Property at the time of development. The DEVELOPER 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. Specific uses may require additional right-of-way dedication at the time of site plan approval. The final alignment of right-of-way dedications shall be consistent with the CITY's Thoroughfare Development Plan and as approved by the Director of Engineering.

CITY understands that DEVELOPER dedicated sixty feet (60') of right-of-way adjacent to the north side of County Road 124 with the Current Plat of the Property ("Current Plat Dedication"). However, CITY does not yet know whether the Current Plat Dedication satisfies all of the right-of-way dedication requirements needed for the proposed development of the Property under the UDC. CITY also anticipates that additional right-of-way dedication may be needed for turn lanes providing ingress and egress between the Property and future County Road 124. Any additional right-of-way dedication requirements, including without limitation for roadways or any additional turn lanes providing ingress and egress between the Property and future County Road 124 shall be shown on any New Plat approved by the CITY.

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 such Improvements.

5. Roadway Construction. The DEVELOPER shall construct, at no cost to the CITY, all required roadway improvements in accordance with the CITY's Subdivision Regulations and Engineering Design Manual, then in effect. In

addition to complying with the CITY's ordinance and standards, the DEVELOPER 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 DEVELOPER 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 Director of Engineering. The pavement on all such roadways must be designed for a minimum service life of thirty (30) years without the need for any major maintenance overhauls.

(c) A pavement analysis shall be performed by the DEVELOPER, at no cost to the CITY, to determine the adequacy of the current pavement structure to handle the DEVELOPER's projected traffic along with existing traffic volumes and recommendations by the DEVELOPER must be made based upon the analysis for roadway improvements as needed. The DEVELOPER 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 Director of Engineering.

(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 Director of Engineering and good engineering practices criteria.

(e) If the CITY has a project to construct any of the roadways for which the DEVELOPER is responsible, in whole or in part, the CITY and the DEVELOPER may enter into a separate agreement whereby the DEVELOPER is allowed, in the sole discretion of the CITY, to provide the CITY a cash escrow in an amount that will cover the DEVELOPER's roughly proportionate obligation for construction of such roadway(s) in lieu of constructing said roadway improvements.

6. Utility Easement Dedication. The DEVELOPER shall dedicate to the CITY, at no cost to CITY, all easements across the Property as deemed necessary by the Director of Engineering 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 Director of Engineering. DEVELOPER shall also be

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responsible for acquiring and dedicating to CITY, at no cost to CITY, all off-site utility easements deemed necessary by the Director of Engineering to facilitate the construction of water and wastewater utilities needed to provide water and wastewater service to the Property as shown on the CITY's Master Plans and as approved by the Director of Engineering. The final alignment of easement dedications shall be consistent with the CITY's Master Plans and as approved by the Director of Engineering. The CITY agrees that the CITY's Capital Improvement Plan or Master Utility Plan depicts the ultimate location of the Upsized Water Line as being generally located within the area labeled as the "Prop. 15' Water Easement" on Exhibit D hereto and accordingly agrees such location is the general area in which the utility easement for the Upsized Water Line should be situated.

(a) Assistance with Off-Site Utility Easement Acquisition to Construct the Upsized Water Line in its Proposed Ultimate Location.

i. DEVELOPER agrees to obtain an independent appraisal of all the necessary off-site utility easements ("Appraisal" whether one or more) and use commercially reasonable efforts to obtain any and all off-site infrastructure easements necessary for the construction of the utility lines as provided in Subparagraph 8, herein-below. If DEVELOPER has previously obtained CITY's approval of the general location of proposed off-site utility easements and DEVELOPER is unable to acquire all of the necessary easements for the off-site utility easements within a six (6) month period beginning upon written notice to CITY and following DEVELOPER's submission of a best and final offer accompanied by the Appraisal to each owner of the property(ies) upon which each of the off-site utility easements is proposed to be situated (collectively "Landowners"), and DEVELOPER provides CITY evidence that reasonable and diligent efforts have been pursued to obtain such off-site utility easements then CITY agrees to use its eminent domain authority, upon written request by DEVELOPER, to the extent permitted by law to acquire such off-site utility easements described in this Agreement. DEVELOPER shall provide copies of all correspondence related to the acquisition of said off-site utility easements to the CITY upon request.

ii. CITY's exercise of eminent domain authority shall also be subject to CITY's determination, in its sole discretion, that the off-site utility easements are necessary for and serve a public use and that DEVELOPER exercised commercially reasonable and diligent efforts including, but not limited to, making a legitimate offer to Landowners to purchase the off-site utility easements.

CITY's obligation, if any, to exercise its eminent domain authority pursuant to this Subparagraph 6. shall also be subject to the approval and finding of a public necessity being served by the City Council as required by Chapter 2206 of the Texas Government Code.

iii. DEVELOPER shall pay all costs and expenses in eminent domain, whether incurred by CITY or otherwise, in connection with such eminent domain actions and the acquisition and purchase of such off-site utility easements requested by DEVELOPER including, but not limited to, settlements, court awards, damages, interest, expert witness fees, mediation fees, attorney's fees, staff time/costs, deposition costs, photocopy charges, courier fees, telephone and facsimile charges, postage, travel charges, costs associated with the preparation of exhibits and demonstrative aids, and taxable costs of court (collectively "Costs and Expenses") as such are billed to CITY by its designated legal counsel; provided that CITY provides documentation of such Costs and Expenses in accordance with Subparagraph 6(a)(iv) below.

iv. From time to time and upon ten (10) calendar days written or electronic notice from CITY, including the City Attorney, DEVELOPER shall advance, by wire transfer, funds to CITY to pay such Costs and Expenses. Each such notice to DEVELOPER shall itemize, in reasonable detail, the purposes (as described above) for which the funds are required, including the estimated line-item costs. CITY shall undertake all eminent domain actions in accordance with Chapter 2206 of the Texas Government Code, wherein CITY shall have the unilateral 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 by CITY on behalf of DEVELOPER does not constitute or qualify as a public use, the CITY shall have no obligation to continue acquisition thereof, and DEVELOPER shall have the continuing obligation to comply with this Subparagraph 6.

CITY shall provide to DEVELOPER copies of all appraisal reports, including updates, if any, prior to all offers being made to Landowners. CITY shall also provide to DEVELOPER prior notice of the attorneys, appraisers, and other consultants that CITY will engage to assist in connection with the acquisitions. CITY shall provide to DEVELOPER an accounting of all Costs and Expenses paid or incurred by CITY in connection with this Subparagraph 6. DEVELOPER's default in payment of any

advance requested under this Subparagraph 6 shall provide CITY the immediate right to cease any actions or efforts to acquire easements until full payment of all Costs and Expenses is actually received. In addition, CITY shall have the right to immediately cease performance of this Agreement and withhold any further development approvals and permits for the Property if DEVELOPER fails to make any payment or advance under this Subparagraph 6. CITY shall also have the right to assert a priority lien against the Property in the full amount of any unpaid amounts due and owing to CITY under this Subparagraph 6 plus interest until paid.

In the event of any conflict between the CITY's Capital Improvement Plan or Master Utility Plan and this Agreement relative to size or width of offsite utility line easements whereby such location, size, or width is altered, increased, or reduced, the CITY's Capital Improvement Plan or Master Utility Plan shall control.

7. Utility Plan Approval. All utility plans and improvements are subject to the approval of the Director of Engineering, and all utility lines shall be constructed of materials of a quality and grade meeting at least the minimum standards specified by the CITY's Engineering Department in accordance with the CITY's Engineering Design Manual. Upon approval of all utility construction plans for the Property by the Director of Engineering, or his designee, the DEVELOPER may develop in accordance with such approved plans.

8. Utility Construction. The DEVELOPER shall construct, at their sole cost, all necessary utility lines needed 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 DEVELOPER 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 DEVELOPER 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 DEVELOPER shall construct any off-site and oversize utility improvements as may be required to serve the Property. No septic systems shall be permitted. All off-site and oversize utility improvements will be shown on the engineering plans that are prepared and submitted by DEVELOPER as part of any New Plat approval process.

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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 DEVELOPER 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 Regulations and Master Trail Plan, then in effect. 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 CITY's Director of Parks and Recreation ("Parks Director"). All hike and bike trail construction plans must be approved by the Parks Director or their agent prior to approval of a Development Permit for any portion of the Property being developed.

F. PARKLAND

The DEVELOPER shall satisfy the CITY's Parkland Dedication and Park Development Fee Requirements contained in Section 309.D of the UDC concurrent with platting and development of the Property to provide for the recreational needs created by the development of the Property.

1. Parkland Dedication and Payment of Fees In Lieu of Dedication.

(a) As a condition of developing a residential subdivision, the DEVELOPER is required to dedicate land for parks or pay a fee in lieu of dedicating land or a combination of both as approved by the Parks Director.

(b) DEVELOPER is obligated to dedicate one (1) acre of land within the Property (outside of any floodplain) for every thirty-seven (37) residential units that are developed. For single-family and duplex residential developments such dedication is required at the time of plat recording. For all other residential developments such dedication is required to be completed prior to the issuance of any building permits for the development project.

(c) DEVELOPER has requested and CITY has agreed to allow DEVELOPER to satisfy the foregoing Parkland Dedication requirements by paying a fee in lieu of dedicating land at the rate of one (1) acre of land for every thirty-seven (37) residential units multiplied by the average fair market value per acre of the Property determined at the time of plat recording for single-family and duplex residential units, and prior to the issuance of any building permit for

all other residential development on the Property being developed. The fair market value shall be established by the most recent appraisal of all or part of the Property as adopted by the Collin Central Appraisal District and in effect on the date on which the Property for which the payment of fees in lieu of parkland dedication is required is final platted.

(d) The DEVELOPER's payment of fees in lieu of parkland dedication 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 fees in lieu of parkland dedication shall be paid to the CITY by the DEVELOPER prior to the platting of the last phase of development of the Property. DEVELOPER shall not be allowed to file the plat for the last phase of the Property until the payment of all fees in lieu of parkland dedication have been fully paid.

2. Park Development Fees.

(a) In addition to the parkland dedication requirements, park development fees are imposed on residential development for the purpose of assuring that park facilities, including neighborhood/community parks and passive park conservation areas, are available and adequate to meet the needs created by such development while maintaining current and proposed parks and recreation standards that meet the CITY's standards. Park development fees are supplementary to, and not in substitution of, the parkland dedication or payment of fees in lieu of dedicating parkland requirements discussed in Subparagraph 1.(a), above, of this Section F.

(b) DEVELOPER is currently obligated to pay CITY the amount of One Thousand Four Hundred Dollars ($1,400) for each single-family residential unit and One Thousand Six Hundred Dollars ($1,600) for each multi-family residential unit developed, or such other amount as may be established in Section 309.D. of the UDC, as amended from time to time by the City Council (the "Park Development Fee"). Park Development Fees are due and payable and collected simultaneously with DEVELOPER's payment of fees in lieu of parkland dedication.

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 ORDINANCES

DEVELOPER shall develop the PROPERTY in accordance with the standards as set forth in the McKinney Code and particularly the UDC, including but not limited to provisions regarding platting, zoning, drainage, erosion control, pro rata payments, storm water management, tree preservation, park land dedication, hike and bike trails, impact fees, Engineering Design Manual, Public Improvements Policy and construction standards save and except as specifically modified by this Agreement. The DEVELOPER expressly acknowledges that by entering into this Agreement, the DEVELOPER, their 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 ordinance of the CITY, as applicable.

I. TREE PRESERVATION

DEVELOPER expressly acknowledges and agrees to comply with CITY's Tree Preservation requirements contained in Article 4 of the UDC, then in effect and the duty to develop the Property in accordance with the standards contained therein and any amendments to those standards.

J. STORMWATER MANAGEMENT

DEVELOPER agrees to abide by all terms of the CITY's Storm Water Management requirements contained in Article 8 of the UDC, then in effect, and the duty to develop the Property in accordance with the standards contained therein and any amendments to those standards.

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 DEVELOPER's development of the Property, the DEVELOPER 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 DEVELOPER utilizes such facilities for the Property. If, however, the water or sewer facilities are bounded on both sides by the Property then the DEVELOPER 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 DEVELOPER utilizes such facilities. Should the DEVELOPER construct off-site water and sewer facilities such that pro-rata fees are due to the DEVELOPER, the CITY agrees to collect any fees due to the DEVELOPER related to the construction of the line(s) as those properties utilizing such facilities are developed during the period of ten (10) years after DEVELOPER's installation of such off-site water and sewer facilities. The DEVELOPER 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 DEVELOPER.

The DEVELOPER 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) DEVELOPER is not permitted any right to tap or tie in to.

L. PROPORTIONALITY FEE

The DEVELOPER, or the DEVELOPER's successor(s)-in-interest (including a builder-owner), shall pay to the CITY a Proportionality Fee ("Fee" or "Proportionality Fee") for development of the approximately 29.740 acres of land contained within the Property that is currently 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 issuance of any building permits for any improvements on the Property in accordance with the McKinney Impact Fees Article – Roadways, set out in Chapter 130 of the McKinney Code, as amended. The DEVELOPER, or the DEVELOPER'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 impact fee in an amount equivalent to the then existing fee charged for a particular use and/or meter size in accordance with the McKinney Utility Impact Fees Article set out in Chapter 130 of the McKinney Code, as amended.

In accordance with the methodology and provisions of the CITY's roadway impact fee ordinance established in McKinney Code Chapter 130, the DEVELOPER shall receive credits against their proportionality fee for excess vehicle miles contributed by the DEVELOPER (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 shall be issued to the DEVELOPER only for construction of impact fee eligible system roadways or roadways which may hereafter become impact fee eligible system roadways, completed to CITY standards and accepted by the CITY as provided in McKinney Code Section 130-111. Upon completion by the DEVELOPER and acceptance by the CITY of such on-site and adjacent impact fee eligible system roadways, the CITY shall issue credits to a credit pool in the DEVELOPER's name that may be drawn down to pay roadway proportionality or impact fees to CITY. Said credits shall not include the DEVELOPER's individual costs for eminent domain, if any.

M. 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, the DEVELOPER shall pay roadway impact fees and/or utility impact fees on the proposed development of the Property rather than paying the roadway proportionality fee and/or the water and wastewater proportionality fee discussed in Paragraph L, herein above; provided, however, that any roadway proportionality fee credits discussed in Paragraph L shall remain applicable and credited towards any roadway impact fees that may otherwise be applicable to the Property under the CITY's Impact Fee Capital Improvements Plan. 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 (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 DEVELOPER and CITY which agreement shall supersede and control.

N. NO WAIVER

DEVELOPER expressly acknowledges that by entering into this Agreement, DEVELOPER, its successors, assigns, vendors, grantees, and/or trustees, shall not construe any language contained herein or in any Exhibits as waiving any ordinance(s) of the CITY including, but not limited to, the requirements of the UDC except as herein specifically agreed.

O. VARIANCES

It is expressly acknowledged that only those variances to the UDC or other applicable CITY ordinances stipulated in attached Exhibit C, if any, are granted by CITY for this subdivision and/or development. If no variances are granted, Exhibit C shall state "No variances for this Property are granted and none shall be allowed."

P. INDEMNITY AND HOLD HARMLESS AGREEMENT

DEVELOPER, its successors, assigns, vendors, grantees, and/or trustees do hereby agree to fully indemnify, protect and hold CITY harmless from all third-party claims, suits, judgments, and demands, including its reasonable attorney's fees, arising out of the sole or concurrent negligence of DEVELOPER, and only to the extent or percentage attributable to DEVELOPER, in the subdividing, development, or construction of public improvements by DEVELOPER, including the negligent maintenance thereof, if applicable. DEVELOPER shall not be responsible for or be required to indemnify CITY from CITY'S own negligence or or the negligence of persons for which CITY is legally responsible. The indemnity contained in this Paragraph shall expire five (5) years from the date of final acceptance of the public improvements for the Property.

Q. REVOCATION

In the event DEVELOPER fails to comply with any of the provisions of this Agreement and the CITY believes DEVELOPER's failure to so comply endangers the public health, safety, and welfare, the CITY shall be authorized to revoke any and all inspections, green tags, and Certificates of Occupancy that may have previously been issued or which are then being requested in relation to the subdivision and/or development of Property; and CITY shall be further authorized to file this instrument in the records of Collin County as a Mechanic's Lien against the Property; and in the alternative, CITY shall be authorized to levy an assessment against the Property for public improvements to be held as a tax lien against the Property by CITY.

R. ROUGH PROPORTIONALITY AND WAIVER OF CLAIMS.

DEVELOPER 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 DEVELOPER, regarding DEVELOPER's rights under Texas and federal law. DEVELOPER 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.) DEVELOPER 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, Developer hereby releases the City from any and all liability under Tex. Loc. Gov't Code § 212.904 regarding or related to the cost

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of those municipal infrastructure improvements required for the development of the Property.

It is the intent of this Agreement that the provision for the roadway and utility improvements made herein constitutes a proportional allocation of DEVELOPER's responsibility for roadway and utility improvements for the Property; and that the financial contribution made by DEVELOPER, including the proportionality fee and in-kind construction of improvements made by the DEVELOPER pursuant to this Agreement, are necessary and attributable to development of the Property. The financial obligation of the DEVELOPER herein set forth regarding Proportionality Fees shall relieve the DEVELOPER 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 hereinabove. DEVELOPER 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, 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 the DEVELOPER's dedication, construction, or payment obligations under this Agreement. DEVELOPER further releases CITY from any and all claims based on excessive or illegal exactions; it being agreed that DEVELOPER's infrastructure contribution(s) and Proportionality Fee or Impact Fee as applicable (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 DEVELOPER's development on the Property. DEVELOPER 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 DEVELOPER acknowledges the receipt of good and valuable consideration for the release and waiver of such claims. **DEVELOPER shall indemnify and hold harmless CITY from any claims and suits of third parties, including but not limited to DEVELOPER's successors, assigns, grantees, vendors, trustees or representatives, brought pursuant to this Agreement for the types of claims described in this paragraph.**

S. CONTINUITY

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

T. ASSIGNABILITY

DEVELOPER may assign this Agreement to an entity to which ownership of the entirety of the Property is conveyed without the prior consent of the CITY, but upon written notice to the CITY, including to (i) an entity providing financing for the acquisition and/or development of the Property; (ii) an affiliate or related entity of

DEVELOPER; (iii) Meritage Homes of Texas, LLC, an Arizona limited liability company ("Meritage"); (iv) an entity that controls, is controlled by, or under common control with Meritage ("Affiliate"); or (v) an entity which holds the Property as security or pursuant to an option agreement or purchase agreement or similar arrangement whereby Meritage or its Affiliate has the right to acquire the Property from such entity. Except as provided in the preceding sentence, this Agreement shall not be assignable by DEVELOPER 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 the DEVELOPER and final acceptance by the CITY of all requirements of this Agreement, this Agreement shall terminate. Upon DEVELOPER's written request following CITY's final acceptance of all requirements under this Agreement, the CITY will execute a release of covenant to the DEVELOPER, 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 the DEVELOPER hereunder have been fulfilled.

V. DISCLOSURE OF INTERESTED PARTIES

To the extent that this Agreement (a) must be approved by the CITY's governing body before it may be signed or (b) has a value of $1,000,000, or more, DEVELOPER 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 DEVELOPER 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. The DEVELOPER 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 the DEVELOPER 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 Contract binds all parties to the Contract. 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.

W. 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:

(a) does not boycott Israel; and

(b) 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.

X. 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:

(a) does not boycott energy companies; and

(b) 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.

Y. 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:

(a) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and

(b) 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). 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. Notwithstanding the foregoing, such provision does not apply to a governmental entity that:

(a) contracts with a sole-source provider; or

(b) does not receive any bids from a company that is able to provide the required written verification.

Z. NOTICE

All notices required or permitted under this Agreement, shall be in writing and shall be signed by or on behalf of the party giving the notice, and shall be delivered as follows: (i) by electronic mail supported by delivery and read receipt confirmation; (ii) personally, with acknowledgment of receipt being obtained by the delivering party, (iii) by U.S. Certified Mail, pre-paid and return receipt requested; or (iv) by overnight delivery service by a reliable courier, such as Federal Express or United Parcel Service, with acknowledgement of receipt being obtained by the delivering party. Notice given in accordance with (ii) or (iv) herein shall be deemed given when received. Notice given in accordance with (iii) herein shall be deemed received on or after the 3rd "Business Day," defined below, after being deposited with the United States mail service proper postage prepaid. Notice given in accordance with (i) herein shall be deemed given when delivered and read if sent by 5:00 pm Central Time on a Business Day; otherwise it will be deemed given on the next Business Day after delivery receipt and read receipt are received. "Business Day" shall mean a day that is not a Saturday, Sunday or legal holiday

in the State of Texas. Until further notification by written notice in the manner required by this Section U, notices to the parties shall be delivered as follows:

DEVELOPER	CITY
RVS MCKINNEY #1, LP 8105 Rasor Boulevard, Suite 71 Plano, Texas 75024-0344 E-mail: Victor@PromesaInvestments.com	City of McKinney Attention: Paul G. Grimes City Manager 401 E. Virginia McKinney, Texas 75069 E-mail: citymgr@mckinneytexas.org

with a copy to:
Jared J. Pace
Abernathy, Roeder, Boyd & Hullett, P.C.
1700 Redbud Blvd., #300
McKinney, TX 75069
E-mail: jpace@abernathy-law.com

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.

AA. MAINTENANCE BOND

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

BB. 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, Texas. Exclusive venue for any action to enforce or construe this Agreement shall be in the Collin County District Court.

CC. GENERAL PROVISIONS

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

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

3. 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 (10th) 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 DEVELOPER.

4. 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 DEVELOPER of any rights of DEVELOPER under said Chapter 245 to the extent only that such rights may vest through some other application not related to THIS Agreement and the annexation of the Property into the CITY's corporate limits.

5. From time to time upon written request of DEVELOPER or any future owner, the CITY will execute a written estoppel certificate, which shall include, but not necessarily be limited to, statements that this Agreement is in full force and effect without default (or if default exists, the nature of default).

6. Notwithstanding anything in this Agreement to the contrary, if there are modifications or amendments required to this Agreement and there are then multiple owners of the Property, all owners must join in and consent in writing to any modifications or amendments to this Agreement.

7. DEVELOPER agrees that, except as specifically modified or provided herein, all development on the Property shall comply with the requirements set forth in the Code of Ordinances, City of McKinney, Texas, and all other applicable rules, regulations, guidelines, and statutes of the City as well as the State of Texas and the United States.

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CITY OF MCKINNEY

By:_____
PAUL G. GRIMES
City Manager

Date Signed: _____

ATTEST:

_____
EMPRESS DRANE, TRMCC
City Secretary
TENITRUS PARCHMAN, TRMCC
Deputy City Secretary

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 _____

[Signatures continue on following page.]

RVS MCKINNEY #1, LP,
a Texas Limited Partnership,
By and through its General Partner
PROMESA ADVISORS, LLC,
a Texas Limited Liability Company

By: _____
VICTOR R. MENDIOLA, JR.
Managing Member

Date Signed: 12/22/25

THE STATE OF TEXAS,
COUNTY OF Collin

This instrument was acknowledged before me on the 22nd day of December, 2025, by VICTOR R. MENDIOLA, JR., in his capacity as Managing Member of ***PROMESA ADVISORS, 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 Promesa Advisors, LLC, is the General Partner of ***RVS MCKINNEY #1, LP***, a Texas Limited Partnership, and that he executed the same on behalf of and as the act of the Limited Liability Company for and on behalf of ***RVS MCKINNEY #1, LP***.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 22nd DAY OF December, 2025.

_____
Notary Public Collin County, Texas
My commission expires 10-5-26

ELIZABETH ANN WIEGERS
Notary Public, State of Texas
Comm. Expires 10-05-2026
Notary ID 134001195

EXHIBIT A

DESCRIPTION OF PROPERTY

30 ACRES WILMETH ROAD

RVS MCKINNEY #1 LP / PROMESA TRACT

LEGAL DESCRIPTION

Lot 1, Block A of the Wilmeth Road Industrial, Multifamily & Townhome Addition, more particularly described as follows:

WHEREAS RVS MCKINNEY #1, LP, is the owner of a tract of land situated in the Joseph Crutchfield Survey, Abstract No. 203, Collin County, Texas being all of a called 29.74 acre tract of land conveyed to RVS McKinney #1, LP by deed recorded in Document No. 20210721001472920 of the Official Public Records of Collin County, Texas (O.P.R.C.C.T.) and being more particularly described as follows:

BEGINNING at a magnail found for the southeast corner of said 29.74 acre tract, for a southwest corner of a called 200.496 acre tract of land conveyed to Billingsley 380 North, LTD by deed recorded in Document No. 20140109000025020, O.P.R.C.C.T., and being in the approximate centerline of Wilmeth Road (County Road 124);

THENCE North 89°48'48" West, along the south line of said 29.74 acre tract, and said approximate centerline of Wilmeth Road, 501.90 feet to a magnail found for the southwest corner of said 29.74 acre tract, and for the southeast corner of a called 15.998 acre tract of land conveyed to Henry Land, LTD by deed recorded in Document No. 20140702000682490, O.P.R.C.C.T.;

THENCE North 00°42'55" West, along the west line of said 29.74 acre tract, and east line of said 15.998 acre tract, 2,520.75 feet to a 1/2-inch iron rod found capped (stamped "Eagle Surveying") for the northwest corner of said 29.74 acre tract, for the northeast corner of said 15.998 acre tract, and being in a south line of said 200.496 acre tract;

THENCE North 75°58'06" East, along the north line of said 29.74 acre tract, and a south line of said 200.496 acre tract, 514.67 feet to a 1/2-inch iron rod found capped (stamped "Eagle Surveying") for the northeast corner of said 29.74 acre tract, and for a south corner of said 200.496 acre tract;

THENCE South 00°44'13" East, along the east line of said 29.74 acre tract, and a west line of said 200.496 acre tract, 2,647.19 feet to the **POINT OF BEGINNING** and containing 1,295,468 square feet or 29.740 acres of land.

EXHIBIT B

DEPICTION OF PROPERTY

(See following 2 pages being the Current Plat of the Property)

MINOR PLAT
WILMETH ROAD
INDUSTRIAL, MULTIFAMILY
& TOWNHOME ADDITION
LOT 1 BLOCK A
COLLIN COUNTY, TEXAS
Kimley»Horn

MINOR PLAT
WILMETH ROAD
INDUSTRIAL, MULTIFAMILY
& TOWNHOME ADDITION
LOT 1, BLOCK A
COLLIN COUNTY, TEXAS
Kimley»Horn

EXHIBIT C

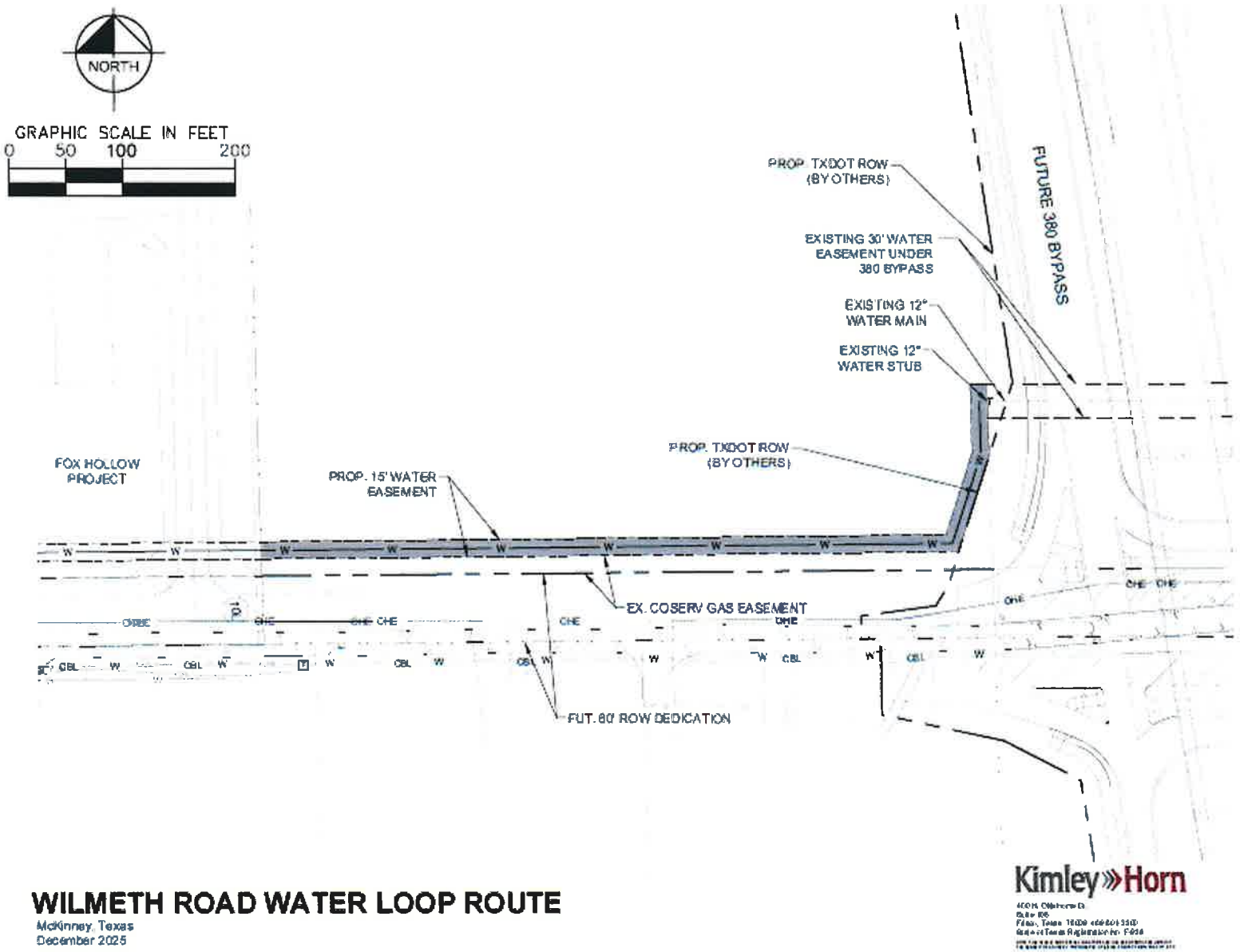
VARIANCES

1. No variances for this Property are granted and none shall be allowed by this Agreement.

EXHIBIT D

Proposed Location for Upsized Water Line

(See following one page.)



WILMETH ROAD WATER LOOP ROUTE

McKinney, Texas
December 2025