



**NOW THEREFORE**, in consideration of these premises, the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which both Parties acknowledge, the City and Developer agree as follows:

## **ARTICLE I**

### **DEFINITIONS**

#### **A. Definitions.**

1. *Adjusted Cost to Developer* means the difference between the Cost to Developer and the impact fee credits earned by Developer.
2. *City* means the City of McKinney, a Texas home-rule city and municipal corporation situated in Collin County, and includes its representatives, agents, assigns, inspectors, contractors, employees and consultants.
3. *Cost to Developer* means the sum of the estimated construction cost of the Roadway Project and the impact fee due by Developer.
4. *Developer* means **LI MCKINNEY TX OWNER, LLC**, its representatives, agents, contractors, employees, and consultants.
5. *Development Unit* is the expression of the magnitude of the transportation demand created by each land use planned within a particular development and is used to compute the number of service units consumed by each individual land use application.
6. *Effective Date* means the date on which City accepts the construction of Roadway Improvements.
7. *Notice* means any formal notice or communication required or permitted to be given by one Party to another by this Agreement.
8. *Ordinance* means the "McKinney Impact Fees Article – Roadways" as set forth in Section 130-103, *et seq.*, of the Code of Ordinances, City of McKinney, Texas, and as it may further be amended, including any schedules or exhibits attached thereto.
9. *Parties* means the City and Developer.
10. *Property* means Developer's property known as **McKinney Innovation Center**, a description of which is attached hereto as Exhibit A.
11. *Reimbursement Amount* means that amount to be reimbursed to Developer within 30 days of the City's acceptance of the Roadway Project, totaling **Nine Hundred Two Thousand Five Hundred Sixty and One/100<sup>ths</sup>**

**Dollars (\$902,560.01)**, said amount being equal to the difference between the Adjusted Cost to Developer and the Maximum Assessable Impact Fee.

12. *Roadway Improvements* means right of way preparation, paving excavation, construction of concrete paving, curbs, signage, roadway transitions, turn lanes, pavement markings, sidewalks, irrigation, landscaping, lighting and any other improvements necessary for a complete roadway system, and all engineering, surveying, inspection and permit fees for the two (2) eastbound lanes of **Bloomdale Road** adjacent to the northern boundary of the **McKinney Innovation Center** subdivision, that is the subject of this Agreement.
13. *Roadway Project* means the Roadway Improvements, approximately 2,100 linear feet in length, depicted on the civil engineering plans for **McKinney Innovation Center**, attached hereto as Exhibit "B" and on file in the City of McKinney Engineering Department;

***B. Interpretation of Terms, and Incorporation of Exhibits.***

Except where the context otherwise clearly requires, in this Agreement: words imparting the singular will include the plural and vice versa;

1. all exhibits attached to this Agreement are incorporated by reference for all pertinent purposes as though fully copied and set forth at length; and
2. references to any document means that document as amended or as supplemented from time to time; and references to any party means that party, its successors, and assigns.

**ARTICLE II**

**DEVELOPER CONTRIBUTION  
OF ROADWAY IMPROVEMENTS**

***A. Roadway Improvements***

1. Developer shall construct the Roadway Project depicted on the attached Exhibit B. Developer shall construct all Roadway Improvements appurtenant to the Roadway Project.
2. At this time, the Roadway Project is included in the City's Roadway Improvement Plan ("RIP"). Therefore, Developer is eligible for the following impact fee credits under the Ordinance:
  - a. City agrees to grant Developer impact fee credits in conjunction with the acceptance of the Roadway Project. The impact fee credits shall vest and attach to the Property as of the Effective Date.

- b. The impact fee credits which shall attach to the Property under this Agreement shall cover **249,196** development units (456.5271 vehicle-miles of demand) for the design, construction and dedication to the City, at no cost to City, of approximately two thousand one hundred linear feet (2,100') of the two eastbound lanes of **Bloomdale Road**.
3. In addition, the Adjusted Cost to Developer exceeds the maximum assessable impact fee for the Roadway Project. Accordingly, within thirty (30) days of the City's acceptance of the Roadway Project, City shall make payment to Developer the Reimbursement Amount, totaling **Nine Hundred Two Thousand Five Hundred Sixty and One/100<sup>th</sup> Dollars (\$902,560.01)**, said amount being equal to the difference between the Adjusted Cost to Developer and the Maximum Assessable Impact Fee.

### **ARTICLE III**

#### **IMPACT FEE CREDITS**

##### **A. Assignment and Expiration of Roadway Impact Fee Credits**

The Impact Fee Credits granted under this agreement shall only be assigned with the City's consent pursuant to Section 130-111(b)(2) of the Ordinance. The impact fee credits shall have no expiration; but in any event, the impact fee credits shall only be applied to the Property. Application of the impact fee credits to future developed lots and any reimbursement for unused impact fee credits shall be governed by the Ordinance.

##### **B. Value of Roadway Improvements**

Developer and City agree that the value of the Roadway Improvements shall be expressed in Development Units.

##### **C. Use of Impact Fee Credits**

Impact fee credits shall be used as development occurs on the Property. Unused impact fee credits shall not be transferable and cannot be applied to other fees, converted to cash, or used on other tracts; however, impact fee credits shall be subject to any reimbursements allowed by then existing ordinances. Upon the exhaustion of the impact fee credits by Developer on the Property, any additional development on the Property (such as the creation of additional lots) shall pay then existing Roadway impact fees or receive credits for construction of additional roadway improvements under then existing ordinances.

##### **D. Developer Responsibilities under Development Ordinances**

Nothing herein shall relieve the Developer from its responsibilities for construction of public improvements under applicable development ordinances upon development of the Property.

#### **ARTICLE IV**

##### **AGREEMENT MAY NOT BE PLEDGED AS COLLATERAL**

Developer may not pledge this Agreement, or any credits granted hereunder, as collateral for purposes of securing financing for development of the Property.

#### **ARTICLE V**

##### **GENERAL PROVISIONS**

###### **A. Notice of Default; Opportunity to Cure; Remedies**

1. Should any Party allege that the other has defaulted in the performance of any obligation hereunder, it will provide at least thirty (30) days written notice to the other Party specifying the nature of the alleged default and opportunity to cure the default before exercising any remedy related to the alleged default.
2. Upon the failure of either Party to comply with the provisions of this Agreement, which failure continues beyond the thirty (30) day notice and cure period provided above, the other Party shall have the right to enforce the terms and provisions of this Agreement by specific performance, or by such other legal or equitable relief to which the non-defaulting Party may be entitled.
3. Any remedy or relief described in this Agreement shall be cumulative of and in addition to any other remedies and relief available at law or in equity.
4. The foregoing notwithstanding, it is understood and agreed that in addition to any other remedy which the City may have upon default by Developer under this Agreement, should Developer fail to comply with the Subdivision Ordinance or any City development regulation, and such failure continues beyond the thirty (30) day notice and cure period provided above, the City may terminate this Agreement. Upon termination pursuant to this subsection, all impact fee credits shall terminate.

###### **B. Entire Agreement; Interpretation of this Agreement**

1. This Agreement including any attached exhibits is the entire agreement between the Parties and supersedes all prior or contemporaneous understandings or representations, whether oral or written, respecting the subject matter herein. If there is a conflict between this Agreement and prior written or verbal representations, this Agreement shall control.

2. This Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strictly for or against either Party.

**C. *Amendment***

No amendment of this Agreement will be effective unless it is in writing and signed by the duly authorized representatives of the Parties hereto, which amendment will incorporate this Agreement in every particular not otherwise changed by the amendment.

**D. *No Amendment of Other Agreement***

Unless otherwise expressly stipulated herein, this Agreement is separate from and will not constitute an amendment or modification of any other agreement between the Parties.

**E. *Other Instruments, Actions***

The Parties hereto agree that they will take such further actions and execute and deliver such other and further consents, authorizations, instruments, or documents as are necessary or incidental to effectuate the purposes of this Agreement.

**F. *No Third Party Beneficiaries***

Except as expressly provided herein, nothing herein shall be construed to confer upon any person other than the Parties hereto any rights, benefits or remedies under or because of this Agreement.

**G. *Applicable Law; Venue***

This Agreement shall be construed under and according to the laws of the State of Texas. Personal jurisdiction and venue for any suit arising hereunder shall be in Collin County, Texas.

**H. *Severability***

The provisions of this Agreement are severable, and if any court shall ever hold any word, phrase, clause, sentence, paragraph, section, or other part of this Agreement or the application of it to any person or circumstance of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such word, phrase, clause, sentence, paragraph, section, or other part of this Agreement to other persons or circumstances will not

be affected by that and this Agreement will be construed as if it had never contained such invalid or unconstitutional portion therein.

***I. Counterparts***

The Parties may execute this Agreement in one or more duplicate originals each of equal dignity.

***J. Notices***

For the purposes of Notice, the addresses of the Parties will, until changed as provided below, be as follows:

**DEVELOPER:**

LI McKinney TX Owner, LLC  
c/o Lovett Industrial, LLC  
Attn: James Yu  
3811 Turtle Creek Blvd., Suite 1050  
Dallas, Texas 75219

**CITY OF MCKINNEY:**

Office of the City Manager  
401 E. Virginia Street  
McKinney, Texas 75069

The Parties will have the right from time to time to change their respective addresses upon written notice to the other Party. 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.

***K. No Waiver of Development Ordinances***

No waiver of any provision of this Agreement will be deemed to constitute a waiver of any other provision or any other agreement between the Parties. No waiver of any provision of this Agreement will be deemed to constitute a continuing waiver unless expressly provided for by written amendment to this Agreement; nor will the waiver of any default under this Agreement be deemed a waiver of any subsequent defaults of the same type. Nothing herein shall waive any obligations of Developer under applicable ordinances, including but not limited to the subdivision ordinance, the sewer and water impact fee ordinance, or the roadway impact fee ordinance.

***L. Attorney's Fees***

Should either Party be required to resort to litigation to enforce the terms of this Agreement, the prevailing Party, plaintiff or defendant, shall be entitled to recover its costs, including reasonable attorney's fees, court costs, and expert witness fees, from the other Party. If the court awards relief to both Parties, each will bear its own costs in their entirety except as otherwise specified by the court.

***M. Governmental Authority***

Nothing in this Agreement shall be construed to limit, restrict, modify, or abrogate the City's governmental authority or ordinances respecting the facilities and roadway improvements contemplated by the terms of this Agreement except as specifically waived or modified herein or by specific action of the City Council, nor the City's duty to provide for the public health, safety, and welfare in the construction or maintenance of the same.

**N. Assignability**

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.

**O. Binding Obligation**

This Agreement shall be binding upon and inure to the benefit of the Parties and their representatives, successors, and assigns.

**P. Waiver of Claims.**

Developer has voluntarily agreed to undertake the construction of the Roadway Improvements for the Roadway Project in exchange for impact fee credits to be applied to the Property. The construction of the Roadway Project is not a condition of approval or acceptance the development of the Property. Developer waives any statutory or state constitutional takings claims under the Texas Constitution and Chapter 395 of the Tex. Loc. Gov't. Code and any federal constitutional claims. Developer further releases City from any and all claims based on excessive or illegal exactions. 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 or the claims or types of claims described in this paragraph.



***CITY OF McKINNEY***

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

ATTEST:

\_\_\_\_\_  
EMPRESS DRANE  
City Secretary  
TENITRUS PARCHMAN  
Deputy City Secretary

APPROVED AS TO FORM:

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

**DEVELOPER**

**LI MCKINNEY TX OWNER, LLC**

a Delaware limited liability company

By: *LOVETT INDUSTRIAL VALUE  
FUND I, LP*, a Delaware limited  
partnership, its sole member

By: *LOVETT INDUSTRIAL VALUE  
FUND I GP, LLC*, a Delaware limited  
liability company, its general partner

By:   
NAME: Charles F. Meyer, Jr.  
Title: President

Date Signed: 6-30-25

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.

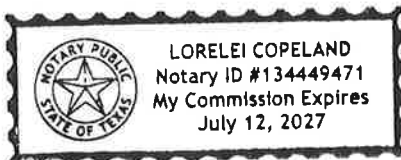
GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE \_\_\_\_\_  
DAY OF \_\_\_\_\_, 2025.

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

THE STATE OF TEXAS,  
COUNTY OF Harris

This instrument was acknowledged before me on the 30 day of June, 2025, by CHARLES F. MEYER, JR., in his capacity as President of **LOVETT INDUSTRIAL VALUE FUND I GP, LLC**, a Delaware limited liability company, said entity being the general partner of **LOVETT INDUSTRIAL VALUE FUND I, LP**, a Delaware limited partnership, said entity being the sole member of **LI MCKINNEY TX OWNER, LLC**, a Delaware limited liability company, and that he executed the same on behalf of and as the act of said entity.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 30 DAY OF  
June, 2025.



  
Notary Public Harris County, Texas  
My commission expires July 12, 2027

PREPARED IN THE OFFICES OF:

BROWN & HOFMEISTER, L.L.P.  
740 East Campbell Road, Suite 800  
Richardson, Texas 75081  
214/747-6100  
214/747-6111 Fax

**Exhibit A**  
**Description of Property**  
(Containing Approximately 22.417 Acres of Land)  
(Consisting of the following three (3) sheets)

**TRACT 1:**

**BEING** a 16.268 acre tract of land situated in the John Hart Survey, Abstract Number 423, City of McKinney, Collin County, Texas, being part of a tract of land described in a Special Warranty Deed to Seminole BloominFive, LP, recorded in Instrument Number 2080317000317660, Official Public Records, Collin County, Texas (OPRCCT), said 16.268 acre being more particularly described as follows:

**BEGINNING** in the North line of said Seminole BloominFive tract at the intersection of the South line of Bloomdale Road and the West line of Cypress Hill Drive;

**THENCE** Southerly with the west line of said Cypress Hill Drive the following six (6) courses and distances:

1. South 45°27'34" East, a distance of 39.49 feet to a point for corner;
2. South 0°26'23" East, a distance of 72.06 feet to the beginning of a curve the right having a radius of 342.51 feet;
3. Southerly along said curve through a central angle of 13° 22' 28" an arc distance of 79.95, and a chord bearing and distance of South 6°14'51" West, a distance of 79.77 feet to a point for corner;
4. South 12°56'05" West, a distance of 100.00 feet to the beginning of a curve the left having a radius a radius of 397.49 feet;
5. Southerly along said curve through a central angle of 13°55'00" an arc distance of 96.55 feet, and a chord bearing and distance of South 5°58'35" West, a distance of 96.31 feet to a point for corner;
6. South 0°58'54" East, a distance of 74.29 feet to a point at the Northeast corner of Lot 5R, Block A of McKinney Logistics Center, an addition a to the City of McKinney recorded in Book 2023, Page 358 of the Plat Records, Collin County, Texas (PRCCT);

**THENCE** North 89°48'33" West, with the North line of said Addition, a distance of 1,594.90 feet to a point at the Northwest corner of Lot 6, Block A of said Addition and being in the West line of said Seminole BloominFive tract and a Boundary line agreement recorded in Instrument Number 20200923001627270 OPRCCT;

**THENCE** North 1°06'51" West, a distance of 183.82 feet to a point a point for corner;

**THENCE** North 1°40'11" West, a distance of 246.96 feet to a in the South line of said Bloomdale Road and the North line of said Seminole BloominFive tract;

**THENCE** Easterly with said South line of said Bloomdale Road and the North line of said Seminole BloominFive tract the following four (4) courses and distances:

1. South 89°46'32" East, a distance of 140.09 feet to a point for corner;
2. North 89°35'56" East, a distance of 102.64 feet to a point for corner;
3. North 89°35'50" East, a distance of 781.78 feet to a point for corner;
4. North 89°31'11" East, a distance of 592.32 feet to **THE POINT OF BEGINNING** and containing 16.268 acres, or 708,641 square feet of land, more or less.

**TRACT 2:**

**BEING** a 6.300 acre tract of land situated in the John Hart Survey, Abstract Number 423, City of McKinney, Collin County, Texas, being part of a tract of land described in a Special Warranty Deed to Seminole BloominFive, LP, recorded in Instrument Number 2080317000317660, Official Public Records, Collin County, Texas (OPRCCT), said 16.268 acre being more particularly described as follows:

**BEGINNING** in the North line of said Seminole BloominFive tract at the intersection of the South line of Bloomdale Road and the East line of Cypress Hill Drive;

**THENCE** North 89°31'15" East, with said South line of said Bloomdale Road and the North line of said Seminole BloominFive tract, a distance of 191.96 feet to a point in the Southerly line of Farm-to-Market No. 543 (Spur 195) and to the beginning of a non-tangent curve to the left having a radius of 1,000.40 feet,

**THENCE** Southeasterly, along said curve through a central angle of 36°33'11" an arc distance of 638.22 feet and a chord bearing and distance of South 63°48'27" West, a distance of 627.46 feet to a point for corner;

**THENCE** South 82°05'02" East, a distance of 37.50 feet to a point for corner;

**THENCE** South 61°51'07" East, a distance of 58.60 feet to a point in the West line of North McDonald Street (State Highway No. 5);

**THENCE** South 8°04'35" West, with said West line, a distance of 143.92 feet to a point for corner;

**THENCE** North 89°48'33" West, leaving said West line 890.54 feet to a point in the East line of said Cypress Hill Drive at the Norwest corner of Lot 4R1, Block A of McKinney Logistics Center, Phase 2, an addition a to the City of McKinney recorded in Book 2022, Page 502 of the Plat Records, Collin County, Texas (PRCCT);

**THENCE** Northerly with the west line of said Cypress Hill Drive the following six (6) courses and distances:

1. North 0°58'54" West, a distance of 75.42 feet to the beginning of a curve to the right having a radius of 342.49 feet;
2. Northerly along said curve through a central angle of 13°54'58" an arc distance of 83.18 feet and a chord bearing and distance of North 5°58'35" East, a distance of 82.98 feet to a point for corner;

3. North 12°56'05" East, a distance of 100.00 feet to the beginning of a curve to the left having a radius of 397.45 feet;
4. Northerly along said curve through a central angle of 13°22'30" an arc distance of 92.78 feet and a chord bearing and distance of North 6°14'50" East, a distance of 92.57 feet to a point for corner;
5. North 0°26'23" West, a distance of 72.10 feet to a point for corner;
6. North 44°32'26" East, a distance of 39.51 feet to **THE POINT OF BEGINNING** and containing 6.300 acres, or 274,429 square feet of land, more or less.

**TRACT 3:**

Non-Exclusive Easement Estate created in Easement Agreement executed by C5 Logistics Center at McKinney, LLC to Seminole Bloominfive, LP, filed September 23, 2020, recorded Undisclosed 2020001627300, Real Property Records, Collin County, Texas.

