

## HONEY CREEK ANNEXATION AND DEVELOPMENT AGREEMENT

**THIS HONEY CREEK ANNEXATION AND DEVELOPMENT AGREEMENT** (this “Agreement”) is made and entered into by and between the CITY OF MCKINNEY, TEXAS, a home-rule municipality located in Collin County, Texas (the “City”), MCKINNEY RANCH, LTD., a Texas limited partnership (“McKinney Ranch”), HONEY CREEK INVESTMENTS, LLC, a Texas limited liability company (“Honey Creek”), and BARCELONA 93, LTD., a Texas limited partnership (“Barcelona” and collectively with McKinney Ranch and Honey Creek, the “Owner”) and is made and entered into effective \_\_\_\_\_, 2024 (the “Effective Date”). The “District” (hereinafter defined) will join this Agreement as set forth below and after such joinder shall become a party to this Agreement. The foregoing parties are sometimes referred to singularly as “Party” and collectively as the “Parties.”

### RECITALS

WHEREAS, the Owner is the collective owner of approximately 1,648 acres of undeveloped property located wholly within the corporate limits of the City and not within the extraterritorial jurisdiction or corporate limits of any other city, which property is described by metes and bounds and depicted on Exhibit A (the “Property”); and

WHEREAS, the Owner intends to submit a petition to the Texas Commission on Environmental Quality (“TCEQ”) for the creation of the District for the Property, as a municipal management district operation pursuant to the laws of Chapter 375, Texas Local Government Code, as amended (the “MMD Act”); and

WHEREAS, the City has conditionally consented to and supported the creation of the District by the TCEQ subject to the conditions set forth in the City TCEQ Support Resolution attached hereto as Exhibit H; and

WHEREAS, under the Agreement the Owner shall initiate a rezoning of the Property and, upon rezoning will develop the Property pursuant to the planned development district standards (the “PD Standards”); and

WHEREAS, the Owner desires to plat and proceed with development of the Property pursuant to the City Regulations (as hereinafter defined) and this Agreement; and

WHEREAS, the Parties intend that Owner will design, construct, install, and/or make financial contributions toward the Authorized Improvements under the MMD Act and specifically under the TCEQ order creating the District (the “District Order”), and that Owner’s costs incurred therewith will be reimbursed through District Bond Proceeds;

WHEREAS, the City shall have and exercise jurisdiction over the development of the Property as set forth in this Agreement and the applicable laws regarding the design, construction, installation, and inspection of water, wastewater, drainage, roadway improvements, and other public infrastructure, some of which may include the Authorized Improvements, that

will serve the Property, including landscaping, public parking and floodplain reclamation costs (collectively, the “Public Infrastructure”); and

WHEREAS, the City holds the water and sanitary sewer CCN for the Property and the Parties intend that the City will be the sole retail provider of water and wastewater service to the Property; and

WHEREAS, the Owner shall dedicate land to the City and reserve certain land that may be transferred to the City as set forth herein; and

WHEREAS, the Parties intend for the Property to be developed as a high-quality, master-planned, mixed-use community; and

WHEREAS, the Parties intend for the City to provide Impact Fee Credits (hereinafter defined) for eligible Public Infrastructure constructed by Owner that is included on the City’s Impact Fee CIP (hereinafter defined); and

WHEREAS, due to the location and other natural features of the Property, funding the costs of the Public Infrastructure in accordance with this Agreement will allow the Parties’ intended development of the Property to be accomplished sooner than it would otherwise occur; and

WHEREAS, the Parties intend that the associated Development Regulations and PD Standards shall provide for certain amenities, including the Amenity Facilities (hereinafter defined), the Community Enhancements (hereinafter defined), and neighborhood design characteristics that exceed the minimum code requirements of the McKinney Unified Development Code (“UDC”), and as further described in Section 2.5 and **Exhibits C and D**; and

WHEREAS, in consideration of Owner’s agreements contained herein and upon the City’s consent to the District, the District intends to exercise its powers under the District Order and the MMD Act pursuant to this Agreement with the City to provide financing arrangements that will enable Owner, in accordance with the procedures and requirements of the District Order and this Agreement, to: (a) be reimbursed for all or a portion of the Authorized Improvements using the District Bond Proceeds; or (b) be reimbursed for all or a portion of the Authorized Improvements, the source of which reimbursement will be installment payments from Assessments on the Property, provided that such reimbursements shall be subordinate to the payment of District Bonds, Administrative Expenses, and any amounts owed to the City by Owner in connection with the District;

WHEREAS, the District, subject to the Consent Resolution, the satisfaction of all conditions for District Bond issuance, the Owner’s substantial compliance with this Agreement, and in accordance with the terms of this Agreement and all legal requirements, including but not limited to the Indenture, shall use good faith efforts to: (i) adopt a Service and Assessment Plan; (ii) adopt one or more Assessment Orders (to reimburse Owner for all or a portion of the Authorized Improvements Costs and the costs associated with the administration of the District and the issuance of the District Bonds, and for repayment of District Bonds); and (iii) issue, in multiple series, District Bonds for the purpose of financing the Authorized Improvements in



accordance with the Service and Assessment Plan and reimbursing the Owner for certain associated costs as described herein;

WHEREAS, to the extent funds must be advanced to pay for any costs associated with the creation of the District, the issuance of District Bonds, or the preparation of documentation related thereto, including any costs incurred prior to the Effective Date of this Agreement and any costs incurred by the City or the District and its consultants and advisors (excluding the fees associated with closing the District Bonds), the Owner shall be responsible for advancing such funds, shall have a right to reimbursement for certain funds advanced from District Bond Proceeds or Assessments, and the City will not be responsible for such reimbursement or the payment of such costs from any other sources of funds; and

WHEREAS, the City recognizes the positive impact that the Public Infrastructure for the development contemplated herein will bring to the City and recognizes further that the development will promote state and local economic development; stimulate business and commercial activity in the municipality; advance the development and diversification of the economy of the state; advance development and expansion of commerce in the state; and contribute to the elimination of unemployment or underemployment in the state.

NOW THEREFORE, for and in consideration of the mutual covenants and obligations herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

## **ARTICLE I**

### **DEFINITIONS AND CONTINGENCY TO AGREEMENT**

1.1 Unless the context requires otherwise, the following terms shall have the meanings hereinafter set forth:

Administrative Expenses means reasonable expenses incurred by the City, the District, and Owner in the establishment, administration, and operation of the District.

Administrator means an employee, consultant, or designee of the District who shall have the responsibilities provided in the Service and Assessment Plan, an Indenture, or any other agreement or document approved by the District related to the duties and responsibilities for the administration of the District.

Agreement has the meaning set forth in the introductory paragraph.

Amenity Facilities has a meaning set forth in Section 2.5(d).

Annexation Tracts has a meaning set forth in Section 5.4.

Architectural Standards shall mean the residential standards in **Exhibit G** to this Agreement, which may be amended upon written consent of all of the Parties.

Assessment(s) means the special assessments levied on the Property on a phase-by-phase basis, under one or more Assessment Orders adopted on a phase-by-phase basis to reimburse Owner

for a portion of the Authorized Improvements benefitting the applicable phase(s) as set forth in the Service and Assessment Plan, as well as payment of Administrative Expenses and repayment of the District Bonds and the costs associated with the issuance of the District Bonds.

Assessment Order means an order approved by the District under the MMD Act establishing one or more Assessment(s).

Assignee has the meaning set forth Section 10.1(a).

Authorized Improvements means the on- and off-site public water, sewer, drainage, and roadway facilities, rights-of-way, parks, landscaping, screening, and other public improvements authorized under the District Order and the MMD Act, that benefit the Property, are to be constructed by Owner, are identified in the Service and Assessment Plan, and for which the Parties intend Owner will be fully or partially reimbursed pursuant to the terms of this Agreement.

Authorized Improvements Cost means the actual costs of design, engineering, construction, acquisition, and inspection of the Authorized Improvements and all costs related in any manner to the Authorized Improvements.

Budgeted Cost means, with respect to any given Authorized Improvement, the estimated cost of the improvement as set forth by phase in the Service and Assessment Plan.

Capital Improvement(s) shall have the meaning provided in Chapter 395, Texas Local Government Code.

Capital Improvement Costs means any construction, contributions, or dedications of Capital Improvements, including actual costs of design, engineering, construction, acquisition, and inspection, and all costs related in any manner to the Capital Improvement.

CCN means a certificate of convenience and necessity issued by the applicable regulatory agency of the State of Texas.

Chapter 395 means Chapter 395, Texas Local Government Code, as amended.

City means the City of McKinney, a home rule municipality located in Collin County, Texas.

City Council means the City Council of the City.

City TCEQ Support Resolution has a meaning set forth in Section 5.3(a).

City Manager means the current or acting City Manager of the City or his/her designee.

City Parks has a meaning set forth in Section 2.5(a).

City Regulations means applicable City code provisions, ordinances, regulations, subdivision requirements, design standards, the UDC, other uniform codes, and other policies, ordinances and regulations duly adopted by the City as they may be subsequently adopted and/or amended.

City Reserved Parcel has a meaning set forth in Section 2.2(b).

Common Area has the meaning set forth in Section 2.5.

Community Enhancements shall mean collectively the Amenity Facilities, the City Parks, the Neighborhood Open Space, the Common Area, the Trail Network, and other community facilities open to the public or for private resident use as detailed in Section 2.5 and as depicted on the Parks and Open Space Plan attached hereto as Exhibit C and the Trails Plan attached hereto as Exhibit D.

Continuing Disclosure Agreement means any continuing disclosure agreement of developer executed contemporaneously with the issuance and sale of District Bonds.

Cost Overrun has a meaning set forth in Section 7.2.

Cost Underrun has a meaning set forth in Section 7.3.

District means the Honey Creek Improvement District No. 1 or a municipal management district created by the TCEQ for the Property.

District Bonds means contract revenue bonds or assessment revenue bonds, but not Refunding Bonds, issued by the District pursuant to the District Order and the MMD Act to finance the Authorized Improvements.

District Bond Proceeds means the funds generated from the sale of the District Bonds.

District Documents means, collectively, the District Resolution, the SAP, and the Assessment Order(s).

District Order means the order creating the District under the MMD Act, subject to the conditions of the TCEQ Support Resolution incorporated therein.

District Reimbursement Agreement means an agreement by and between the District and Owner by which the Parties establish the terms by which Owner may obtain reimbursements for Authorized Improvements from District Bond Proceeds or Assessments.

District Resolution means the resolution and improvement order adopted by the District regarding the advisability of the Authorized Improvements.

Effective Date has the meaning set forth in the introductory paragraph to this Agreement.

Eminent Domain Fees shall have the meaning set forth in Section 4.8.

End Buyer means any owner, developer, tenant, user, or occupant of a Fully Developed and Improved Lot.

Force Majeure has the meaning set forth in Section 11.8.

Fully Developed and Improved Lot means any lot, regardless of proposed use, which is served by the Public Infrastructure and for which a final plat has been approved by the City and recorded in the real property records of Collin County.

Hardin Boulevard Bridge has a meaning set forth in Section 4.6(c).

HOA means the homeowners association(s) for the Property.

HOA Maintained Improvements has a meaning set forth in Section 2.4.

Impact Fees means those fees assessed and charged against the Property in accordance with Chapter 395 and as defined therein.

Impact Fee Credits means credits against Impact Fees otherwise due from the Property to offset Capital Improvement Costs.

Improvement Account of the Project Fund or IAPF means such fund as created by the Indenture for the District Bonds and administered in accordance therewith.

Indenture means a trust indenture by and between the District and a trustee bank under which District Bonds are issued and funds are held and disbursed.

Laud Howell Parkway Bridge has a meaning set forth in Section 4.6(d).

MMD Act means Chapter 375, Texas Local Government Code, as amended.

Neighborhood Open Space has the meaning set forth in Section 2.5.

Notice has the meaning set forth in Section 11.2.

Offsite Public Infrastructure means water, sewer, drainage, roadway or other facilities needed to serve the Property and to be constructed by or on behalf of the City or District, including road improvements, utility improvements and other improvements authorized by the District Order and the MMD Act or other law located outside the Property and benefiting the Property.

Onsite Public Infrastructure means water, sewer, drainage, roadway or other facilities needed to serve the Property and to be constructed on behalf of the City, including pursuant to the District, including road improvements, utility improvements and other improvements authorized by the District Order and the MMD Act or other law located within the Property and benefiting the Property.

Owner means collectively, McKinney Ranch, Ltd., a Texas limited partnership, Honey Creek Investments, LLC, a Texas limited liability company, and Barcelona 93, Ltd., a Texas limited partnership.

Parks and Open Space has a meaning set forth in Section 2.5(b).

Parties or Party has the meaning set forth in the introductory paragraph.

PD Standards means the planned development zoning district governing the Property, as amended.

Property has the meaning set forth in the Recitals.

Public Infrastructure has the meaning set forth in the Recitals and includes the Onsite Public Infrastructure and the Offsite Public Infrastructure.

Refunding Bonds means bonds issued to refund bonds previously issued by the District.

Reserve Period has a meaning set forth in Section 2.2(b).

Service and Assessment Plan (“SAP”) means the SAP for the District, to be adopted and amended annually, if needed, by the Board of Directors of the District pursuant to the District Order and the MMD Act for the purpose of assessing allocated costs against portions of the Project located within the boundaries of the District having terms, provisions, and findings approved by the District, as required by this Agreement.

Term has the meaning set forth in Article VIII.

TIA has a meaning set forth in Section 4.6(a).

Trail Network has a meaning set forth in Section 2.5(c).

Unified Development Code (“UDC”) means the development regulations of the city including, but not limited to zoning, subdivision, tree preservation, stormwater management, signs, and fences, which are found in Chapter 150 of the Code of Ordinances, and as amended.

1.2 Condition Precedent to Agreement. The Parties enter into this Agreement expressly conditioned reliance upon the City’s consideration and approval of a rezoning for the Property consistent with this Agreement and the PD Standards which rezoning shall occur prior to September 1, 2024 or this Agreement shall be null and void.

## **ARTICLE II**

### **DEVELOPMENT REQUIREMENTS**

2.1 Governing Regulations. Owner shall develop, or cause development of, the Property as a high-quality, master-planned, mixed-use community. Development of the Property, including but not limited to construction of the Public Infrastructure, shall be governed by the City Regulations and this Agreement, including the exhibits attached hereto and incorporated by reference.

2.2 Conveyances and Reservations for Public Facilities.

(a) The Owner agrees to convey or cause to be conveyed, in fee simple and at no cost, the following to the City as such parcels/lots are shown on **Exhibit E**:

i. A minimum 2.5 net, developable acre lot to accommodate a three-million-gallon elevated water storage tank, subject to review and approval by the City Manager,

or his designee;

ii. A minimum 3.0 net, developable acre lot to accommodate a fire station which location shall be subject to the following conditions and subject approval by the City Manager, or his designee (the "Fire Station Site"):

(a) The lot shall be square in shape insofar as practicable;

(b) The lot shall have frontage on a collector or arterial roadway, in a mid-block location;

(c) The lot shall not be located directly at an intersection with another roadway;

(d) The surface of the lot shall be substantially flat and shall not contain any water or drainage features, such as ponds, swales, creeks, or floodplain;

(e) The lot shall be conveyed to the City with all utilities (water, wastewater, and stormwater) stubbed to the property line;

(f) The lot shall be generally located in the portion of the Property near the intersection of Laud Howell Parkway and Taylor-Burk Drive; and

(g) The lot shall be conveyed to the City not later than December 31, 2030.

iii. A minimum 2.5 net, developable acre lot to accommodate a parks maintenance facility, subject to review and approval by the City Manager, or his designee;

iv. Two (2) separate parcels totaling not less than 20 acres for City parks, as further described in Section 2.5 below (the "City Parks"); and

v. If deemed necessary solely by the City to control adjacent owner access to public infrastructure, certain strips of land drawn as a 10-foot offset of the boundary line of the Property for the entirety of the width of the adjoining easement containing the Public Infrastructure.

(b) The Owner agrees to reserve or cause to be reserved, an approximately 10-acre, contiguous parcel lying wholly outside of the floodplain, for municipal uses (the "City Reserved Parcel") as shown on Exhibit E, or at such other location within the Property mutually agreed to by the City and the Owner. The City Reserved Parcel shall be reserved with retained ownership in the Owner until January 1, 2044 (the "Reserve Period"). Prior to the required conveyance of the City Reserved Parcel from the Owner to the City, the City shall provide a written list to the Owner of potential municipal uses for the City Reserved Parcel, as of January 1, 2024. The City agrees to consider any requests from the Owner for changes to the land use or density of the adjacent properties resulting

from the list of potential municipal uses provided to Owner. The City shall provide Owner with any designs, engineering, or development plans for the City Reserved Parcel, as of January 1, 2024. Any development on the City Reserved Parcel shall be in accordance with City Regulations including the requirement to provide screening in accordance with Section 206.C of the UDC, as amended. Screening shall be provided around all property lines, regardless of use, unless waived in writing by the Owner. The City agrees to provide written notice to the Owner of the City's intent to utilize and accept the Owner's conveyance of the City Reserved Parcel prior to the expiration of the Reserve Period. In addition, the Owner shall provide City with a 6-month expiration notice during the final year of the Reserve Period. If the Owner provides the required 6-month notice and the City does not provide written notice to the Owner of City's intent to utilize and accept the Owner's conveyance of the City Reserved Parcel prior to the expiration of the Reserve Period, the City shall be deemed to have waived the right to utilize and accept conveyance of the City Reserved Parcel. The City may provide written notice to the Owner of the City's decision to forego utilizing and acquiring the City Reserved Parcel prior to the expiration of the Reserve Period, and upon receipt of such notice by the Owner, the Reserve Period shall be considered terminated, and the Owner may utilize the City Reserved Parcel in any manner permitted under this Agreement. Notwithstanding the foregoing, the Owner shall retain the right to use and encumber the City Reserved Parcel during the Reserve Period. Further, the Owner shall determine, in its sole discretion, how the City Reserved Parcel may be conveyed to the City, which may include a donation and reimbursement by the District; however in all cases, the City Reserved Parcel shall be conveyed to the City by general warranty deed, at no cost, in fee simple, free and clear of all encumbrances and improvements (both vertical and horizontal). The conveyance of the City Reserved Parcel to the City shall prohibit the City Reserved Parcel from any use other than municipal public purposes.

2.3 Affordable Housing Partnership. Owner shall cooperate with the City in pursuing partnership opportunities to create up to fifty (50) affordable, entry-level ownership units, subject to the final approval of terms agreed to by the Owner and the City. The Owner agrees to use best efforts to contractually require homebuilders to allocate and purchase certain developed lots from the Owner for the construction of affordable homes (the "Affordable Homes") within the Property. The Owner and the City intend for the Affordable Homes to be sold at a reduced price to the City Community Land Trust, or other City-controlled entity, in satisfaction of the affordable housing partnership described herein. All Affordable Homes shall be subject to the same Architectural Standards and HOA requirements, including the payment of HOA dues, as other homes within the Property. However, the Owner shall cooperate with the City Community Land Trust, or other City-controlled entity, to determine mechanics for a reduction of ongoing costs, such as HOA dues. The City shall be responsible for all duties typical to home ownership and may implement deed restrictions on the individual lots guiding ownership qualifications, including income level requirements.

2.4 Mandatory Owners' Associations. The Owner will create or cause to be created one or more mandatory owners' associations over residential ("HOA") and commercial ("COA") portions of the Property, which HOA/COA, in accordance with City Regulations and through its covenants, conditions and restrictions filed in the Real Property Records of Collin County or its by-laws, shall be required to remain solvent and assess and collect from owners annual fees in an

amount calculated to operate and maintain the open spaces, common areas, right-of-way irrigation systems, right-of-way landscaping, common area screening walls and common area retaining walls, detention ponds, and other related improvements or appurtenances which are not required to be maintained and operated by the City within the residential portion of the Property (the “HOA Maintained Improvements”) or the commercial portions of the Property (the “COA Maintained Improvements”). The City agrees to enter into a maintenance agreement with the HOA/COA for the HOA/COA’s maintenance, at the HOA/COA’s cost, of those HOA Maintained Improvements/COA Maintained Improvements that are dedicated to the City, if any.

2.5 Community Enhancements. The Owner agrees to construct or cause to be constructed the Community Enhancements, as hereinafter defined, including but not limited to those containing special benefits as provided in the District Order, the MMD Act, or Section 372.003 of the Texas Local Government Code including amenities, parks and open space, trails and enhanced monumentation signage for the benefit of the Property as a high-quality master-planned development and the City. “Community Enhancements” shall mean collectively the Amenity Facilities, the City Parks, the Neighborhood Open Space, the Common Area, the Trail Network, and other community facilities open to the public or for private resident use as detailed in this Section 2.5 and as depicted on the Parks and Open Space Plan attached hereto as Exhibit C and the Trails Plan attached hereto as Exhibit D, recognizing that any facilities for private resident use may not be eligible for financing by the District. If the Property develops in phases, the Owner shall dedicate and construct the parks and trails in conjunction with each phase of the Property’s development. Accordingly, the Owner shall plat the parks and trails concurrently with the adjacent residential lots or school sites in order to adequately serve the development of the entire Property. In any event, all required Community Enhancements situated south of future Laud Howell Parkway shall be dedicated or conveyed (as the case requires), platted and constructed by the Owner as a condition to Owner’s submission of the plat for the last phase of development of the Property located south of future Laud Howell Parkway. Similarly, all required Community Enhancements situated north of future Laud Howell shall be dedicated or conveyed (as the case requires), platted and constructed and installed by the Owner as a condition to Owner’s submission of the plat for the last phase of development of the Property located north of future Laud Howell Parkway. The Owner shall not submit the plat for the last phase of the Property until all of the Community Enhancements have been constructed and accepted and the Owner’s obligations under this paragraph have satisfied for the entirety of the Property.

(a) City Parks Funding. The Owner shall deposit into escrow with the City \$3,000,000 for the design and construction of each of the two (2) City Parks prior to the City’s issuance of a development permit for each City Park, located on Exhibit E. The escrowed funds shall not exceed \$6,000,000 in total for the two (2) City Parks, and the City shall disburse the escrowed funds to the Owner during construction by the Owner based on documented completion of the work and approved contractor draws. The escrowed funds shall be disbursed after all additional Owner funds have been expended for the costs of the applicable park project. The City Parks shall be located entirely outside of the floodplain and be used for active recreation, such as ball fields, playground, splashpads, or other park/recreation uses, as determined by the City. After City’s review and approval of the design and following construction of the City Parks by the Owner, the Owner shall cause the City Parks tract(s) to be conveyed to the City, in fee simple, at no cost to the City at the time the land adjacent to the City



Parks is platted. Thereafter, the Owner shall cause the City Parks to be maintained by the HOA, at its sole cost, pursuant to an agreement by and between the HOA and the City. If the City elects to have the City Parks maintained at a higher level than a City park with similar attributes, the City shall remit to the HOA an annual, per acre, reimbursement for that portion(s) of the HOA's maintenance costs, if any, which exceed the City's costs of maintenance on a City park with similar attributes.

(b) Open Space. The Owner shall improve not less than two hundred (200) acres for City Parks, Neighborhood Open Space, and Common Area (collectively the "Parks and Open Space") as generally shown on Exhibit C attached hereto. The Parties acknowledge that the depiction of the Parks and Open Space is conceptual in nature and is subject to final design and engineering. The sizes and locations of the Neighborhood Open Spaces will be determined pursuant to the City's platting or zoning processes and shall not require an amendment to Exhibit C attached to this Agreement. Neighborhood Open Spaces shall include a minimum of thirty-five (35) acres in aggregate across the Property consisting of (i) neighborhood parks, each containing a minimum of 1.2 acres, or (ii) pocket, alley, and mews parks, each containing a minimum 0.25 acres, or (iii) neighborhood trail corridors, each being at least 20' wide and which provide connectivity within the neighborhoods ("Neighborhood Open Spaces"). Common Area shall include (i) expansive linear trail corridors, each being at least 30' wide and each connecting the Neighborhood Open Spaces within the Property to adjacent properties, or (ii) open space that promotes view corridors such as enhanced landscape buffers ("Common Area"). Neighborhood Open Space shall be programmed with both active and passive improvements, such as enhanced landscaping, trails, playgrounds, furniture, and other seating areas, event lawns, pavilions, public art, shade structures, basketball goals, campsites, restrooms, and other landscape/hardscape features. Neighborhood Open Space may include not more than thirty-three percent (33%) of the required acreage located within the flood plain. Owner shall place the Neighborhood Open Spaces within platted lots with an "Open Space" designation on each such lot that specifically limits the use of each Neighborhood Open Space to its designated purpose for a park/open space/common area use. The Neighborhood Open Spaces shall be maintained by the HOA, at its cost, and available, at all times, to the public, with such designation noted on the plat. Notwithstanding the foregoing, the City may, in its sole discretion, allow more than thirty-three percent (33%) of parkland within the floodplain for Neighborhood Open Spaces by application of credits earned by Owner's providing other Community Enhancements as follows:

- i. Owner may receive 0.5 acres of floodplain credit for each 1.0 acre of improved bodies of water and/or lakes that are fully-activated with publicly accessible, improved trails encircling the water and/or lake;
- ii. Owner may receive 0.5 acres of floodplain credit for each 1.0 acre of floodplain improved with irrigated landscaping or hardscape elements;
- iii. Owner may receive 1.0 acre of floodplain credit for each 1.0 acre of floodplain improved with programmed areas, including, but not limited to campsites, playgrounds, recreational or sports areas, seating areas, and pavilions.

Notwithstanding the foregoing the aggregate maximum floodplain credit that may be received by Owner under this Section 2.5(b) is 15 acres.

(c) Neighborhood Trails. The Owner shall design and construct, at its cost, a minimum of thirty (30) linear miles of hike and bike trails on the Property with widened concrete sidewalks (the "Trail Network") within public, pedestrian access easements and rights-of-way, in conformance with the City's Master Parks & Trails Plan, as amended, including construction standards and materials, to provide alternative non-motorized access throughout the Parks and Open Space network as well as schools, neighborhoods, civic, commercial and other destinations within the Property and to the surrounding region as shown in the Trails Plan attached hereto as **Exhibit D, with review and approval by the Director of Parks and Recreation**. The Trail Network shall be accessible to the public, including an underpass at Laud-Howell Parkway to establish a pedestrian connection between the Property and Erwin Park. Any deviations in trail widths must be approved in writing by the Director of Parks and Recreation. The Trail Network shall be constructed as follows:

i. Trails along Major Roadway Improvements shall be constructed concurrently with the adjacent Major Roadway Improvement.

ii. Trails within or adjacent to the Community Enhancements or local Roadway Improvements shall be completed prior to the recordation of a final plat containing such Community Enhancement or local Roadway Improvements.

iii. Trail widths shall not deviate from the widths provided on **Exhibit D** without the prior approval of the City's Director of Parks; provided, however, that minor deviations in trail widths shall be permitted, upon written submittal to the City's Director of Parks, to maintain the alignment and connection points of the overall Trail Network.

(d) Amenity Facilities. The Owner shall construct, at its cost, a minimum of three (3) amenity facilities ("Amenity Facilities"), each containing a minimum of seven (7) off-street parking spaces, restrooms (public or private), and gathering spaces with shade coverings and seating. The first Amenity Facility shall be constructed prior to submittal for a building permit for the 2,251<sup>st</sup> single family or multifamily residential unit. The second Amenity Facility shall be constructed prior to submittal for a building permit for the 3,001<sup>st</sup> single family or multifamily residential unit. The third Amenity Facility shall be constructed prior to the submittal for a building permit for the 4,501<sup>st</sup> single family or multifamily residential unit. Each Amenity Facility shall include, at minimum, one (1) of the following amenity enhancements (collectively, the "Amenity Enhancements"): playground equipment, tennis courts, pickleball courts, fitness center(s), bocce ball, basketball courts, skate spots, or community gardens. The Amenity Enhancements that are not included as part of an Amenity Facility shall be constructed at such other locations within the Property as determined by Owner. At least one (1) Amenity Facility shall incorporate a resort-style swimming pool, with accompanying indoor, air-conditioned space and a minimum of fifteen (15) off-street parking spaces. Amenity Facilities may be restricted for private resident access only at Owner's discretion and shall be maintained by the HOA.

(e) Right of Way Medians. Owner shall have the right, but not the obligation, to design and install all landscaping improvements within the medians on Laud Howell, Taylor-Burk, Hardin, and Weston Road in lieu of paying the ordinance-required median landscaping fees. If any phase of development requires only half of a divided arterial to be constructed, Owner shall have the option of escrowing with the City the median landscape fees to be drawn

upon for construction of the median landscaping when the second half of the roadway is constructed. If the landscaping is not installed with the second half of the roadway, the escrowed funds shall be released to the City at the time of commencement of construction of the second half of the roadway. With City review and approval, Owner shall have the right, but not the obligation, to design and install the median landscaping; provided however, that any enhancements above the City standards shall be at the Owner's sole cost. Owner shall be responsible for the construction and installation of the required landscaping and maintenance thereof for a period of one (1) year. Owner shall also have the right, but not the obligation, to maintain right-of-way medians above the City standards. If the Owner elects to do so, the HOA/COA shall be responsible for the full maintenance expenses of such medians. The City agrees to remit to the HOA/COA an annual, pro-rata reimbursement for that portion of the HOA's/COA's maintenance costs equal to City standard level of maintenance. If the Owner elects not to maintain the right-of-way medians above City standards, the City shall maintain the right-of-way medians consistent with City standards.

(f) Architectural Standards. All buildings and properties shall be subject to the architectural standards contained in Exhibit G, attached hereto. Prior to the commencement of any single-family residential vertical construction, the Owner shall create and implement "Design Guidelines" and a "Pattern Book" to establish and regulate the building architecture in accordance with this Agreement to further enhance the development of the Property. The Owner shall provide written notice to the City of the "Design Guidelines" and "Pattern Book" and any amendments or supplements thereto. Once approved by the City and recorded, the HOA/COA covenants, conditions and restrictions will be privately managed by the Owner and the HOA/COA without day-to-day oversight by the City and will establish the architectural vision and intent for any development within the Property to ensure future architectural and building standards across residential and commercial buildings, support improved streetscapes, bolster property valuation, and provide an enhanced community. The City shall be named a third-party beneficiary to the HOA/COA covenants, conditions and restrictions described in the subsection. Notwithstanding the foregoing, it shall be a default of this Agreement for Owner or HOA/COA to fail to enforce and adhere to the standards contained in Exhibit G.

### **ARTICLE III** **DEVELOPMENT CHARGES**

3.1 Fees. Except as otherwise provided in this Agreement, the Owner, and/or owners depending on when fees are due, shall be subject to those lawfully adopted fees and charges due and payable to the City in connection with the development of the Property as required by the City Regulations in those amounts in effect on the date such fees and charges are due. Such fees and charges shall be applied uniformly to development of the Property.

3.2 Impact Fees, Impact Fee Credits and Proportionality Fees.

(a) The Parties agree that all Impact Fees charged or assessed against the Property shall be at the rates set forth in the City's then current Roadway Impact Fee Ordinance and the Utility Impact Fee Ordinance.

(b) For any portion of the Public Infrastructure that is included on the City's CIP or included in an amendment to the CIP and that is constructed or caused to be constructed by Owner, and the Owner is not reimbursed through District Bond Proceeds, Assessments, or revenue pursuant to Article IV of this Agreement, or any other source of revenue, Impact Fee Credits as such are available under the Ordinances set forth in subsection (a) above shall apply.

(c) The Parties agree that the tracts identified for annexation into the corporate limits of the City (the "Annexation Tract(s)"), as shown on Exhibit F, shall be subject to a Proportionality Fee ("Fee"), which Fee represents a roughly proportional amount necessary to offset the roadway infrastructure capacity needs of the Property, including the Annexation Tract(s). 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 Annexation Tract(s), 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.

(d) In accordance with the methodology and provisions of the City's roadway impact fee ordinance, the Owner shall receive credits for excess vehicle miles contributed by the Owner (as such compare to the amount of vehicle miles of demand the entire Annexation Tract(s) Property creates) for right-of-way dedication and construction of on-site and adjacent roadways required by this Agreement that are constructed or caused to be constructed by Owner; however such credits shall only be issued if the Owner is not reimbursed through District Bond Proceeds, Assessments, or revenue pursuant to Article IV of this Agreement, or any other source of revenue. Such credits shall be issued to the Owner only 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. Upon completion by the Owner and acceptance by the City of such on-site and adjacent roadways, the City shall issue credits to a credit pool in the Owner's name that may be drawn down to pay Fees and roadway impact fees. Said credits shall not include the Owner's individual costs for eminent domain, if any.

(e) The District shall not impose Impact Fees or provide Impact Fee Credits.

3.3 Parkland Dedication Credit. Provided the Owner dedicates or conveys (as the case requires) and constructs the Parks and Open Space and the Trail Network in accordance with Section 2.5 of this Agreement, the Owner shall be deemed to have satisfied all applicable parkland dedication or parkland development fee requirements, of any kind whatsoever, for the first nine thousand (9,000) single-family and multifamily residential units constructed, in the aggregate, within the Property (the "Park Credits"). Any single family and multifamily residential units developed in excess of 9,000 units shall be subject to all then existing parkland dedication, payment in-lieu of dedication fees, and parkland development fees. This Section 3.3 shall apply to the Annexation Tract(s), provided, however, that the Park Credits may only be applied up to 900 single family and multifamily residential units within the Annexation Tract(s) under the following conditions: (i) the parcel within the Annexation Tract has connectivity to the Property through parks or open space, and (ii) the City retains the authority to require the park or open space connectivity to the Property as a condition of using the Park Credits on the affected units in the specific parcel. Subject to the foregoing, the Annexation Tracts shall be subject to all then existing parkland dedication, payment in-lieu of dedication fees, and parkland development fees.

**ARTICLE IV**  
**PUBLIC INFRASTRUCTURE**

4.1 Authorized Improvements. The Authorized Improvements and Authorized Improvements Cost as shown on Exhibit B attached hereto are subject to change as may be agreed upon by Owner, City and the District, and, if changed, shall be updated by the Owner and the District consistent with the Service and Assessment Plan and the District Act. All approved final plats within the Project shall include those Authorized Improvements located therein and the respective Authorized Improvements Cost shall be finalized at the time the applicable final plat is approved by the City. The Budgeted Cost, Authorized Improvements Cost, and the timetable for installation of the Authorized Improvements will be reviewed at least annually by the Parties in an annual update of the Service and Assessment Plan adopted and approved by the District.

4.2 Construction, Ownership, and Transfer of Public Infrastructure and Authorized Improvements.

(a) Construction Plans. The Owner shall prepare, or cause to be prepared, plans and specifications for each component of the Public Infrastructure and the Authorized Improvements and have them submitted to the City for approval in accordance with the applicable City Regulations.

(b) Construction Standards, Inspections and Fees. Except as otherwise expressly set forth in this Agreement, the Authorized Improvements and all other Public Infrastructure required for the development of the Property shall be constructed and inspected, and all applicable fees, permit fees, and inspection fees, shall be paid by the Owner, in accordance with this Agreement, the City Regulations, and any other governing body or entity with jurisdiction over the Authorized Improvements.

(c) Contract Letting. The Parties understand that construction of the Authorized Improvements to be funded through Assessments are legally exempt from competitive bidding requirements pursuant to Texas Local Government Code, Section 252.022(a)(9). As of the Effective Date, the construction contracts for the construction of Authorized Improvements have not been awarded and contract prices have not yet been determined.

(d) Ownership. Subject to those certain improvements which are required under this Agreement to remain privately-owned, all of the Authorized Improvements and Public Infrastructure shall be owned by the City upon acceptance of them by the City. Owner agrees to take any action reasonably required by the City to transfer, convey, or otherwise dedicate or ensure the dedication of land, right-of-way, or easements for the Authorized Improvements and Public Infrastructure to the City for public use. District Bond Proceeds and/or the proceeds from District Assessments will be used in part to reimburse Owner for Authorized Improvements Costs related to the Authorized Improvements and, in the event District Bond Proceeds and/or proceeds from District Assessments are not available at the time that all or a portion of the Authorized Improvements are substantially complete and the City is ready to accept said Authorized Improvements or portion thereof, District Bond Proceeds and/or proceeds from District Assessments, once available, will be used to reimburse Owner in accordance with this

Agreement, a District Reimbursement Agreement, and as otherwise agreed to by the Parties for said Authorized Improvements Costs following acceptance by the City.

(e) Maintenance Bond. For each construction contract for any part of the Public Infrastructure, the Owner or the Owner's contractor must execute a maintenance bond in accordance with the applicable City Regulations that guarantees payment of the costs of any repairs which may become necessary to any part of the construction work performed in connection with the Public Infrastructure, arising from defective workmanship or materials used therein, for a full period of two (2) years from the date of final acceptance of the Public Infrastructure constructed under such contract.

#### 4.3 Operation and Maintenance.

(a) Upon inspection, approval, and acceptance of the water and wastewater/sanitary sewer Authorized Improvements or any portion thereof, the City shall maintain and operate the accepted public infrastructure and provide retail water and wastewater/sanitary sewer service to the Property.

(b) Upon inspection, approval, and acceptance of the roadway Authorized Improvements required under this Agreement or any portion thereof, the City shall maintain and operate the public roadways and related drainage improvements.

(c) The HOA shall, at its cost, maintain and operate the HOA Maintained Improvements, including facilities or improvements financed by the District as described in Section 2.4 of this Agreement.

#### 4.4 Water Facilities.

(a) Owner's General Obligations. Owner is responsible for design, installation, and construction of all water improvements necessary to serve the Property and the Annexation Tract(s) if so annexed, as identified on Exhibit F (the "Water Improvements"), in accordance with this Agreement and applicable City Regulations, including the Water Improvements included on the City's Master Water Plan, as shown on Exhibit B attached hereto (the "Major Water Improvements") but excluding the elevated storage tank described in subsection (e) below. The design of Water Improvements shall be reviewed and approved by the City in advance of the construction of same. Subject to the City's obligations under Section 4.8, Owner, at its cost, shall be responsible for the acquisition of any easements and other property acquisitions necessary for Water Improvements (the size and extent of each such easement or other property interest to be approved by the City) for all development upon and within the Property. The locations of said easements or other property interests shall be approved by the City Engineer as part of the platting process. The costs of obtaining such easements may be included in the applicable Authorized Improvement Costs to be reimbursed to the Owner through the District.

(b) Timing of General Obligations. Except as otherwise provided herein, Owner shall fund, construct, and complete in a good and workmanlike manner all Water Improvements necessary to serve each phase or subdivision of the Project prior to the recordation of the final plat covering such phase or subdivision. The Parties acknowledge that the Property may be

developed in phases, and the preliminary plats to be submitted to the City for approval may likewise be phased. If deemed necessary, the Owner may submit a replat or amending plat for all or any portions of the Property in accordance with applicable law.

(c) Major Water Improvements. Except as otherwise provided herein, Owner shall fund, construct or cause to be constructed the Major Water Improvements shown on Exhibit B attached hereto as necessary for and in conjunction with Owner's phasing scheduled for the phased development of the Property; however, such necessity shall be determined solely by the City and consistent with the City Master Plan and/or a City-approved water study, and which shall include the following:

- i. Segment WL-C of the 12" water line shall be constructed along Taylor-Burk Drive.
- ii. Segment WL-F of the 24" water line shall be constructed.
- iii. Segments WL-A and WL-B of the 20"-24" water lines shall be constructed.
- iv. To the extent a third-party does not construct segment WL-D of the 16"- 24" water line generally along Laud Howell Parkway, Owner shall construct such water line.
- v. To the extent any off-site water lines (or segments thereof) are required to serve the development of the Property, as determined by the City pursuant to a water study, Owner shall construct those water lines (or segments thereof).

If in the City's sole determination, any of the Major Water Improvements within the Property (the "On-Site Major Water Improvements") are required to be constructed due to other development sooner than the Owner's plan for its phased development of the Property, including but not limited to those identified in Section 4.4(a) above, as determined by the City, the City shall provide written notice to the Owner and the District identifying the specific On-Site Major Water Improvements needed and the estimated timeline for completion thereof. Within sixty (60) days of the Owner's receipt of such notice, the Owner shall dedicate or acquire, at Owner's cost, all rights-of-way and easements needed for the construction of such On-Site Major Water Improvements, as determined by the City. The City or others shall design and construct the On-Site Major Water Improvements in accordance with the City-approved plans for such improvements, but in no event shall design commence later than ninety (90) days after City's receipt of all rights-of-way and easements referenced above. The Owner shall reimburse City the actual costs to design and construct the subject On-Site Major Water Improvements within two (2) years from the date of City's acceptance of such improvements, irrespective of the Owner's right to reimbursement for such costs from the District as qualifying costs.

(d) Extension of Water Facilities. Owner agrees that City may require that any public water infrastructure, otherwise required by ordinance to be extended through the Property to an adjacent property, shall be terminated prior to reaching a bounding property line of the District. In such instance, the area of land located between the terminus of the water infrastructure and an adjacent property line of the District shall be conveyed to the City in fee-simple. The area of land to be conveyed to the City shall be equal to the width required for a utility easement and shall be ten feet (10') in length. Owner further agrees that land conveyed under this subsection (d) to the City shall be maintained by the District or the HOA/COA. The City may waive this requirement

if the boundary of the District is adjacent to property located within the City's corporate limits or for other public purposes, as the City determines.

(e) City Obligations. As needed to provide retail water service to the Property and as determined solely by the City, the City shall design and construct one (1) elevated storage tank to be sized in accordance with the City's Master Water Plan.

#### 4.5 Wastewater/Sanitary Sewer Facilities.

(a) Owner's General Obligations. Owner is responsible for the design, installation, and construction of all wastewater/sanitary sewer improvements necessary to serve the Property and the Annexation Tract(s) if so annexed, as identified on Exhibit F (the "Wastewater Improvements") in accordance with this Agreement and applicable City Regulations, including the Wastewater Improvements included on the City's Master Sewer Plan, as shown on **Exhibit B** attached hereto (the "Major Wastewater Improvements"). The design of all Wastewater Improvements shall be reviewed and approved by the City in advance of the construction of same. Subject to the City's obligations under Section 4.8, Owner, at its cost, shall be responsible for the acquisition of any easements and other property acquisitions necessary for Wastewater Improvements (the size and extent of each such easement or other property interest to be approved by the City) for all development. The locations of said easements or other property interests shall be approved by the City Engineer as part of the platting process. The costs of obtaining such easements may be included in the applicable Authorized Improvement Costs to be reimbursed to the Owner through the District.

(b) Timing of General Obligations. Except as otherwise provided herein, Owner shall fund, construct, and complete in a good and workmanlike manner all Wastewater Improvements necessary to serve each phase or subdivision of the Project prior to the recordation of the final plat covering such phase or subdivision. The Parties acknowledge that the Property may be developed in phases, and the preliminary plats to be submitted to the City for approval may likewise be phased. If deemed necessary, the Owner may submit a replat or amending plat for all or any portions of the Property in accordance with applicable law.

(c) Major Wastewater Improvements. Except as otherwise provided herein, Owner shall fund, construct or cause to be constructed the Major Wastewater Improvements shown on **Exhibit B** attached hereto as necessary and in conjunction with Owner's phased development of the Property; however, such necessity shall be determined solely by the City and consistent with the City Master Plan and/or a City-approved wastewater study, and which shall include the following:

- i. Segment SS-A of the 36" sewer line extension shall be constructed from the terminus of existing City sewer line to northern boundary of the Property.
- ii. Segment SS-C of the 12"-18" sewer line connection shall be constructed from the above described 36" sewer line to the northwestern boundary of the Property.
- iii. Segments SS-B and SS-D of the 8"-15" sewer line connection shall be constructed from the above described 36" sewer line to western boundary of the Property.



- iv. To the extent any additional off-site wastewater lines (or segments thereof) are required to serve the development of the Property, as determined by the City pursuant to a wastewater study, Owner shall construct those wastewater lines (or segments thereof).

If in the City's sole determination, any of the Major Wastewater Improvements within the Property (the "On-Site Major Wastewater Improvements") are required to be constructed due to other development sooner than the Owner's plan for its phased development of the Property, including but not limited to those identified in Section 4.5(a) above, as determined by the City, the City shall provide written notice to the Owner and the District identifying the specific On-Site Major Wastewater Improvements needed and the estimated timeline for completion thereof. Within sixty (60) days of the Owner's receipt of such notice, the Owner shall dedicate or acquire, at Owner's cost, all rights-of-way and easements needed for the construction of such On-Site Major Wastewater Improvements, as determined by the City. The City or others shall design and construct the On-Site Major Wastewater Improvements in accordance with the City-approved plans for such improvements, but in no event shall design commence later than ninety (90) days after City's receipt of all rights-of-way and easements referenced above. The Owner shall reimburse City the actual costs to design and construct the subject On-Site Major Wastewater Improvements within two (2) years from the date of City's acceptance of such improvements, irrespective of the Owner's right to reimbursement for such costs from the District as qualifying costs.

(a) Extension of Wastewater Facilities. Owner agrees that City may require that any public water infrastructure, otherwise required by ordinance to be extended through the Property to an adjacent property, shall be terminated prior to reaching a bounding property line of the District. In such instance, the area of land located between the terminus of the wastewater infrastructure and an adjacent property line of the District shall be conveyed to the City in fee-simple. The area of land to be conveyed to the City shall be equal to the width required for a utility easement and shall be ten feet (10') in length. Owner further agrees that land conveyed under this subsection (d) to the City shall be maintained by the District. The City may waive this requirement if the boundary of the District is adjacent to property located within the City's corporate limits or for other public purposes, as the City determines.

#### 4.6 Roadway Facilities.

(a) Owner's General Obligations. Owner is responsible for the design, installation, and construction of all roadway facilities required to serve the Property (the "Roadway Improvements"), including: (i) any Roadway Improvements identified as necessary in a City-required transportation impact analysis ("TIA"), that is commissioned and funded by Owner for review and approval by the City; and (ii) those Roadway Improvements included on the City's Master Thoroughfare Plan, as shown on Exhibit B attached hereto (the "Major Roadway Improvements") or otherwise contained within the Master Thoroughfare Plan, as amended, if not shown on Exhibit B, unless specifically excluded in this Agreement or agreed to separately by the Parties. The design of all Roadway Improvements shall be approved by the City in advance of the construction of same.

(b) Timing of General Obligations. Except as otherwise provided herein, Owner shall fund and complete, in a good and workmanlike manner, construction of all Roadway

Improvements necessary to serve such phase or subdivision prior to the recordation of any plat for the phase or subdivision in accordance with construction plans approved by the City. Thereafter, the Roadway Improvements shall be conveyed to the City for ownership and maintenance pursuant to the City Regulations.

(c) Hardin Boulevard Bridge.

i. If the City elects to construct a bridge spanning Honey Creek along Hardin Boulevard as shown on Exhibit B attached hereto (the "Hardin Boulevard Bridge"), the City shall be solely responsible for such design and construction of the Hardin Boulevard Bridge. On or before January 1, 2034, the Owner shall pay to the City an amount equal to the comparable cost of constructing two (2) lanes or four (4) lanes, as applicable based on the rights of way owned by the Owner as of the Effective Date of this Agreement, of a standard at-grade roadway section for the length of the Hardin Boulevard Bridge segment spanning Honey Creek, as determined and calculated by the City through its use of the unit prices in a comparable City roadway bid awarded within 120 days of the date of the required payment.

ii. The Owner shall have no other obligations to build or fund the construction of the Hardin Boulevard Bridge, and the Owner may develop the Property regardless of whether the Hardin Boulevard Bridge is ever constructed.

iii. The Owner shall receive lane-mile roadway Impact Fee Credits for the horizontal segment of roadway funded, but Owner shall not seek or receive reimbursement in any form, Impact Fee Credits, District Bond Proceeds or otherwise for that portion of the Hardin Boulevard Bridge funded by the City.

(d) Laud Howell Parkway Bridge. Owner shall design and construct a six (6) lane bridge spanning Honey Creek along Laud Howell Parkway as shown on Exhibit B attached hereto (the "Laud Howell Parkway Bridge"). The City shall have final approval of the architectural and aesthetic design of the Laud Howell Parkway Bridge, which design is intended to complement the branding of the development, such approval not to be unreasonably withheld. Within thirty (30) days of the City's final acceptance of the Laud Howell Parkway Bridge, the City agrees to reimburse Owner for a portion of its construction costs, which reimbursed portion shall equal the lesser of: (i) the City's Participation Amount, as defined below, or (ii) \$18,500,000. Within one hundred twenty (120) days from the Effective Date, an Opinion of Probable Costs ("OPC") shall be prepared by a mutually agreed, third-party engineer performed for each of the following: (i) the Laud Howell Parkway Bridge (the "Bridge OPC"), and (ii) a comparable at-grade four (4) lane roadway, of equal length to the Laud Howell Parkway Bridge (the "Road OPC"). Once each OPC is obtained, the amount reflected in the Road OPC shall be deducted from the amount reflected in the Bridge OPC (the "City's Participation Amount") to obtain the maximum amount of the City's reimbursement obligation under this subsection (d). The Owner shall receive lane-mile roadway Impact Fee Credits for the horizontal segment of roadway funded, but Owner shall not seek or receive reimbursement in any form, Impact Fee Credits, District Bond Proceeds or otherwise for that portion of Laud Howell Parkway Bridge funded by the City.

(c) Major Roadway Improvements. Except as otherwise provided herein, Owner shall fund and construct or cause to be constructed the Major Roadway Improvements shown on **Exhibit B** attached hereto as necessary for the phased development of the Property and consistent with the City Master Plan, or earlier as required by the City pursuant to the findings in a TIA, as follows:

i. Laud Howell Parkway. Four (4) lanes of Laud Howell Parkway shall be constructed for the G6D Greenway Arterial Divided 6 lanes (140' ROW) generally in accordance with the alignments shown on **Exhibit B**, subject to adjustments agreed upon by the City and the Owner. Prior to the commencement of construction on the first phase of Laud Howell Parkway, (i) the Owner shall design and obtain the City's approval of four (4) lanes of the roadway on the Owner's property and at least two (2) lanes offsite, and (ii) the Owner shall dedicate the right-of-way for four (4) lanes of the roadway on the Owner's property and at least two (2) lanes offsite. On or before the earlier of: (i) the City's acceptance of at least two (2) lanes of Laud Howell Parkway from its connection to FM 1461 to the current terminus of Laud Howell Parkway located just west of the intersection with Trinity Falls Parkway, or (ii) two (2) years after the Effective Date of this Agreement, the Owner shall pay \$2,310,520 to the City to reimburse the City for its costs of previous alignment studies and designs of Laud Howell Parkway. The City, at Owner's cost, shall be responsible for acquiring all offsite rights-of-way and easements necessary for the construction of Laud Howell Parkway. Within one hundred eighty (180) days after the Effective Date of this Agreement, the Owner shall deliver to the City a proposed schedule for commencement of construction of Laud Howell Parkway (the "Commencement Schedule"), and the City shall use best efforts to acquire the offsite rights-of-way and easements needed for the Owner to commence construction pursuant to the Commencement Schedule. Subject to Force Majeure, the Owner shall complete construction of two (2) lanes of Laud Howell Parkway in Segments R-F, R-I, the offsite portion of Segment R-OFFSITE, and the Laud Howell Parkway Bridge on or before **December 31, 2027**. Two (2) additional lanes of Laud Howell Parkway shall be constructed in Segments R-F, R-I, and all onsite segments within the Property in accordance with the Owner's phasing schedule of the Roadway Improvements and the City's Master Plan, or earlier as required by the City pursuant to the findings in a TIA.

ii. Hardin Boulevard. Four (4) or Two (2) lanes of Hardin Boulevard shall be constructed in Segments R-G, R-H, and R-J for the G6D Greenway Arterial Divided 6 lanes (140' ROW) as shown on **Exhibit B**.

iii. Taylor-Burk Drive. Four (4) or Two (2) lanes of Taylor-Burk Drive shall be constructed in Segments R-D, R-D2, R-E, and R-E2 for the G4D Greenway Arterial Divided 4 lanes (120' ROW) as shown on **Exhibit B**.

iv. CR 168 / Unnamed 5 / Weston Road. Two (2) lanes of Weston Road/CR 168 shall be constructed in Segments R-A, R-B, and R-C adjacent to the Property for the M6D Major Arterial Divided 6 lanes (124' ROW) as shown on **Exhibit B**.

v. Bloomdale Road. Two (2) lanes of Bloomdale Road shall be constructed in segments R-K adjacent to the Property for the P6D Principal Arterial Divided 6 lanes (65' ROW) as shown on Exhibit B.

vi. To the extent any additional off-site roadways (or segments thereof) are required to serve the development of the Property, as determined by the City pursuant to a traffic impact analysis, Owner shall construct those roadways (or segments thereof).

If in the City's sole determination, any of the Major Roadway Improvements within the Property (the "On-Site Major Roadway Improvements") are required to be constructed due to other development sooner than the Owner's plan for its phased development of the Property, including but not limited to those identified in Section 4.6(a) above, as determined by the City, the City shall provide written notice to the Owner and the District identifying the specific On-Site Major Roadway Improvements needed and the estimated timeline for completion thereof. Within sixty (60) days of the Owner's receipt of such notice, the Owner shall dedicate or acquire, at Owner's cost, all rights-of-way and easements needed for the construction of such On-Site Major Roadway Improvements, as determined by the City. The City or others shall design and construct the On-Site Major Roadway Improvements in accordance with the City-approved plans for such improvements, but in no event shall design commence later than ninety (90) days after City's receipt of all rights-of-way and easements referenced above. The Owner shall reimburse City the actual costs to design and construct the subject On-Site Major Roadway Improvements within two (2) years from the date of City's acceptance of such improvements, irrespective of the Owner's right to reimbursement for such costs from the District as qualifying costs.

4.7 NRCS Dam Rehabilitation. To the extent required by the City Regulations, Owner shall fund and construct any needed improvements to or rehabilitation of the NRCS lake dams shown on Exhibit B attached hereto (the "NRCS Dams") for the Property. Subject to final review and approval by the City, the NRCS Dam improvements shall be installed in accordance with design drawings prepared HDR, Inc. dated July 22, 2022, for Lake 15 and September 15, 2022, for Lake 16. The Owner shall improve, at its cost, the NRCS Dams as needed for development of the Property in accordance with the Owner's phasing schedule; however, in any event the timing of such improvements shall be subject to City Regulations and/or a City approved drainage study. The City shall use best reasonable efforts to coordinate funding of the rehabilitation of the NRCS Dams by other governmental authorities consistent with other NRCS dam rehabilitations in the area. If the City is unable to secure outside funding for the rehabilitation of the NRCS Dams, and to the extent the NRCS Dam improvements qualify as Authorized Improvements, the Owner may seek reimbursement for such costs from District Bond Proceeds or Assessments.

4.8 Eminent Domain. Notwithstanding any other provision of this Agreement, Owner agrees to use commercially reasonable efforts to obtain all third-party rights-of-way, consents, or easements, if any, required for the construction of certain Public Infrastructure to serve the Property. If, however, Owner is unable to obtain such third-party rights-of-way, consents, or easements within ninety (90) days of commencing efforts to obtain the needed easements and right-of-way, the City agrees to take reasonable steps to secure same (subject to City Council authorization after a finding of public purpose and necessity) through the use of the City's power

of eminent domain. Owner shall be responsible for funding all legal proceeding/litigation costs, attorney's fees and related expenses, and appraiser and expert witness fees (collectively, "Eminent Domain Fees") actually incurred by the City in the exercise of its eminent domain powers and shall escrow the reasonably estimated Eminent Domain Fees with the City both in advance of the initiation of each eminent domain proceeding and as funds are needed by the City, to the extent such funds are not immediately available to pay Eminent Domain Fees from District Bonds, or if District Bonds are not issued, from Assessments. Provided that the escrow fund remains appropriately funded in accordance with this Agreement, the City will use all reasonable efforts to expedite such condemnation procedures so that the Public Infrastructure can be constructed as soon as reasonably practicable. If the City's Eminent Domain Fees exceed the amount of funds escrowed in accordance with this paragraph, Owner shall deposit additional funds as requested by the City into the escrow account within ten (10) days after written notice from the City. Any unused escrow funds will be refunded to Owner with thirty (30) days after any condemnation award or settlement becomes final and non-appealable. Nothing in this section is intended to constitute a delegation of the police powers or governmental authority of the City, and the City reserves the right, at all times, to control its proceedings in eminent domain. To the extent Eminent Domain Fees are paid by the Owner, Owner may seek reimbursement of any or all of the Eminent Domain Fees from District Bonds, or if District Bonds are not issued, Assessments.

4.9 Infrastructure Oversizing. Owner shall be required to construct and fund oversized Public Infrastructure in accordance with this Agreement, the City's Master Plan and City Regulations. Prior to the Owner's commencement of oversized Public Infrastructure, the City and Owner shall mutually agree on the funding for such oversized Public Infrastructure. In the event Owner constructs or causes the construction of any oversized Public Infrastructure, and the Owner is not reimbursed through District Bond Proceeds or, Assessments, or revenue pursuant to Article IV of this Agreement, or any other source, including in-kind consideration, the Owner shall be eligible for Impact Fee Credits (no cash reimbursement) from the City under the Ordinances set forth in Section 3.2(a) above and pursuant to the terms of an agreement providing for Impact Fee Credits in the form attached hereto as Exhibit J ("Impact Fee Credit Agreement"). Notwithstanding the foregoing, any Public Infrastructure constructed by third-parties within the Property shall only be allowed pursuant to an Impact Fee Credit Agreement with the City wherein the third-party waives its right to oversize reimbursements from the City and further agrees to an allocation of impact fee credits, acceptable by the City, by and between the Owner, the City and such third-party.

4.10 Third Party Funding Sources. If the City obtains funding from any third-parties, including other governmental authorities, for any Public Infrastructure that will be funded by the City pursuant to this Article IV, the Parties agree that the City shall be the sole beneficiary of such funds thereby decreasing its funding obligations by the amount of the third-party funding it receives.

## **ARTICLE V**

### **DISTRICT**

5.1. Levy of Assessments in District. The Owner shall cause the District to initiate and approve all necessary documents, resolutions, and orders, including without limitation the

District Documents, required to effectuate this Agreement, to levy the Assessments. The Assessments shall be levied: (i) on a phase-by-phase basis against the applicable phase(s) benefitted by the applicable portion of the Authorized Improvements for which the applicable series of the District Bonds are issued, and (ii) prior to the sale of any lot or parcel to an End Buyer. The District shall select an SAP consultant and the Board of Directors of the District will approve the SAP, which shall include the Authorized Improvements and describe the levy of the Assessments on the Property. Promptly following preparation and approval of a preliminary SAP and subject to the District making findings that the Authorized Improvements confer a special benefit on the Property, the District shall, after providing the required proper notices, consider an Assessment Order and the approval of a final SAP. The Parties agree that property owned by the City and McKinney Independent School District within the Property shall not be subject to Assessments.

## 5.2 Acceptance of Assessments and Recordation of Covenants Running with the Land.

(a) Concurrently with the levy of the Assessment applicable to a particular phase of the Project, Owner shall: (i) approve and accept in writing the levy of the Assessment(s) on all land owned by Owner; and (ii) cause covenants running with the land to be recorded against the portion of the Property that is the subject of the Assessment Order that will bind any and all current and successor developers and owners of all or any part of such phase of the Project to: (A) pay the Assessments, with applicable interest and penalties thereon, as and when due and payable hereunder and that the purchasers of such land take their title subject to and expressly assume the terms and provisions of such assessments and the liens created thereby; and (B) comply with the notice requirements of Section 5.014 of the Texas Property Code.

(b) Owner shall be required to ensure that: (i) all sales contracts between owner and builders or developers will include notice of assessment as required under Section 5.014 of the Texas Property Code, (ii) all initial sales contracts by home builders or developers will include a "Notice of Obligation to pay Improvement District Assessments" notifying any prospective buyer(s) regarding the Assessment on the lot or tract in which the prospective buyer(s) is(are) interested; (iii) all closing statements will specify who is responsible for payment of the Assessment or a pro rata share thereof; and (iv) the project website will include notice that the Property is in the District, notice of the Assessment, its rate, and length of duration.

5.3 City Consent to District. The City has supported the creation of the District pursuant to Resolution No. 2024-02-020 R attached as **Exhibit H** (the "City TCEQ Support Resolution") conditionally supporting the inclusion of the Property within the proposed District and the creation of the District in accordance with the MMD Act, subject to the conditions provided therein. The City agrees to adopt such further consent resolutions or ordinances and execute such further documents as may reasonably be necessary by the Developer, the TCEQ, the Attorney General of the State of Texas, or the District to evidence the City's consents as set forth in this Agreement and in the City TCEQ Support Resolution.

5.4 District Boundaries. Contemporaneously with the City Council's approval of this Agreement, those properties identified as the Greene Tract and the Tunnel Tract in, and more fully depicted in **Exhibit F** shall be annexed and zoned into the corporate limits of the City. The

City shall permit the Owner to annex specific additional land into the District adjacent to the Property as depicted on **Exhibit F** attached hereto (the “Annexation Tracts”), subsequent to Owner submitting a petition to the Board of Directors of the District and on the express condition that Owner simultaneously submits a petition to the City to voluntarily annex such Annexation Tract(s) into the City’s corporate limits, including a request for zoning consistent with the PD Standards for the Property in this Agreement, and the City provides a consent resolution for inclusion of such Annexation Tract(s) within the District. The Owner acknowledges that dedications and exactions shall apply to the Annexation Tracts(s) under Annexation or Development Agreements executed incident to annexation. The Owner and the District shall not exclude any of the Property or the Annexation Tract(s) from the District without the express consent of the City. The District shall not be divided into separate districts pursuant to the District Order without the express consent of the City.

5.5 Dissolution of District. The City shall not take actions to dissolve the District or request the dissolution of the District until such time that the obligations under this Agreement have been completed and the Owner has fully reimbursed for the costs of the Authorized Improvements eligible to be financed by the District.

5.6 District Execution of Agreement. The Owner and the City intend that this Agreement shall be binding upon the District from and after the date the District executes a joinder to this Agreement in substantially the same form as set forth in **Exhibit I**, attached hereto (the “Joinder Agreement”) and made a part hereof. The District shall execute such Joinder Agreement at the time of its organizational meeting.

5.7 Capital Improvements Budget. Subject to City’s rights under Section 6.2, the initial five-year capital improvements budget for the District attached hereto as **Exhibit K** (the “CIB”) is hereby approved as a capital improvements budget prepared in accordance with Section 375.207(b) of the MMD Act. Owner and District may deliver a written request to the City not sooner than one hundred eighty (1800) days prior to the end of the initial five-year budget period and prior to any subsequent five-year budget period requesting approval of an amended CIB, and the City agrees to consider a resolution approving an amended CIB for a period of five additional years within sixty (60) days of receipt of such request in the form of **Exhibit L** attached hereto.

## **ARTICLE VI**

### **DISTRICT BONDS**

6.1 District Bond Issuance. Owner may request issuance of District Bonds by filing with the District a list of the Authorized Improvements to be funded or acquired with the District Bond Proceeds and the estimated or actual costs of such Authorized Improvements. The District may issue District Bonds subject to all of the following conditions being satisfied, as of the date of issuance:

- (a) The District and its financial advisor have evaluated and determined that there will be no negative impact on the City or District’s creditworthiness, bond rating, access to or cost of capital, or potential for liability.

- (b) The District has determined that the District Bonds assessment level, structure, terms, conditions and timing of the issuance of the District Bonds are reasonable for the Authorized Improvements Cost to be financed and that there is sufficient security for the District Bonds to be creditworthy.
- (c) All costs incurred by the District or City that are associated with the operation and administration of the District shall be paid out of assessment revenue levied against property within the District; provided however, the Owner shall be afforded an opportunity to annually review and approve the reasonable and necessary costs incurred by the City and the District, and such costs shall not exceed \$20,000.00 in annual reimbursement to the City. District administration costs shall include costs associated with continuing disclosure, compliance with federal tax law, paying agent fees and legal counsel fees, staff time, regulatory reporting and legal and financial reporting requirements.
- (d) The Service and Assessment Plan and the Assessment Order levying assessments on all or any portion of the Property benefitted by Authorized Improvements provide for amounts sufficient to pay all costs related to such District Bonds.
- (e) The District has formed and utilized its own financing team including, but not limited to, bond counsel, financial advisor, Administrator, and underwriters related to the issuance of District Bonds and bond financing proceedings.
- (f) Each series of District Bonds shall be in an amount estimated to be sufficient to fund the Authorized Improvements or portions thereof for which such District Bonds are being issued.
- (g) The aggregate principal amount of District Bonds issued and to be issued shall not exceed \$350,000,000.
- (h) Approval by the Texas Attorney General of the District Bonds and registration of the District Bonds by the Comptroller of Public Accounts of the State of Texas.
- (i) The Owner is current on all taxes, assessments, and fees to the City and the District including without limitation payment of Assessments.
- (j) The Owner, or any Assignee, is not in default under this Agreement or, with respect to the Property, any other agreement to which Owner and the City are parties.
- (k) No outstanding District Bonds are in default and no reserve funds established for outstanding District Bonds have been drawn upon that have not been replenished.
- (l) The Administrator has indicated that the specified portions of the Authorized Improvements Cost to be paid from the proceeds of the District Bonds are eligible to be paid with the proceeds of such District Bonds.
- (m) The Authorized Improvements to be financed by the District Bonds have been or will be constructed according to the applicable City Regulations.



- (n) The District has determined that the amount of proposed District assessments and the structure, terms, conditions and timing of the issuance of the District Bonds are reasonable for the project costs to be financed and the degree of development activity within the District, and that there is sufficient security for the District Bonds to be marketable.
- (o) The maximum maturity for District Bonds shall not exceed 30 years from the date of delivery thereof.
- (p) The District has determined that the District Bonds meet all regulatory and legal requirements applicable to the issuance of the District Bonds.
- (q) Any receivables due under any District Reimbursement Agreement or under any interlocal agreement between the City and the District may be sold or assigned by the Owner without the consent of the City.
- (r) The Owner agrees to provide periodic information and notices of material events regarding the Owner and the Owner's development within the District in accordance with any Continuing Disclosure Agreement required to be executed by the Owner in connection with the issuance of District Bonds.
- (s) Owner is not in default under a Continuing Disclosure Agreement.
- (t) With respect to District Bonds being issued on an up-front reimbursement basis ("Construction District Bonds"), such Construction District Bonds may only be issued to finance construction of the Authorized Improvements depicted on Exhibit B-1 attached hereto, unless, prior to the sale of the Construction District Bonds, the City has provided written consent to the inclusion of any other Public Infrastructure.
- (u) The net proceeds of Construction District Bonds shall not exceed \$75,000,000 unless otherwise agreed to between the City, the Owner, and the District.
- (v) The Owner and the District shall have entered into a District Reimbursement Agreement that provides for the Owner's construction of certain Authorized Improvements and the District's reimbursement to the Owner of certain Authorized Improvements.

6.2 Notice of District Bonds. Notwithstanding the City's approval of the CIB, at least thirty (30) days before the sale of District Bonds, the District shall deliver to the City Secretary, City Manager, City Finance Director, and City's bond counsel a notice ("District Bonds Notice") containing: (a) the amount of District Bonds being proposed for issuance; (b) a general description of the projects to be funded by District Bonds; and (c) a draft offering document. The City shall have a period of sixty (60) days after receiving a District Bonds Notice within which to object to the District Bonds. If the City fails to object to a proposed District Bond issue within such 60-day period, the City shall be deemed to have waived all objections. The only basis for an objection by the City to a proposed District Bond issue shall be that the District or Owner is in default of a provision of this Agreement. If the City objects to a proposed District Bond issue (a "City Objection"), such objection (a) shall be in writing, (b) shall be given to the District; (c) shall be signed by the City Manager or the City Manager's

designee, and (d) shall specifically identify the applicable provision under the this Agreement for which the District or Owner is in default. It shall not be a basis for a City Objection that the City disagrees with the District's financial advisor as to the financial feasibility of the District Bonds so long as the proposed District Bonds are approved by the TCEQ and Attorney General. In the event a City Objection is timely given to the District with respect to a specific District Bond application, the City and the District shall cooperate to resolve the City Objection within a reasonable time, and the District Bond application to which the City Objection applies shall be delayed until the City Objection has been cured or waived. Unless otherwise cured by written agreement of the Parties, a City Objection shall be deemed cured if (x) the District files a petition seeking declaratory judgment in state district court, (y) not less than thirty (30) days before filing the petition the District gives the City Attorney and the City Manager Notice of, and waives any objections to the City's right to intervene in, such a declaratory judgment action, and (z) the district court determines that the District or Owner is not in default with respect to any provision of this Agreement or, alternatively, finds that if such a material default had previously occurred, the default has been cured. A City Objection may be waived by the City at any time.

6.3 Disclosure Information. Prior to the issuance of District Bonds by the District, Owner shall provide all relevant information, including financial information that is reasonably necessary in order to provide potential bond investors with a true and accurate offering document for any District Bonds. Owner shall, at the time of providing such information, agree, represent, and warrant that the information provided for inclusion in a disclosure document for an issue of District Bonds does not, to Owner's actual knowledge, contain any untrue statement of a material fact or omit any statement of material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, and Owner further shall provide a certification to such effect as of the date of the closing of any District Bonds.

## **ARTICLE VII**

### **PAYMENT AND REIMBURSEMENT FOR AUTHORIZED IMPROVEMENTS**

#### **7.1 Authorized Improvements.**

(a) Improvement Account of the Project Fund. The IAPF shall be administered and controlled by the District, or the trustee bank for the District Bonds, and funds in the IAPF shall be deposited and disbursed in accordance with the terms of the Indenture.

(b) Timing of Expenditures and Reimbursements. Owner shall finance and undertake construction of the Authorized Improvements in accordance with this Agreement, the SAP, or otherwise in conjunction with the construction of the applicable phases of the Project prior to seeking reimbursement from the IAPF. Although the terms by which Owner will be entitled to reimbursement from the IAPF shall be detailed in one or more District Reimbursement Agreement(s), Owner will generally be entitled to the maximum available funds within the IAPF up to the Authorized Improvements Cost, plus interest, following the City's acceptance of the Authorized Improvements.

7.2 Cost Overrun. Should the Authorized Improvements Cost exceed the maximum District Bond Proceeds deposited in the IAPF ("Cost Overrun"), the Owner shall be solely responsible to fund such part of the Cost Overrun, subject to any Cost Underrun as described in Section 7.3 below.

7.3 Cost Underrun. Upon the final acceptance by City of an Authorized Improvement and payment of all outstanding invoices for such Authorized Improvement, and only if the Authorized Improvement Cost is less than the Budgeted Cost (a "Cost Underrun"), any remaining funds in the Improvement Account of the Project Fund will be available to pay Cost Overruns on any other Authorized Improvement. The District shall promptly confirm to the Trustee that such remaining amounts are available to pay such Cost Overruns, and the District, with input from the Owner, will decide how to use such moneys to secure the payment and performance of the work for other Authorized Improvements, if available. If a Cost Underrun exists after payment of all costs for all Authorized Improvements contemplated in the applicable Indenture, such unused funds will be used to pay Assessments on the Property.

7.4 Reimbursement of Authorized Improvements Cost. The District and Owner shall, prior to or substantially contemporaneously with the initial levy of assessments on a phase(s) of the Project, enter into a District Reimbursement Agreement (or similar agreement) to provide for reimbursement to Owner for Authorized Improvements Cost for such phase(s) from the District Bond Proceeds issued for such phase(s) or Assessments levied on such phase(s).

7.5 No Limitation of Powers. Nothing in this Article VII is intended to limit, impair, or conflict with the authority of the powers granted to the District by the Texas Constitution, Texas Local Government Code, District Order or any other current or future statute applicable to such District, except as specifically set forth in this Agreement.

## **ARTICLE VIII**

### **TERM OF AGREEMENT**

The term of this Agreement shall be the later of: (i) thirty (30) years after the Effective Date; or (ii) upon issuance of the final series of District Bonds to finance Public Infrastructure but not to exceed thirty-five (35) years total, unless extended by mutual agreement of Owner, the District, and the City (as extended, the "Term"). Upon expiration of the Term, the City shall have no obligations under this Agreement except for the maintenance and operation of the Public Infrastructure that has been conveyed to and accepted by the City.

## **ARTICLE IX**

### **EVENTS OF DEFAULT; REMEDIES**

9.1 Events of Default. No Party shall be in default under this Agreement until Notice of the alleged failure of such Party to perform has been given (which Notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time determined based on the nature of the alleged failure, but in no event less than thirty (30) days after written Notice of the alleged failure has been given). Notwithstanding the foregoing, however, a Party shall be in default of its obligation to make any payment required under this Agreement if such payment is not made within thirty (30) business days after receipt of a Notice of

failure to provide payment. The City's failure to fulfill an obligation or intention of the City contained in this Agreement that creates a contractual obligation that controls, waives, or supplants the City Council's legislative discretion or functions shall not be considered an event of default. Owner's default under the City TCEQ Support Resolution shall be default under this Agreement.

- 9.2 Remedies. If a Party is in default, the aggrieved Party may, at its option and without prejudice to any other right or remedy under this Agreement, seek any relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act, specific performance, mandamus, and injunctive relief. During any period when Owner or District shall be in default and upon proper notice given by City pursuant to Section 9.1 above, the City shall have the right to suspend the receipt, processing and consideration of approval of any plat or development permit for the Property or affecting the Property until such default is cured in the sole determination of the City.
- 9.3 Powers; Waivers. By its execution of this Agreement, the City does not waive or surrender any of its governmental powers, immunities, or rights except as follows: the City waives its governmental immunity from suit as to any action brought by the Owner to pursue the remedies specified in this Agreement, but only to the extent necessary to pursue such remedies. Nothing in this Section shall waive any claims, defenses or immunities that the City has with respect to suits against the City by persons or entities other than a Party to this Agreement.

## **ARTICLE X**

### **ASSIGNMENT AND ENCUMBRANCE**

#### **10.1 Assignment by Owner.**

(a) The Owner may assign this Agreement (from time to time) in whole or in part, including any obligation, right, title, or interest of the Owner under this Agreement with the City's prior written consent, which consent shall be within the City's sole discretion, if the Owner and District are not in breach of this Agreement at the time of such assignment. An assignee of this Agreement ("Assignee") is considered the "Owner" and a "Party," and under this Agreement for purposes of the obligations, rights, title, and interest assigned to the Assignee. A Notice of each proposed assignment to an Assignee shall be provided to the City at least forty-five (45) days prior to the requested effective date of the assignment, which Notice shall include a copy of the proposed assignment document together with the name, address, telephone number, and e-mail address (if available) of a contact person representing the Assignee who the City may contact for additional information regarding the experience and background of the Assignee.

(b) Each assignment shall be in writing executed by the Owner and the Assignee and shall obligate the Assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned, and shall contain a representation by the Assignee acknowledged by a notary public that the Assignee has the financial ability to timely perform the assigned obligations. A copy of each fully executed assignment to an Assignee shall be provided to all Parties within fifteen (15) days after execution. From and after such assignment, the City agrees to look solely to the Assignee for the

performance of all obligations specifically assigned to the Assignee and agrees that the Owner shall be released from subsequently performing the specifically-assigned obligations only and from any liability that results from the Assignee's failure to perform the specifically-assigned obligations; provided, however, if a copy of the assignment is not received by the City within 15 days after execution, the Owner shall not be released until the City receives such copy of the assignment. Notwithstanding the foregoing, Owner shall not be released from any obligations which are not specifically assigned to the Assignee.

(c) No assignment by the Owner shall release the Owner from any liability that resulted from an act or omission by the Owner that occurred prior to the effective date of the assignment unless the City approves the release in writing.

(d) The Owner shall maintain written records of all assignments made by the Owner to Assignees, including a copy of each executed assignment and the Assignee's Notice information as required by this Agreement, and, upon written request from another Party, shall provide a copy of such records to the requesting person or entity.

10.2 Encumbrance by Owner and Assignees. The Owner and Assignees have the right, from time to time, to collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of their respective rights, title, or interest under this Agreement for the benefit of their respective lenders, but not to a conduit issuer, without the consent of, but with written Notice to the City within ten (10) days of the execution of such document. The collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate any lender to perform any obligations or incur any liability under this Agreement unless the lender agrees in writing to perform such obligations or incur such liability. Provided the City has been given a copy of the documents creating the lender's interest, including Notice information for the lender, then that lender shall have the right, but not the obligation, to cure any default under this Agreement and shall be given a reasonable time to do so in accordance with the cure periods otherwise provided to the defaulting Party by this Agreement; and the City agrees to accept a cure offered, in writing, by the lender as if offered by the defaulting Party. A lender is not a Party to this Agreement unless this Agreement is amended, with the consent of the lender, to add the lender as a Party. Notwithstanding the foregoing, however, this Agreement shall continue to bind the Property and shall survive any transfer, conveyance, or assignment occasioned by the exercise of foreclosure or other rights by a lender, whether judicial or non-judicial unless otherwise agreed to in writing by lender and the City. Any purchaser from or successor owner through a lender of any portion of the Property shall be bound by this Agreement and shall not be entitled to the rights and benefits of this Agreement with respect to the acquired portion of the Property until all defaults under this Agreement with respect to the acquired portion of the Property have been cured.

10.3 Transfer of Bonds and Warranties. Any Public Infrastructure that is transferred to the City shall be accompanied by all applicable third-party bonds and warranties related to construction and maintenance of such Public Infrastructure, as required by the City Regulations and state law.

## **ARTICLE XI**

### **ADDITIONAL PROVISIONS**

11.1 Recitals. The Recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; and (c) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the Recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the Recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the Recitals, would not have entered in this Agreement.

11.2 Notices. All notices required or contemplated by this Agreement (or otherwise given in connection with this Agreement) (a “Notice”) shall be in writing, shall be signed by or on behalf of the Party given the Notice, and shall be effective as follows: (a) on or after the fifth business day after being deposited with the United States mail service, Certified Mail, Return Receipt Requested with a confirming copy sent by email; (b) on the day delivered by a private delivery or private messenger service (such as FedEx or UPS) as evidenced by a receipt signed by any person at the delivery address (whether to not such person is the person to whom the Notice is addressed); or (c) otherwise, on the day actually received by the person to whom the Notice is addressed, including, but not limited to, delivery in person and delivery by regular mail (with a confirming copy sent by email). Notices given pursuant to this Section shall be addressed as follows:

To the City:                   City of McKinney, Texas  
                                  Attn: City Manager  
                                  222 N. Tennessee  
                                  McKinney, Texas 75069  
                                  Email: pgrimes@mckinneytexas.org

With a Copy to:           Attn: City Attorney  
                                  Mark Houser  
                                  Brown & Hofmeister LLP  
                                  740 E. Campbell Road, Suite 800  
                                  Richardson, Texas 75081  
                                  Email:

To the Owner:             McKinney Ranch, Ltd.;  
                                  Honey Creek Investments, LLC; and  
                                  Barcelona 93, Ltd.  
                                  Attn: Santiago Jorba  
                                  2201 Midway Road, Suite 108P  
                                  Carrollton, Texas 75006  
                                  Email: santiago@creucapital.com

With a Copy to:           Ross Martin  
                                  Winstead PC  
                                  2728 N. Harwood Street, Suite 500

Dallas, Texas 75201  
Email: [rmartin@winstead.com](mailto:rmartin@winstead.com)

11.3 Interpretation. The Parties acknowledge that each of them has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for or against any Party, regardless of which Party originally drafted the provision.

11.4 Entire Agreement; Severability. This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement. This Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of this Agreement is determined by a Court of competent jurisdiction to be unenforceable for any reason, then (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

11.5 Applicable Law; Venue. This Agreement is entered into under and pursuant to, and is to be construed and enforceable in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in Collin County. Venue and exclusive jurisdiction for any action to enforce or construe this Agreement shall be Collin County District Court.

11.6 Non-Waiver. Any failure by a Party to insist upon strict performance by another Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by written agreement, signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

11.7 Third-Party Beneficiaries. Except as otherwise provided in this Section, this Agreement only inures to the benefit of, and may only be enforced by, the Parties. An End Buyer shall be considered a third-party beneficiary of this Agreement, but only for the limited purposes for which an End Buyer is bound by this Agreement. No other person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement.

11.8 Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to Force Majeure, to perform its obligations under this Agreement, then obligations affected by the Force Majeure shall be temporarily suspended. Within ten (10) business days after the occurrence of a Force Majeure, the Party claiming the right to temporarily suspend its performance, shall give Notice to all the

Parties that includes a detailed explanation of the Force Majeure, a description of the action that will be taken to remedy the Force Majeure and resume full performance at the earliest possible time, and the length of time needed to resume full performance. Any other Party may object in writing to the length of time claimed to be needed to resume performance by the Party suffering the event of Force Majeure if it provides a commercially reasonable explanation regarding how full performance could reasonably be resumed at an earlier date, in which case full performance shall resume at the earlier date. The term “Force Majeure” shall include events or circumstances that are not within the reasonable control of the Party whose performance is suspended, and that could not have been avoided by such Party with the exercise of good faith, due diligence and reasonable care; however, Force Majeure shall not include weather delays or the actions or inaction of the City in its exercising its governmental functions under City Regulations.

11.9 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

11.10 Further Documents. Each Party shall, upon request of the other Party, execute and deliver such further documents and perform such further acts as may reasonably be requested to effectuate the terms of this Agreement and achieve the intent of the Parties, so long as such documents do not create any new or different obligations.

11.11 Binding Obligations. This Agreement and all amendments thereto and assignments hereof shall be recorded in the Real Property Records. This Agreement binds and constitutes a covenant running with the Property and, upon the Effective Date, is binding upon Owner and the City, and forms a part of any other requirements for development within the Property. This Agreement, when recorded, shall be binding upon the Parties and their successors and assigns as permitted by this Agreement and upon the Property. This Agreement, when recorded, shall be binding upon the Parties and their successors and assigns as permitted by this Agreement and upon the Property; however, this Agreement shall not be binding upon, and shall not constitute any encumbrance to title as to, any End Buyer of a Fully Developed and Improved Property except for land use and development regulations that apply to such property.

11.12 Estoppel Certificates. From time to time, upon written request of Owner or any future owner, and upon the payment to the City of a \$500.00 fee plus all reasonable costs and attorneys’ fees incurred by the City in providing the certificate described in this section, the City Manager, or his/her designee will, in his/her official capacity and to his/her reasonable knowledge and belief, execute a written estoppel certificate identifying any obligations of an owner under this Agreement that are in default.

11.13 Anti-Boycott Verification. Each Owner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, as amended, to the extent Section 2271.002, Texas Government Code does not contravene federal law. As used in the foregoing verification, ‘boycott Israel’ means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel



or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. Each Owner understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Owner and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section 11.13 shall survive termination of the Agreement until the statute of limitations has run.

11.14 Verification under Chapter 2252, Texas Government Code. Each Owner hereby represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable federal law and excludes the Owner and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. Each Owner understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section 11.14 shall survive termination of the Agreement until the statute of limitations has run.

11.15 No Discrimination Against Energy Companies. Each Owner hereby verifies that it and its parent companies, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies" shall have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas Government Code. Each Owner understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Owner and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section 11.15 shall survive termination of the Agreement until the statute of limitations has run.

11.16 No Discrimination Against Firearm Entities and Firearm Trade Associations. Each Owner hereby verifies that it and its parent companies, wholly- or majority- owned subsidiaries, and other affiliates, if any,

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

(2) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.

The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” shall have the meaning assigned to such term in Section 2274.001(3) (as added by SB 19), Texas Government Code. Each Owner understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit. Notwithstanding anything contained herein, the representations and covenants contained in this Section 11.16 shall survive termination of the Agreement until the statute of limitations has run

11.17 Exhibits. The following Exhibits are attached to this Agreement and are incorporated herein for all purposes:

<b>Exhibit A</b>	Metes and Bounds Description of the Property
<b>Exhibit B</b>	Authorized Improvements and Estimated Costs
<b>Exhibit B-1</b>	Authorized Improvements for Construction Bonds
<b>Exhibit C</b>	Parks and Open Space Plan
<b>Exhibit D</b>	Trails Plan
<b>Exhibit E</b>	Public Land Dedications and Reservations
<b>Exhibit F</b>	Annexation Tracts
<b>Exhibit G</b>	Architectural Standards
<b>Exhibit H</b>	City TCEQ Support Resolution
<b>Exhibit I</b>	Form of District Joinder Agreement
<b>Exhibit J</b>	Form of Impact Fee Credit Agreement
<b>Exhibit K</b>	Capital Improvements Budget
<b>Exhibit L</b>	Form of Resolution Approving Capital Improvements Budget

[SIGNATURES PAGES AND EXHIBITS FOLLOW;  
REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

AGREED TO AND EXECUTED by Owner and the City to be effective as of the  
“Effective Date”.

**CITY OF MCKINNEY, TEXAS**

By: \_\_\_\_\_

Name: Paul G. Grimes

Title: City Manager

ATTEST:

By: \_\_\_\_\_

Name: Empress Drane

Title: City Secretary

STATE OF TEXAS           §

§

COUNTY OF COLLIN       §

This instrument was acknowledged before me on \_\_\_\_\_, 2024 by Paul G. Grimes, City Manager of the City of McKinney, Texas on behalf of said city.

\_\_\_\_\_  
Notary Public, State of Texas

**MCKINNEY RANCH, LTD.**  
a Texas limited partnership

By: Creu Property Corp.,  
a Texas corporation,  
its general partner

By: Santiago Jorba  
Name: SANTIAGO JORBA  
Title:

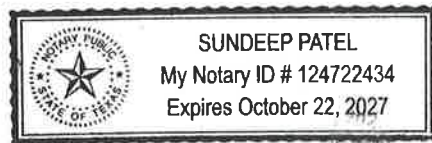
STATE OF TEXAS §

§  
COUNTY OF ~~COLLIN~~ §  
Dallas

This instrument was acknowledged before me on Sept 11, 2024 by  
Santiago Jorba, Secretary of Creu Property Corp., a Texas  
corporation, general partner of McKinney Ranch, Ltd., a Texas limited partnership, on behalf of  
said entity.

Sundee Patel

Notary Public, State of Texas



**BARCELONA 93, LTD.**

a Texas limited partnership

By: Barsa Property Corp.,  
a Texas corporation,  
its general partner

By: Santiago Jorba  
Name: SANTIAGO JORBA  
Title:

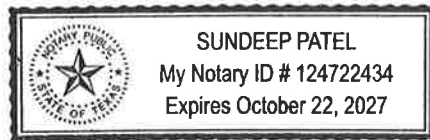
STATE OF TEXAS §

COUNTY OF ~~COLLIN~~ §  
Dallas §

This instrument was acknowledged before me on Sept 11, 2024 by Santiago Jorba, Secretary of Barsa Property Corp., a Texas corporation, general partner of Barcelona 93, Ltd., a Texas limited partnership, on behalf of said entity.

Sundee Patel

Notary Public, State of Texas



**HONEY CREEK INVESTMENTS, LLC**  
a Texas limited liability company

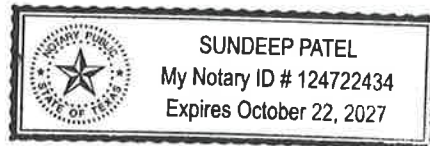
By: Santiago Jorba  
Name: SANTIAGO JORBA  
Title:

STATE OF TEXAS       §  
                                  §  
COUNTY OF ~~COLLIN~~   §  
                                  Dallas

This instrument was acknowledged before me on Sept 11, 2024 by  
Santiago Jorba, Secretary of Honey Creek Investments,  
LLC, a Texas limited liability company, on behalf of said entity.

Sundee Patel

Notary Public, State of Texas



**EXHIBIT A**  
**METES AND BOUNDS DESCRIPTION OF THE PROPERTY**

**EXHIBIT A  
METES AND BOUNDS DESCRIPTION OF THE PROPERTY**

1648.67 ACRES

**THE MCKINNEY RANCH / BARCELONA 93 &  
HONEY CREEK INVESTMENTS TRACTS**

**COLLIN COUNTY, TEXAS**

BEING ALL THAT CERTAIN LOT TRACT OR PARCEL OF LAND LOCATED IN THE LD DAVIDSON SURVEY, A-285, E HAMILTON SURVEY, A-372, T CUNIS SURVEY, A-211, WH HORN SURVEY, A-1070, WM RICE SURVEY, A-770, WM RICE SURVEY, A-769, THE M. HART SURVEY, A-371, COLLIN COUNTY, TEXAS, BEING DESCRIBED AS PART OF A CALLED 1215.714 ACRE TRACT TO MCKINNEY RANCH LTD RECORDED IN DOC # 20060208000170600, ALL OF A CALLED 3.00 ACRE TRACT TO MCKINNEY RANCH LTD RECORDED IN DOC # 20060606000765560, ALL OF A CALLED 24.218 ACRE TRACT TO MCKINNEY RANCH LTD RECORDED IN DOC # 20150731000958250, ALL OF A CALLED 44.996 ACRE TRACT TO MCKINNEY RANCH LTD RECORDED IN DOC # 201401080000018880, ALL OF A CALLED 126.718 ACRE TRACT TO MCKINNEY RANCH LTD RECORDED IN DOC # 20140212000134010, ALL OF A CALLED 254.596 ACRE TRACT TO HONEY CREEK INVESTMENTS LLC RECORDED IN DOC # 201606020000686550, ALL OF A CALLED 7.730 ACRE TRACT TO BARCELONA 93 LTD RECORDED IN DOC # 20160822001096540, ALL OF A CALLED 45.013 ACRE TRACT TO BARCELONA 93 LTD RECORDED IN DOC # 20160705000847670, OF THE DEED RECORDS COLLIN COUNTY, TEXAS (DRCCT). SAID LOT TRACT OR PARCEL OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at a point in the called centerline of CR 168, the northeast corner of the Lake Forest Equestrian Center LLC, 11.426 acre tract recorded in DOC # 2023000059238, DRCCT, being the northwest corner of said 1215.714 acre tract and this tract;

THENCE, Generally along the called centerline of CR 168 as follows: N 89°41'47" E (Control Line), 3769.64 feet to a ½" iron rod found at the south corner of the Elizabeth Langston tract recorded in Volume 1372, Page 595, DRCCT; N 00°06'09" W, 1018.25 feet to a ½" iron rod found; S 89°01'12" E, 1592.06 feet to an "X" mark found in concrete at the northwest corner of the Teresa N. Roeder tract recorded in DOC # 95-0077977, DRCCT, being the northeast corner of the 1215.714 acre tract and this tract;

THENCE, along the common line of the Roeder tract and this tract following the centerline of Honey Creek as follows: S 23°24'12" W, 128.37 feet; S 08°30'42" E, 83.53 feet; S 30°17'56" E, 75.19 feet; S 52°40'13" E, 96.34 feet; S 61°30'47" E, 352.39 feet; S 53°06'14" E, 95.82 feet; S 10°46'14" E, 114.32 feet; S 12°54'15" E, 67.33 feet; S 31°17'25" E, 99.36 feet; S 45°27'58" E, 51.57 feet; S 64°03'22" E, 108.23 feet; S 59°27'11" E, 107.89 feet; S 20°52'23" E, 108.15 feet; S 13°47'15" W, 62.76 feet; S 35°01'12" W, 271.26 feet; S 06°27'44" E, 137.08 feet; S 21°49'33" W, 62.38 feet; S 06°52'20" W, 90.73 feet; S 15°37'43" E, 52.21 feet; S 64°55'40" E, 29.37 feet; N 85°47'24" E, 225.38 feet; S 73°52'41" E, 284.02 feet; S 70°08'41" E, 69.22 feet; S 46°07'44" E, 58.55 feet; S 30°27'53" E, 74.84 feet; S 45°09'41" E, 73.01 feet; S 86°20'18" E, 45.67 feet; N 70°07'08" E, 125.46 feet; S 03°48'49" E, 199.72 feet to a ½" iron rod found; S 79°35'20" E, 110.76 feet; S 44°57'54" E, 90.13 feet; N 67°12'40" E, 174.48 feet; S 81°24'25" E, 71.46 feet; S 66°47'34" E, 178.26 feet; S 59°29'36" W, 48.92 feet; S 07°03'42" W, 54.33 feet; S 25°06'09" W, 85.01 feet; S 86°06'11" W, 105.59 feet; N 62°04'42" W, 70.34 feet; N 79°09'48" W, 78.47 feet; S 76°09'56" W, 228.54 feet to a ½" iron rod found; S 03°23'52" E, 152.85 feet to a ½" iron rod found; S 87°28'40" E, 72.08 feet; S 88°58'34" E, 541.00 feet to a ½" iron rod found; S 30°08'34" E, 29.56 feet; S 57°19'01" E, 47.61 feet; S 82°37'56" E, 90.58 feet; S 42°52'24" E, 162.01 feet; S 30°34'59" E, 152.05 feet; S 30°08'44" E, 33.20 feet; S 36°32'02" E, 121.42 feet; S 66°37'07" E, 60.66 feet; S 43°37'28" E, 56.43 feet; S 00°08'40" E, 35.47 feet; S 30°29'42" W, 24.38 feet; S 47°51'01" W, 49.96 feet to a ½" iron rod found at the southwest corner of the Thomas R. Beitsch et ux 6.533 acre tract recorded in DOC # 2023000007275, DRCCT;

THENCE, S 89°53'34" E, 1004.05 feet along the south line of the Beitsch tract;

THENCE, N 01°14'46" E, 537.58 feet to a ½" iron rod found; N 00°00'58" W, 671.18 feet to a ½" iron rod found; N 00°09'16" E, 576.88 feet to a 1" iron rod found at the northwest corner of said 254.596 acre tract;

THENCE, along the north line of the 254.596 acre tract as follows: S 88°52'49" E, 155.17 feet to a point at a curve to the left having a radius of 359.62 feet, a chord bearing of S 75°14'21" E, 169.62 feet, an arc length of 171.23 feet to a point in the south line of FM 543;

THENCE, along the eastern line of FM 543 as follows: S 88°52'49" E, 1135.30 feet; curve to the right with a radius of 2825.16 feet, a chord bearing of S 87°20'32" E, 134.46 feet, an arc length of 134.47 feet to a ½" iron rod found at the northwest corner of the Evelyn Cole Family Ltd 23.78 acre tract recorded in DOC # 20000424000405860, DRCCT, being the northeast corner of the 254.596 acre tract;

THENCE, along the common line of the 23.78 acre tract and this tract as follows: S 01°39'39" W, 1147.33 feet to a 1" iron pipe found; S 87°32'32" E, 1177.20 feet passing the southwest corner of the North Texas Windmill LLC 14.401 acre tract recorded in DOC # 20190729000892230, DRCCT, to a 3/8" iron rod found at the northwest corner of the Tate Development Inc and Jack Stadtmann 4.90 acre tract recorded in DOC # 2023000062022, DRCCT, being the easterly northeast corner of the 254.596 acre tract;

THENCE, S 01°00'36" W, 1783.23 feet along the common line of the 4.90 acre tract and this tract passing the northwest corner of the following tracts: Janet Fry 3.25 acre tract recorded in DOC # 2023000002768, DRCCT, the Klaus and Juliet A. Kuehn 5.2178 acre tract recorded in DOC # 201410170001135860, DRCCT, the William E. and Pamela D. McCabe 5.16 acre tract recorded in DOC # 201410170001135850, DRCCT, and the Mackuehn Partners LLC 5.04 acre tract recorded in DOC # 20140131000096000, DRCCT, to a ½" iron rod found at the northwest corner of the Collin D. and Terri Hopkins 4.27 acre tract recorded in DOC # 20160503000533540, DRCCT;

THENCE, along the common line of the 4.27 acre and this tract as follows: S 00°35'26" W, 252.21 feet to a 1" square bolt found at the northwest corner of said 7.730 acre tract; S 89°34'35" E, 731.08 feet to a 60d nail found in the called centerline of CR 202;

THENCE, S 00°16'59" W, 155.27 feet along the called centerline of CR 202 to a 60d nail found at the northeast corner of the Linda J. Jewell 3.00 acre tract recorded in DOC # 20210311000482520, DRCCT, being the northerly southeast corner of said 7.730 acre tract;

THENCE, along the common line of the 3.00 acre tract and this tract as follows: N 89°33'43" W, 398.37 feet to a ½" iron rod found; S 00°23'30" W, 654.19 feet passing the northwest corner of the Jason B. and Shelby G. Kopp 3.00 acre tract recorded in DOC # 20210922001931820, DRCCT, to a 60d nail found in the called centerline of CR 202, being the southeast corner of said 7.730 acre tract;

THENCE, along the called centerline of CR 202 as follows: N 89°39'19" W, 343.18 feet to a ½" iron rod found at the easterly southeast corner of said 254.596 acre tract; S 89°09'16" W, 456.98 feet to a 60d nail found at the northwest corner of the Daniel T. Squires et ux 6.00 acre tract recorded in DOC



# 20140401000304730, DRCCT;

THENCE, along the common line of said 6.00 acre tract and this tract as follows: S 01°12'08" W, 469.12 feet to a ½" iron rod found; N 87°11'23" W, 245.21 feet to a ½" iron rod found; S 01°33'59" W, 829.22 feet passing an interior angle corner of the Stepping Stones Church of McKinney 36.074 acre tract recorded in DOC # 20160531000672720, DRCCT to a ½" iron rod found at the southeast corner of said 254.596 acre tract;

THENCE, along the common line of the 36.074 acre tract and this tract as follows: N 88°38'52" W, 195.69 feet; S 14°28'12" W, 75.33 feet; S 52°02'47" W, 124.63 feet; S 17°36'16" W, 89.41 feet; S 08°17'38" E, 60.50 feet; S 46°25'51" E, 223.59 feet; N 86°02'30" E, 68.62 feet; N 68°04'39" E, 251.87 feet; S 38°28'19" E, 46.61 feet; S 13°57'02" E, 143.42 feet; S 74°53'01" E, 55.67 feet; S 89°34'39" E, 76.12 feet; N 74°24'09" E, 112.70 feet; N 48°36'26" E, 133.78 feet; S 40°05'49" E, 40.71 feet; S 01°35'11" E, 106.35 feet; S 47°59'10" E, 79.63 feet; N 83°01'26" E, 57.88 feet; N 71°34'34" E, 308.45 feet; N 49°30'50" E, 80.60 feet to a ½" iron rod found in the west line of the Honey Creek Holdings LLC 23.998 acre tract recorded in DOC # 20180629000812750, DRCCT;

THENCE, S 00°35'03" W, 537.73 feet along the common line of the 23.998 acre tract and this tract to a ½" iron rod found in the north line of the Pamela G. and Michael B. Howell 65.63 acre tract recorded in DOC # 2023000115102, DRCCT;

THENCE, along the common line of the 65.63 acre tract and this tract as follows: N 87°25'33" W, 269.40 feet to a ½" iron rod found at the northeast corner of said 31.56 acre tract; S 00°49'24" W, 2013.45 feet to a ½" iron rod found in the called centerline of CR 201, southeast corner of this tract;

THENCE, N 87°52'35" W, 1893.09 feet along the called centerline of CR 201 passing the southeast corner of the 3.00 acre tract to a ½" iron rod found at the southeast corner of the Geojojo Business LP 73.436 acre tract recorded in DOC # 20170602000717500, DRCCT, being the southwest corner of said 3.00 acre tract and this tract;

THENCE, along the common line of the 73.436 acre tract and this tract as follows: N 00°56'42" E, 314.95 feet to a ½" iron rod found at a curve to the right with a radius of 1050.00 feet, a chord bearing of N 07°38'54" E, 248.36 feet, an arc length of 248.95 feet to a ½" iron rod found; N 14°31'58" E, 2613.62 feet to a ½" iron rod found 50' parallel to Honey Creek;

THENCE, along the common line of the 73.436 acre tract and this tract as follows: N 45°04'13" W, 302.67 feet; N 37°37'39" W, 162.38 feet; N 14°08'50" E, 100.37 feet; N 52°57'40" W, 63.08 feet; S 68°40'32" W, 91.84 feet; S 45°54'04" W, 104.17 feet; N 78°36'37" W, 61.64 feet; S 89°15'31" W, 1014.07 feet to a ½" iron rod found at the intersection of CR 201 and CR 1006;

THENCE, S 89°31'19" W, 3205.04 along the called centerline of CR 1006 to a ½" iron rod found at the northwest corner of the Horn Hill Cemetery 1.6585 acre tract, being the centerline of County Road 1107 at the northeast corner of said 45.013 acre tract;

THENCE, along the common line of the 1.6585 acre tract and this tract as follows: S 00°40'37" E, 686.16 feet along CR 1107 to a ½" iron rod found; N 88°17'51" E, 15.05 feet to a ½" iron rod found at an angle corner of the City of McKinney 214.52 acre tract recorded in DOC # 20060080000170600, DRCCT;

THENCE, S 00°34'36" E, 755.74 feet along the common line of said 214.52 acre tract to a ½" iron rod found at the northeast corner of the Sheryl Lynn Bates 7.00 acre tract recorded in DOC # 2023000014567, DRCCT, being the southeast corner of said 45.013 acre tract;

THENCE, N 88°07'54" W, 1080.82 feet along the common line of the 7.00 acre tract and this tract to a ½" iron rod found in the east line of the Sheryl Lynn Bates 11.5269 acre tract recorded in DOC # 2023000014567, DRCCT, being the southwest corner of said 45.013 acre tract;

THENCE, along the common line of the 11.5269 acre tract and this tract as follows: N 00°51'16" W, 529.96 feet to a ½" iron rod found; N 88°36'28" W, 515.75 feet to a ½" iron rod found at the southeast corner of the Randall K. and Patricia C. Hickman 10.09 acre tract recorded in DOC # 20150306000247630, DRCCT;

THENCE, N 00°53'46" W, 843.23 feet along the common line of said 10.09 acre tract and this tract to a ½" iron rod found in the called centerline of CR 1006, being the northwest corner of said 45.013 acre tract the south line of the 1215.714 acre tract;

THENCE, along the called centerline of CR 1006 as follows: S 89°29'48" W, 431.07 feet; S 10°38'17" W, 428.46 feet; S 13°53'52" W, 203.34 feet; S 24°17'55" W, 316.45 feet; S 03°15'22" W, 290.50 feet; S 01°02'46" E, 1113.87 feet to a ½" iron rod found at the northeast corner of the Sheryl Lynn Bates 7.228 acre tract recorded in DOC # 2023000014567, DRCCT;

THENCE, along the common line of the 7.228 acre tract and this tract as follows: S 89°31'09" W, 794.79 feet to a ½" iron rod found at the northeast corner of said 126.718 acre tract; S 17°31'38" E, 286.32 feet; S 39°23'37" E, 124.08 feet; S 00°42'59" W, 68.64 feet to a ½" iron rod found in the north line of the Lance and Monica Carrington 10.00 acre tract recorded in DOC # 20141024001165030, DRCCT;

THENCE, along the common line of the 10.00 acre tract and this tract as follows: S 89°02'44" W, 187.67 feet to a ½" iron rod found; S 00°59'36" E, 1056.50 feet passing the northwest corner of the Michael L. Culbreath and Paula P. Culbreath tract recorded in Volume 4283, Page 2451, DRCCT to a ½" iron rod found in the north line of the Richard and Tanya Franklin 11.01 acre tract recorded in DOC # 20230317000429840, DRCCT;

THENCE, along the common line of the 11.01 acre tract and this tract as follows: S 89°19'07" W, 80.01 feet to a ½" iron rod found; S 00°55'42" E, 1053.20 feet passing a ½" iron rod found at the northwest corner of the Redeemer Church of Christ 10.87 acre tract recorded in DOC # 20211119002371310, DRCCT to a ½" iron rod found at the northwest corner of the Redeemer Church of Christ 10.87 acre tract recorded in DOC # 20211119002371310, DRCCT;

THENCE, S 00°55'35" E, 481.03 feet along the common line of the 10.00 acre tract and this tract to a 60d nail found in the called centerline of CR 164, being the southeast corner of said 126.718 acre tract;

THENCE, S 89°56'52" W, 1767.83 feet along the called centerline of CR 164 to a ½" iron rod found at the southeast corner of Bloomdale Estates according to the Plat recorded in Cabinet J, Slide 981, DRCCT being the southwest corner of the 126.718 acre tract;

THENCE, N 00°56'19" W, 1749.40 feet along the common line of Bloomdale Estates and this tract to a ½" iron rod found at the southeast corner of the McKinney ISD tract recorded in Volume 5848, Page 4463, DRCCT;

THENCE, N 00°52'10" W, 1275.03 feet along the common line of the McKinney ISD tract and this tract passing the southeast corner of the McKinney ISD 76.827 acre tract recorded in DOC # 20120402000380350, DRCCT to a ½" iron rod found at the southwest corner of the 1215.714 acre tract;

THENCE, continuing along the common line of the 76.827 acre tract and this tract as follows: N 00°43'53" W, 1307.74 feet to a ½" iron rod found in the south line of said 44.996 acre tract; S 89°29'08" W, 762.78 feet to a ½" iron rod found at the southeast corner of said 24.218 acre tract; S 89°27'36" W, 1169.89 feet to a ½" iron rod found in the east line of FM 1461, the southwest corner of the 24.218 acre tract;

THENCE, along the east line of FM 1461 as follows: N 00°06'23" E, 107.58 feet to a ½" iron rod found; S 89°53'37" E, 19.67 feet to a ½" iron rod found; N 00°46'08" W, 663.23 feet to a ½" iron rod found in the south line of the Leaning G. Holdings LLC 1.68 acre tract recorded in DOC # 2023000107567, DRCCT;

THENCE, along the common line of the 1.68 acre tract and this tract as follows: N 89°19'27" E, 356.14 feet to a ½" iron rod found; N 00°31'34" W, 208.32 feet to a ½" iron rod found in the centerline of Geren Road, being the northwest corner of the 24.218 acre tract;

THENCE, N 89°26'30" E, 910.78 feet passing a ½" iron rod found at the northwest corner of said 44.996 acre tract continuing to a ½" iron rod found at the southeast corner of the Keith E. and Lori Harrell tract recorded in Volume 4440, Page 3021, DRCCT;

THENCE, along the northern line of the 44.996 acre tract as follows: N 88°52'48" E, 640.35 feet passing the southwest corner of the William E. and Lynn Gross 9.00 acre tract; N 89°30'20" E, 1236.93 feet to a ½" iron rod found passing the southwest corner of the Peter L. and Mary Boleneus 9.183 acre tract recorded in DOC # 20210824001712140, DRCCT, also passing the southwest corner of the Paul H. and Lois M. Powell 7.237 acre tract recorded in DOC # 94-0015097, DRCCT being the northeast corner of the 44.996 acre tract; N 89°07'04" E, 509.70 feet passing the southwest corner of the Madhumita and Ashok Naya 19.98 acre tract recorded in DOC # 20200131000141130, DRCCT to a 5/8" iron rod found at a fence corner;

THENCE, along the common line of the 19.98 acre tract and this tract as follows: N 00°12'37" W, 582.84 feet to a 5/8" iron rod found; N 00°04'15" W, 407.78 feet to a 5/8" iron rod found; N 00°32'47" W, 436.72 feet to a 5/8" iron rod found; N 00°12'16" W, 186.87 feet to a 5/8" iron rod found; N 00°23'27" W, 386.47 feet to a 1" iron pipe found in the centerline of a branch of Honey Creek;

THENCE, along the branch of Honey Creek as follows: S 72°44'03" W, 125.12 feet; S 39°28'31" W, 51.51 feet; S 35°07'29" W, 53.80 feet; S 64°35'28" W, 58.39 feet; S 38°32'16" W, 108.13 feet; S 40°51'22" W, 121.61 feet; S 63°34'40" W, 29.23 feet; N 85°58'05" W, 58.96 feet; N 89°22'35" W, 72.02 feet; S 04°40'00" E, 35.21 feet; S 74°50'15" W, 17.33 feet; N 55°04'13" W, 28.87 feet; S 23°44'27" W, 123.52 feet; S 70°54'12" W, 114.56 feet; N 35°39'13" W, 79.19 feet; N 63°08'32" W, 45.46 feet; S 72°46'07" W, 86.38 feet; S 38°40'25" W, 22.63 feet; N 68°32'11" W, 102.53 feet; S 44°03'04" W, 58.73 feet; S 79°23'13" W, 37.51 feet; N 47°32'40" W, 42.44 feet; N 72°28'18" W, 70.08 feet; N 56°53'01" W, 66.46 feet; S 78°07'59" W, 46.04 feet; S 43°04'56" W, 48.94 feet; N 74°10'51" W, 125.61 feet; N 33°01'17" W, 74.85 feet; N 68°29'44" W, 29.01 feet; N 07°25'52" W, 40.54 feet; N 40°02'58" W, 94.29 feet; S 84°39'58" W, 22.04 feet; N 59°26'17" W, 40.20 feet; N 15°49'55" W, 23.01 feet; N 48°27'36" W, 47.23 feet; N 59°18'49" W, 101.75 feet to a 5/8" iron rod found;

THENCE, N 00°55'28" W, 720.60 feet passing most eastern southeast corner of the 6400 Lake Forest Investments LLC 98.6790 acre tract recorded in DOC # 20220314000403170, DRCCT to a 5/8" iron rod found at the northeast corner of the 98.6790 acre tract;

THENCE, S 89°17'46" W, 713.22 feet along the common line of the 98.6790 acre tract and this tract to a 5/8" iron rod found at the southeast corner of the Judith A. Johnson 5.525 acre tract recorded in DOC # 20101018001129050, DRCCT;

THENCE, N 00°23'33" W, 1350.72 feet along the common line of the 5.525 acre tract and this tract passing the southeast corner of the Monica L. Harp 16.498 acre tract recorded in DOC # 20110808000829720, DRCCT, also passing the southeast corner of Lot 1, Block A of William Perry Lee Hurst Addition to a fence corner;

THENCE, S 89°52'55" W, 467.83 feet to a 5/8" iron rod found at the centerline of Davidson's Branch, being the west corner of the 1215.714 acre tract;

THENCE, along Davidson's Branch as follows: N 48°11'00" E, 222.94 feet; N 15°55'35" E, 104.74 feet; N 55°42'39" E, 57.02 feet; N 39°45'09" E, 63.93 feet; N 01°45'38" E, 152.13 feet; N 28°32'35" E, 35.53 feet; N 80°45'09" E, 85.74 feet; N 04°37'13" E, 87.05 feet; N 61°36'30" E, 71.17 feet; S 77°42'39" E, 11.98 feet; S 22°51'06" E, 31.69 feet to a ½" iron rod found at the easterly southern corner of the Venkat Kishore Reddy 10.88 acre tract recorded in DOC # 2023000140269, DRCCT;

THENCE, N 00°14'13" W, 367.50 feet along the common line of the 10.88 acre tract and this tract passing the southeast corner of the above mentioned Lake Forest Equestrian Center LLC, 11.426 acre tract to a ½" iron rod found;

THENCE, N 00°15'47" E, along the common line of the 11.426 acre tract passing a ½" iron rod found at 259.31 feet and continuing a total distance of 291.33 feet to the POINT OF BEGINNING and CONTAINING 1648.67 ACRES OF LAND MORE OR LESS.

**BASIS OF BEARINGS: TEXAS COORDINATE SYSTEM NORTH CENTRAL ZONE NAD 83**

#### **SURVEYOR'S CERTIFICATE**

**DATE: FEB. 29, 2024**

**TO: MCKINNEY RANCH LTD**

I, Gary L. Hardin, Registered Professional Land Surveyor No. 4207, do hereby certify that the field notes hereon represent the results of a survey made on the ground under my direction and supervision, the lines and dimensions of said property being as indicated. This survey is based on deeds, easements and/or recorded plats and other records when furnished by the client or the client's representative, as well as significant and visible monuments found on the subject property and adjacent properties, field measurements and evidence of boundaries found on the ground. However, this certification is not a representation of warranty of title or guarantee of ownership. This survey was performed EXCLUSIVELY for the above mentioned parties. USE OF THIS SURVEY FOR ANY OTHER PURPOSE OR BY OTHER PARTIES SHALL BE AT THEIR RISK AND THE UNDERSIGNED IS NOT RESPONSIBLE FOR ANY LOSS RESULTING THEREFROM.

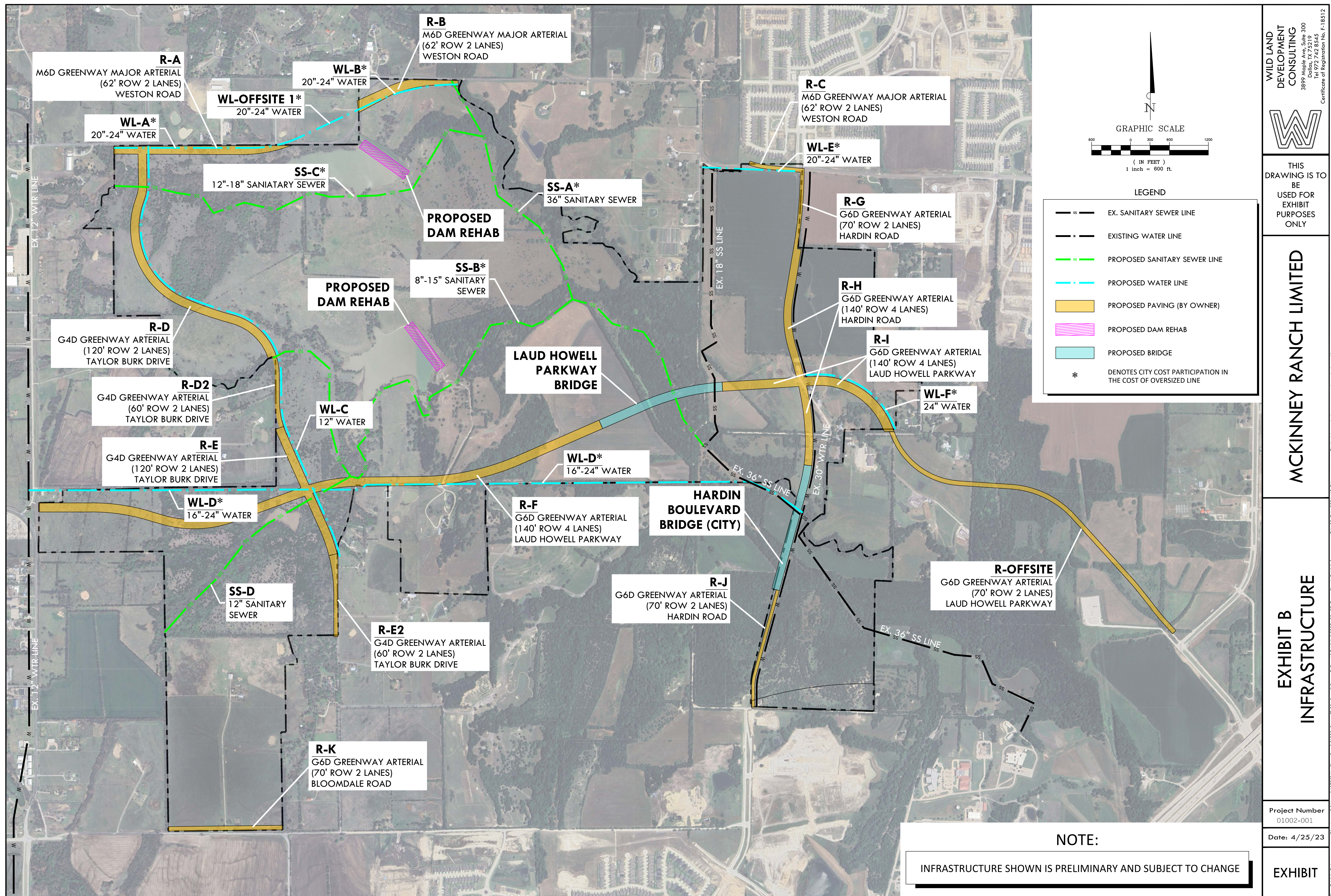
  
**GARY L. HARDIN, RPLS NO. 4207**  
**FIRM REGISTRATION NO. 10114700**  
**W.O.# 2312079 (SEE SURVEY**



**EXHIBIT B**  
**AUTHORIZED IMPROVEMENTS AND ESTIMATED COSTS**

**EXHIBIT B-1**


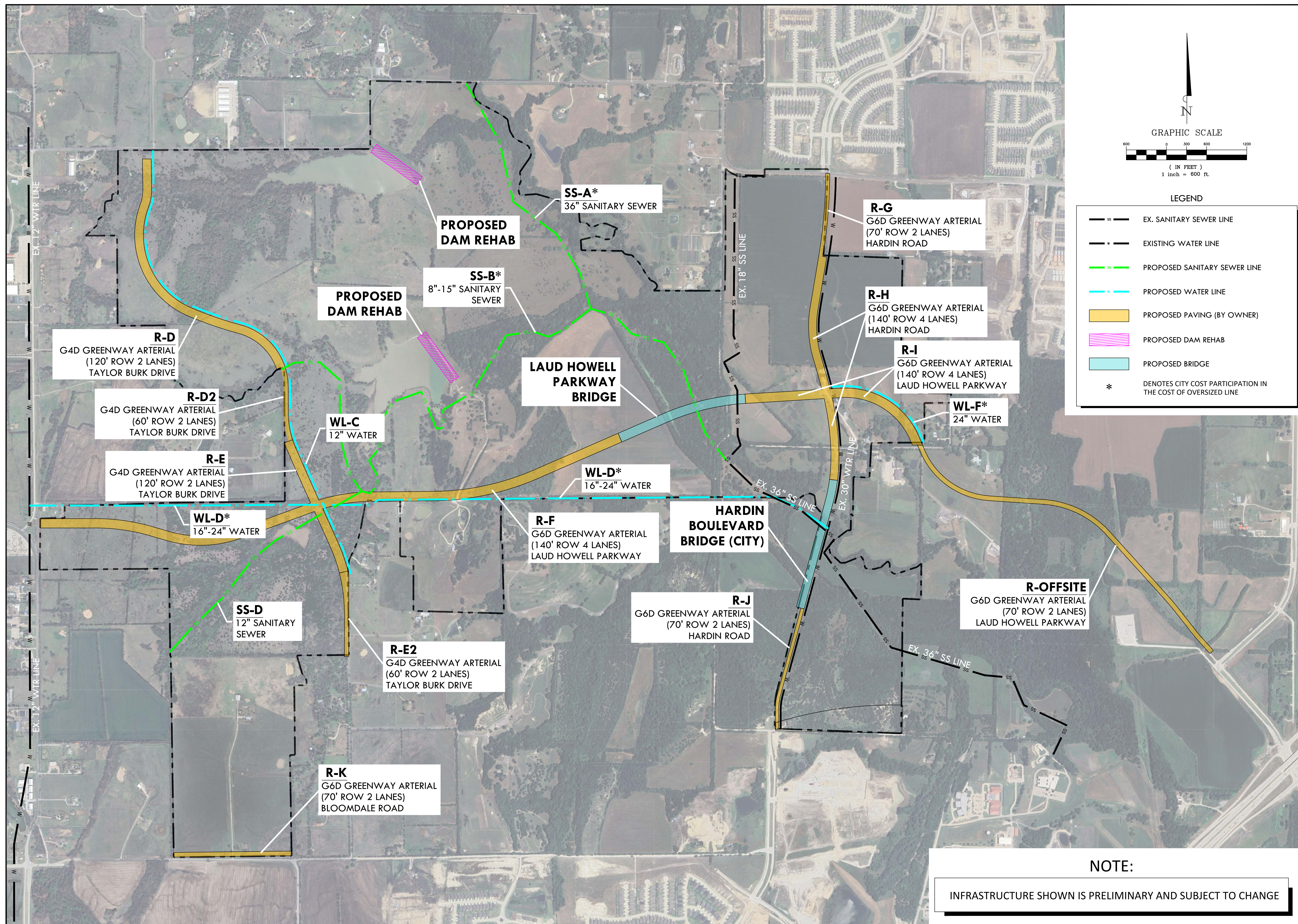






**AUTHORIZED IMPROVEMENTS FOR CONSTRUCTION BONDS**





**WILD LAND  
DEVELOPMENT  
CONSULTING**  
3899 Maple Ave, Suite 300  
Dallas, TX 75219  
Tel 972 742 8545  
Certificate of Registration No. F-18512

THIS  
DRAWING IS TO  
BE  
USED FOR  
EXHIBIT  
PURPOSES  
ONLY

MCKINNEY RANCH LIMITED

EXHIBIT B-1  
INFRASTRUCTURE

<b>Project Number</b> 01002-001
<b>Date:</b> 1/25/2024
<b>EXHIBIT</b>

Directory: C:\Users\N9728\MV\_Share\SynC\01002\_Cross\_F\_V20-Const\F\_Ranch\_Exhibits\_2022-06-07 Term Sheet Exhibits  
References: 18-552-HQ-OverallWP\_11x17\_20220301-highres\_revised.jpg 18-552-HQ-overall\_WPforMedia\_20220120.jpg MDLC Logo.jpg

Plotted by: clocsk  
Layout: Layout1  
Fri, 09 Feb 2024-10:35am



**EXHIBIT C**  
**PARKS AND OPEN SPACE PLAN**

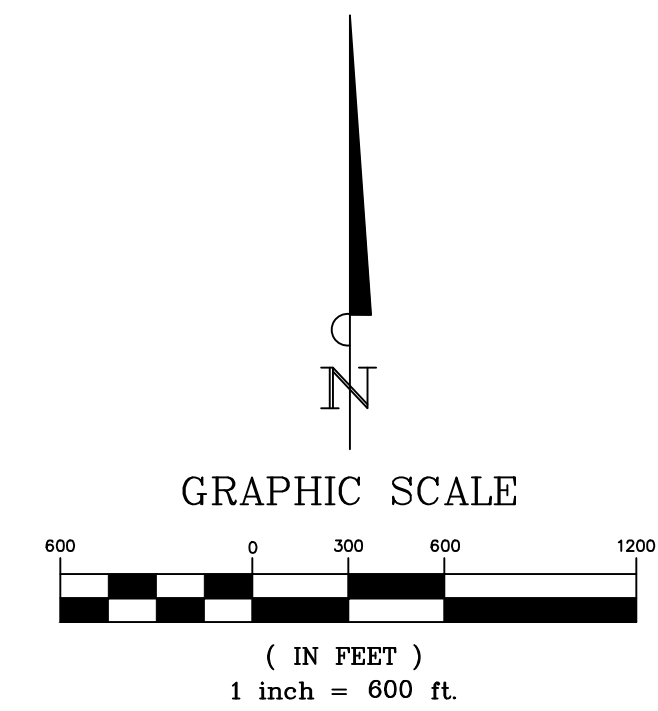




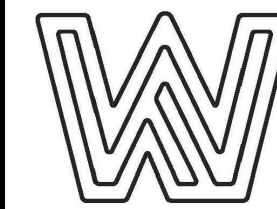


**EXHIBIT D**  
**TRAILS PLAN**





**WILD LAND  
DEVELOPMENT  
CONSULTING**  
3899 Maple Ave, Suite 300  
Dallas, TX 75219  
Tel 972 742 8545  
Certificate of Registration No. F-18512



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EXHIBIT  
PURPOSES  
ONLY

**MCKINNEY RANCH LIMITED**

# EXHIBIT D

Project Number  
01002-001

Date: 4/25/23

EXHIBIT

**NOTE**

ALIGNMENT OF TRAILS SHOWN ON THIS EXHIBIT ARE SUBJECT TO CHANGE IN ACCORDANCE WITH CITY APPROVED PRELIMINARY PLATS, BUT THE OVERALL LENGTH OF ALL TRAILS SHALL BE NO LESS THAN 30 MILES.

### LEGEND

SIGNATURE GREENWAY  
MINIMUM 12' PAVED SURFACE

COMMUNITY PATH  
MINIMUM 10' PAVED SURFACE

COMMUNITY PATH  
MINIMUM 8' PAVED SURFACE

NEIGHBORHOOD PATH  
MINIMUM 6' PAVED SURFACE

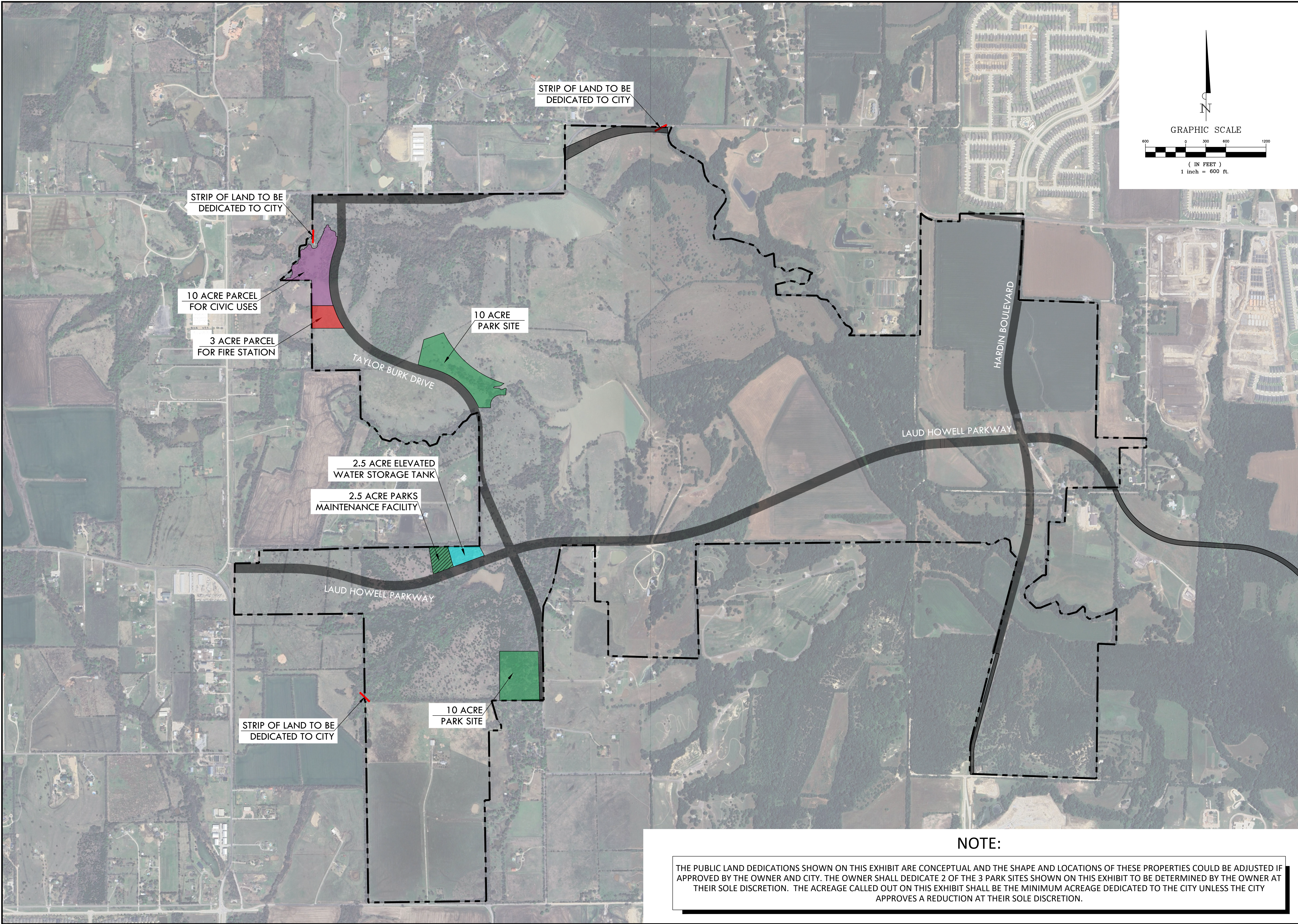
NATURE TRAIL  
MINIMUM 4' NATIVE SOIL SURFACE

TOTAL PATHS AND TRAILS NOT LESS THAN 30 MILES



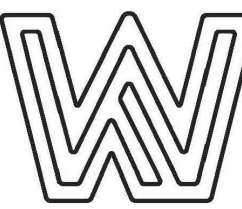
**EXHIBIT E**  
**PUBLIC LAND DEDICATIONS AND RESERVATIONS**





**NOTE:**

THE PUBLIC LAND DEDICATIONS SHOWN ON THIS EXHIBIT ARE CONCEPTUAL AND THE SHAPE AND LOCATIONS OF THESE PROPERTIES COULD BE ADJUSTED IF APPROVED BY THE OWNER AND CITY. THE OWNER SHALL DEDICATE 2 OF THE 3 PARK SITES SHOWN ON THIS EXHIBIT TO BE DETERMINED BY THE OWNER AT THEIR SOLE DISCRETION. THE ACREAGE CALLED OUT ON THIS EXHIBIT SHALL BE THE MINIMUM ACREAGE DEDICATED TO THE CITY UNLESS THE CITY APPROVES A REDUCTION AT THEIR SOLE DISCRETION.

EXHIBIT E PUBLIC LAND DEDICATIONS AND RESERVATIONS	MCKINNEY RANCH LIMITED	 WILD LAND DEVELOPMENT CONSULTING 3899 Maple Ave, Suite 300 Dallas, TX 75219 Tel 972.742.8545 Certificate of Registration No. F-18512
		THIS DRAWING IS TO BE USED FOR EXHIBIT PURPOSES ONLY
		Project Number 01002-001
Date: 4/25/23		
EXHIBIT		

This Exhibit E.dwg  
xref: M2436-WLD Parcel Boundaries  
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Images: 18-552\_PlanetVista\_20230210.jpg 2023-06-30 Aerial.jpg WLD Logo.jpg  
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Layout: Layout1

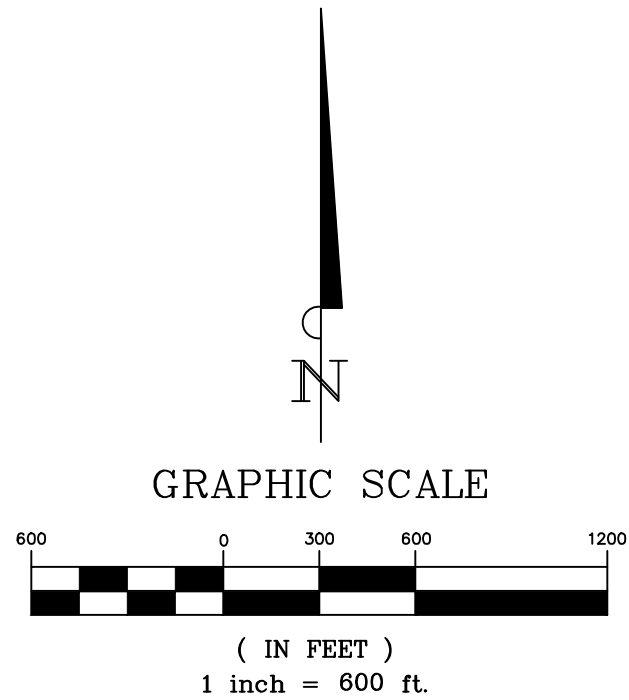


**EXHIBIT F**  
**ANNEXATION TRACTS**



LEGEND

- TRACTS TO BE ANNEXED AND ZONED INTO THE CORPORATE LIMITS OF THE CITY
- LAND PERMITTED TO BE ANNEXED INTO THE DISTRICT



SUBJECT PROPERTY  
1,648 ACRES

GREENE TRACT  
45.06 ACRE  
PROP. I.D. 2739592

TUNNEL TRACT  
7.73 ACRE  
PROP. I.D. 2734682

WILD LAND  
DEVELOPMENT  
CONSULTING  
3899 Maple Ave, Suite 300  
Atlanta, GA 30341  
Tel 972.742.8545  
Certificate of Registration No. F-18512



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ONLY

MCKINNEY RANCH LIMITED

EXHIBIT F

Project Number  
01002-001

Date:

EXHIBIT



**EXHIBIT G**  
**ARCHITECTURAL STANDARDS**

- A. Single Family Residential Architectural and Site Standards.** The following minimum architectural and site standards shall apply to Single Family Areas; a supplemental set of detailed Design Guidelines and approved Architectural Styles will be established by the HOA. Among other items, these documents will provide lot-type dimensional standards, specific allowable color use, architectural detailing requirements, and required or allowable architectural element usage for the approved architectural styles.

**I. Walls and Foundations**

- a. Permitted materials for exterior walls and volumes include brick, stone, stucco, and cementitious siding (including lap siding, board and batten, horizontal boards, vertical boards, and battened panels). Use of wood is permitted as a secondary material. Stucco use is limited to a maximum of 50% except for Spanish or Mediterranean style Architecture styles as provided for in the Owner's Design Guidelines to be adopted by the HOA. Seamed metal panel may be used as an accent or secondary material. Stone veneers and vinyl siding are not permitted.
- b. Wall surfaces should be consistent in material throughout major volumes.
- c. Generally, a single primary material should be employed. If more than one material is used, the secondary material should emphasize a specific building volume or should be applied to side and rear elevations. A base or foundation material should be consistent along the entire perimeter of the house.
- d. Changes in material along a vertical line should only occur between major volumes at re-entrant or inside corners rather than at exterior corners.
- e. Horizontal changes in materials should relate to specific building datums, such as at floor plate heights, sill heights, header heights, eave heights, and the like. Trim typically delineates the transition from one material to another.
- f. Materials that appear to be visually heavy, such as brick or stucco, should occur below visually lighter ones, such as wood or metal siding.
- g. A 9' minimum plate height is required for the main dwelling for all homes on lots 80' wide or less. For lots greater than 80' wide, the minimum plate height shall be 10 feet at the entry and main room off the entry and 10 feet across the rear.
- h. A minimum of three offsets in the front facade measuring at least two feet deep are provided or a minimum of one offset in the front facade measuring at least five feet is provided.

**II. Roofs and Roof Elements**

- a. The minimum pitch for a main roof shall be 8:12. Pitches to 3:12 shall be

allowed on secondary roof structures that do not exceed 750 sf of surface area on a single plane; such structures are considered architectural elements. Architectural Styles with traditionally lower pitched roofs such as Spanish, Mediterranean, Mid-Century Modern and otherwise shall be permitted to have main roof pitches below those identified in this section.

- b. Roof overhangs shall be no less than 12 inches.
- c. Roof materials shall be non-reflective, and shall be asphalt shingle, slate or simulated slate, painted standing-seam metal, or tile, with a minimum 30-year rating.
- d. If ogee gutters are employed, they should be treated as eave trim and return with all eaves, otherwise half-round gutters should be used. Downspouts should be located at interior or exterior corners rather than randomly along a building surface. All gutters shall be 6" in size and shall be tied to underground drains if possible unless they drain directly to the street, drive, or alley. Gutters shall not drain across property lines.
- e. The use of dormers, cupolas, and light monitors are encouraged. Dormers should be proportional to the house and may not be used on a single roof plane less than 500 sf. At least one dormer is provided for each roof plane over 500 square feet on elevations that face a public street. The dormer must be appropriately scaled for the roof plane and shall not be wider than the windows on the building elevation.

### **III. Doors and Windows**

- a. Door and window placement should reinforce the hierarchy of the building massing, provide balance to the elevations, and be appropriately scaled to the house.
- b. Windows and window panes should be generally vertical in proportion. When windows are ganged into a larger horizontal opening, they should be assembled as a series of vertically proportioned windows. Clerestory and transom window panes shall be allowed as architectural elements.
- c. Trims should not "picture frame" a window by being equal on all four sides, but should clearly express a projected sill and header.
- d. If shutters are employed, they should be operable or mounted in a way to appear to be operable and should be sized to fit the window opening if closed.
- e. Shading devices such as mono-pitched shed roofs supported by a corbels may be employed above windows.

### **IV. Porches**

- a. Porches should be proportioned to reinforce the massing of the house and shall have a minimum clear depth of 6'.
- b. Where used, a porch shall be no less than 50% of the front elevation; porches may be one or two stories, may wrap a corner of the house or connect from one mass to another (such as a main house and garage). At least one porch



should be directly accessible to a primary living space.

- c. A covered entry over the main door with attendant stoop extending no greater than 3' to either side of the door frame shall not be considered a porch and shall be allowed in certain plan elevations. Such covered entry shall be a minimum of 6' in depth
- d. The face of the finished porch beam should align with the face of the supporting column (or neck of the column, if it is round or tapered). Column capitals should not align with beams, but should extend beyond the face of the beam. Beams and columns should be of the same width. If the porch is raised on piles or piers, the face of the column and face of the supporting pier should align.
- e. The unit features an articulated front entrance through the use of lintels, pediments, keystones, pilasters, arches, columns, or other similar architectural elements.

#### **V. Chimneys**

- a. Chimneys may be stone, brick, cementitious, stucco, or metal and should be topped with an appropriate chimney cap.
- b. Chimney material shall be consistent across 100% of the faces of the chimney structure.
- c. Chimneys should continue to the foundation, rather than be hung from the mass of the building.

#### **VI. Garages and Driveways**

- a. Garage volumes should have a massing that is secondary to the main body of the house and should be designed in harmony with the main house. Detached garages may be connected to the main house through a connecting porch.
- b. Garage doors should relate to a single parking bay, or appear to relate to a single parking bay if a two bay door is provided. Glazing should be provided in the garage door and should utilize glass panes that are vertical in proportion.
- c. Two bay garage doors should utilize a supported overhead shed roof or pergola to minimize the visual impact of the wider opening.
- d. Driveways shall be paved concrete with broom finish and shall otherwise comply with city engineering design manual standards in regards to right-of-way tie in.

#### **B. Non-Residential Architectural and Site Standards.**

- I. The architectural and site standards for the non-residential land use areas shall conform to the provisions of the McKinney UDC Article 2, Section 206 (5), and as amended.

**C. Multi-Family Residential Architectural and Site Standards.**

- I. The architectural and site standards for the multi-family residential land use areas shall conform to the provisions of the McKinney UDC Article 2, Section 206 (4) (a) (I – V) and Section G, and as amended.

**EXHIBIT H**  
**CITY TCEQ SUPPORT RESOLUTION**

[Attached]

**RESOLUTION NO. 2024-02-020 R**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY,  
TEXAS, CONSENTING TO THE CREATION OF A DISTRICT TO BE  
KNOWN AS HONEY CREEK MUNICIPAL MANAGEMENT DISTRICT  
NO. 1**

**WHEREAS,** the landowner within the proposed Honey Creek Municipal Management District No. 1 ("District") intends to petition the Texas Commission on Environmental Quality for the creation of the District to finance and provide public improvements and services to benefit both the property within the District and the City of McKinney, Texas (the "City"); and

**WHEREAS,** the City wishes to evidence its conditional support and consent for the creation of the District within the City's corporate limits, subject to the terms of a Development Agreement to be negotiated between the City and the landowners (the "Development Agreement") and the terms of this Resolution.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS:**

Section 1. That the City Council of the City (the "City Council") hereby grants its conditional support and consent for the creation of a district operating pursuant to Article XVI, Section 59 and Article III, Section 52, Texas Constitution and Chapter 375, Texas Local Government Code, as amended (the "Act") within its corporate limits and inclusion of lands within the District (the "Subject Property") which is described more fully in the field notes attached as Exhibit "A", and the City Manager of the City is hereby authorized to execute any documents necessary to effectuate this Resolution.

Section 2. That the City Council further states that it has not relinquished any rights, duties or powers relating to the inclusion of the District within its corporate limits, and specifically its zoning authority.

Section 3. That the City Council further states that this Resolution is provided subject to and in reliance upon the terms of a Development Agreement, which may be entered into between the City and the landowners within the District. The District shall execute a joinder and become a party to the Development Agreement. The City does not consent to the organization of the District, election, or issuance of bonds from any revenue available to the District until the Development Agreement is executed, if at all, and until the City has provided a separate Consent Resolution contemporaneously with the execution of such Development Agreement by the City. This consent further requires the Commission's order under Section 375.026 of the Act to contain a provision whereby the District, if created, shall be automatically dissolved without further action of the City if i) a Development Agreement is not approved and executed by the City on or before September 30, 2024, or ii) the 88<sup>th</sup> Legislature approves Honey Creek Special District No. 1 by special act substantially similar to HB 5356 in a called special session.

Section 4. That the District, if created, shall not exercise the following authority without the additional consent of the City by ordinance or resolution:

- (a) Impose an ad valorem tax on property within the District; or
- (b) Impose an impact fee within the District; or
- (c) Exercise the power of eminent domain; or
- (d) Divide the District; or

(e) Add land to the boundaries of the District in the manner provided by Subchapter J, Chapter 49, Water Code, or by Subchapter H, Chapter 54, Water Code.

Section 5. That the City Council further supports the petition's inclusion of a request for an elected board of directors as provided in Section 375.0645 of the Act. Save and except the foregoing sentence and unless otherwise specifically authorized under the Development Agreement, the amendments to the Act under HB 2815 of the 88<sup>th</sup> Legislature shall not be included in the City's consent hereunder, and the District shall have no corresponding authority.

Section 6. That this Resolution take effect immediately from and after its passage.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS ON THE 6TH DAY OF FEBRUARY, 2024.**

CITY OF MCKINNEY, TEXAS



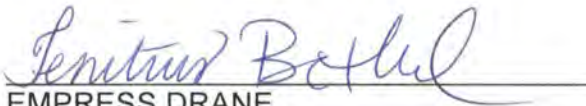
GEORGE C. FULLER

Mayor

CHARLIE PHILIPS

Mayor Pro Tem

ATTEST:



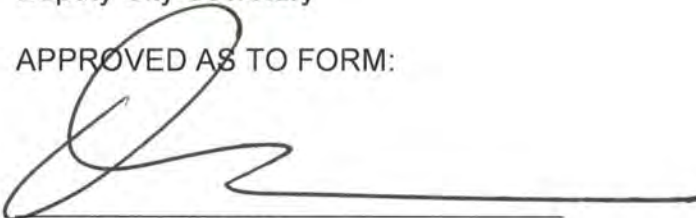
EMPRESS DRANE

City Secretary

TENITRUS BETHEL

Deputy City Secretary

APPROVED AS TO FORM:



MARK S. HOUSER

City Attorney

## **EXHIBIT A**

### **Metes and Bounds Description of the Subject Property**

#### **TRACT 1**

##### **LEGAL DESCRIPTION**

1218.714 ACRES

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

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

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

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

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

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

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

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

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

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

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

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

South 53°06'14" East a distance of 95.82 feet to a point for corner;

South 10°46'14" East a distance of 114.32 feet to a point for corner;

South 12°54'15" East a distance of 67.33 feet to a point for corner;

South 31°17'25" East a distance of 99.36 feet to a point for corner;

South 45°27'58" East a distance of 51.57 feet to a point for corner;  
South 64°03'22" East a distance of 108.23 feet to a point for corner;  
South 59°27'11" East a distance of 107.89 feet to a point for corner;  
South 20°52'23" East a distance of 108.15 feet to a point for corner;  
South 13°47'15" West a distance of 62.76 feet to a point for corner;  
South 35°01'12" West a distance of 271.26 feet to a point for corner;  
South 06°27'44" East a distance of 137.08 feet to a point for corner;  
South 21°49'33" West a distance of 62.38 feet to a point for corner;  
South 06°52'20" West a distance of 90.73 feet to a point for corner;  
South 15°37'43" East a distance of 52.21 feet to a point for corner;  
South 64°55'40" East a distance of 29.37 feet to a point for corner;  
North 85°47'24" East a distance of 225.38 feet to a point for corner;  
South 73°52'41" East a distance of 284.02 feet to a point for corner;  
South 70°08'41" East a distance of 69.22 feet to a point for corner;  
South 46°07'44" East a distance of 58.55 feet to a point for corner;  
South 30°27'53" East a distance of 74.84 feet to a point for corner;  
South 45°09'41" East a distance of 73.01 feet to a point for corner;  
South 86°20'18" East a distance of 45.67 feet to a point for corner;

North 70°07'08" East a distance of 125.46 feet to a point for corner in the west line of a tract of land described in a deed called "Tract One" to J.A. and Imogene Gooch Revocable Living Trust, recorded in Volume 5636, Page 4136, Land Records, Collin County, Texas;

THENCE South 03°48'49" East departing the centerline of said Honey Creek and with the west line of said Tract One J.A. and Imogene Gooch Revocable Living Trust along a barbwire fence passing at 51.57 feet a 1/2 inch iron rod found and continuing for a total distance of 199.72 feet to a 5/8" iron rod with red cap marked KHA set at the southwest corner of said Tract One J.A. and Imogene Gooch Revocable Living Trust;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

South 69°49'58" East a distance of 82.17 feet to a point for corner;  
South 14°23'29" East a distance of 70.58 feet to a point for corner;  
South 02°11'17" West a distance of 169.40 feet to a point for corner;  
South 40°43'43" West a distance of 72.63 feet to a point for corner;  
South 67°07'59" West a distance of 69.48 feet to a point for corner;  
South 85°04'46" West a distance of 109.78 feet to a point for corner;  
South 32°43'24" West a distance of 60.16 feet to a point for corner;  
South 09°08'50" East a distance of 124.19 feet to a point for corner;  
South 56°32'04" East a distance of 73.66 feet to a point for corner;  
South 63°18'11" East a distance of 37.12 feet to a point for corner;  
South 69°59'42" East a distance of 111.44 feet to a point for corner;  
South 46°14'26" East a distance of 90.73 feet to a point for corner;  
South 11°15'17" East a distance of 191.67 feet to a point for corner;  
South 17°55'11" East a distance of 85.72 feet to a point for corner;  
South 69°18'16" East a distance of 235.92 feet to a point for corner;  
South 29°14'27" East a distance of 57.98 feet to a point for corner;  
South 51°31'28" East a distance of 440.72 feet to a point for corner;  
South 43°32'59" East a distance of 140.07 feet to a point for corner;  
South 62°01'13" East a distance of 104.31 feet to a point for corner;  
North 69°11'35" East a distance of 73.64 feet to a point for corner;  
North 50°17'09" East a distance of 128.74 feet to a point for corner;  
North 74°01'37" East a distance of 82.53 feet to a point for corner;  
South 48°40'54" East a distance of 124.07 feet to a point for corner;  
South 26°42'21" West a distance of 77.82 feet to a point for corner;  
South 05°56'42" East a distance of 73.50 feet to a point for corner;  
South 45°47'12" East a distance of 501.35 feet to a point for corner;  
South 55°49'11" East a distance of 191.12 feet to a point for corner;  
South 14°28'12" West a distance of 75.33 feet to a point for corner;  
South 52°02'47" West a distance of 124.63 feet to a point for corner;  
South 17°36'16" West a distance of 89.41 feet to a point for corner;  
South 08°17'38" East a distance of 60.50 feet to a point for corner;  
South 46°25'51" East a distance of 223.59 feet to a point for corner;  
North 86°02'30" East a distance of 68.62 feet to a point for corner;  
North 68°04'39" East a distance of 251.87 feet to a point for corner;  
South 38°28'19" East a distance of 46.61 feet to a point for corner;  
South 13°57'02" East a distance of 143.42 feet to a point for corner;  
South 74°53'01" East a distance of 55.67 feet to a point for corner;

South 89°34'39" East a distance of 76.12 feet to a point for corner;

North 74°24'09" East a distance of 112.70 feet to a point for corner;

North 48°36'26" East a distance of 133.78 feet to a point for corner;

South 40°05'49" East a distance of 40.71 feet to a point for corner;

South 01°35'11" East a distance of 106.35 feet to a point for corner;

South 47°59'10" East a distance of 79.63 feet to a point for corner;

North 83°01'26" East a distance of 57.88 feet to a point for corner;

North 71°34'34" East a distance of 308.45 feet to a point for corner;

North 49°30'50" East a distance of 80.60 feet to a point for corner in the west line of a tract of land described in a deed to E.R. Hartley et ux. Elga Hartley recorded in Volume 592, Page 35, Land Records, Collin County, Texas;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

South 01°02'46" East passing at 1043.25 feet a 3/8" iron rod found in asphalt at the southwest corner of a tract of land described in a deed to Rene Bates et ux. Beverly Bates recorded in Volume 3419, Page 878, Land Records, Collin County, Texas, and continuing for a total distance of 1113.87 feet to a 1/2" iron rod found in asphalt at the northeast corner of a tract of land described in a deed to Don W. Collins et ux. Carol A. Collins recorded in Volume 4355, Page 2347, Land Records, Collin County, Texas;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

South 69°49'58" East a distance of 82.17 feet to a point for corner;

South 14°23'29" East a distance of 70.58 feet to a point for corner;

South 02°11'17" West a distance of 169.40 feet to a point for corner;

South 40°43'43" West a distance of 72.63 feet to a point for corner;

South 67°07'59" West a distance of 69.48 feet to a point for corner;

South 85°04'46" West a distance of 109.78 feet to a point for corner;  
South 32°43'24" West a distance of 60.16 feet to a point for corner;  
South 09°08'50" East a distance of 124.19 feet to a point for corner;  
South 56°32'04" East a distance of 73.66 feet to a point for corner;  
South 63°18'11" East a distance of 37.12 feet to a point for corner;  
South 69°59'42" East a distance of 111.44 feet to a point for corner;  
South 46°14'26" East a distance of 90.73 feet to a point for corner;  
South 11°15'17" East a distance of 191.67 feet to a point for corner;  
South 17°55'11" East a distance of 85.72 feet to a point for corner;  
South 69°18'16" East a distance of 235.92 feet to a point for corner;  
South 29°14'27" East a distance of 57.98 feet to a point for corner;  
South 51°31'28" East a distance of 440.72 feet to a point for corner;  
South 43°32'59" East a distance of 140.07 feet to a point for corner;  
South 62°01'13" East a distance of 104.31 feet to a point for corner;  
North 69°11'35" East a distance of 73.64 feet to a point for corner;  
North 50°17'09" East a distance of 128.74 feet to a point for corner;  
North 74°01'37" East a distance of 82.53 feet to a point for corner;  
South 48°40'54" East a distance of 124.07 feet to a point for corner;  
South 26°42'21" West a distance of 77.82 feet to a point for corner;  
South 05°56'42" East a distance of 73.50 feet to a point for corner;  
South 45°47'12" East a distance of 501.35 feet to a point for corner;  
South 55°49'11" East a distance of 191.12 feet to a point for corner;  
South 14°28'12" West a distance of 75.33 feet to a point for corner;  
South 52°02'47" West a distance of 124.63 feet to a point for corner;  
South 17°36'16" West a distance of 89.41 feet to a point for corner;  
South 08°17'38" East a distance of 60.50 feet to a point for corner;  
South 46°25'51" East a distance of 223.59 feet to a point for corner;  
North 86°02'30" East a distance of 68.62 feet to a point for corner;  
North 68°04'39" East a distance of 251.87 feet to a point for corner;  
South 38°28'19" East a distance of 46.61 feet to a point for corner;  
South 13°57'02" East a distance of 143.42 feet to a point for corner;  
South 74°53'01" East a distance of 55.67 feet to a point for corner;  
South 89°34'39" East a distance of 76.12 feet to a point for corner;  
North 74°24'09" East a distance of 112.70 feet to a point for corner;  
North 48°36'26" East a distance of 133.78 feet to a point for corner;  
South 40°05'49" East a distance of 40.71 feet to a point for corner;  
South 01°35'11" East a distance of 106.35 feet to a point for corner;  
South 47°59'10" East a distance of 79.63 feet to a point for corner;  
North 83°01'26" East a distance of 57.88 feet to a point for corner;  
North 71°34'34" East a distance of 308.45 feet to a point for corner;

North 49°30'50" East a distance of 80.60 feet to a point for corner in the west line of a tract of land described in a deed to E.R. Hartley et ux. Elga Hartley recorded in Volume 592, Page 35, Land Records, Collin County, Texas;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

South 01°02'46" East passing at 1043.25 feet a 3/8" iron rod found in asphalt at the southwest corner of a tract of land described in a deed to Rene Bates et ux. Beverly Bates recorded in Volume 3419, Page 878, Land Records, Collin County, Texas, and continuing for a total distance of 1113.87 feet to a 1/2" iron rod found in asphalt at the northeast corner of a tract of land described in a deed to Don W. Collins et ux. Carol A. Collins recorded in Volume 4355, Page 2347, Land Records, Collin County, Texas;

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

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

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

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

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

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

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

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

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

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

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

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

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

SAVE AND EXCEPT

BEING a 73.436 acre tract located in the Meredith Hart Survey, Abstract No. 371, Collin County, Texas, being part of that called 189.1 acre tract described in Exhibit A to Special Warranty Deed recorded in Volume 5540, Page 826, Deed Records Collin County, Texas (D.R.C.C.T.), said 73.780 acre tract being more particularly described by metes and bounds as follows:

BEGINNING at a found ½ inch iron rod for the most Westerly Southwest corner of said 189.1 acre tract, being called Southwest corner of a 81.43 acre tract described in Volume 294, Page 623. D.R.C.C.T., and being the Northwest corner of that called 23.09 acre tract described in Deed to MAC TMK, Inc. as recorded in the County Clerk's File No. 93-0088052, Official Public Records Collin County, Texas (O.P.R.C.C.T.), being on the East line that tract described in Deed to RAIJCA 131, L.P. as recorded in Volume 5894, Page 3815, D.R.C.C.T., said iron rod being on the Westerly side of Collin County Road 201 (undefined prescriptive right of way);

THENCE N 00°24'41" E, with the West line of said 189.1 acre tract and the East line of said RAIJCA 131 tract, a distance of 1459.36 feet to a point for corner;

THENCE EAST, a distance of 1009.10 feet to point for corner in Honey Creek;

THENCE Southeasterly, 50.00 feet southerly of and parallel with the center of Honey Creek as follows:

N 89°17'25" E a distance of 65.31 feet, to a 5/8 inch CIRS; N 45°54'31" E a distance of 104.17 feet; to a 5/8 inch CIRS;

N 68°40'59" E a distance of 91.84 feet, to a 5/8 inch CIRS;

S 52°57'13" E a distance of 63.08 feet to a 5/8 inch CIRS;

S 14°09'17" W a distance of 100.37 feet, to a 5/8 inch CIRS;

S 37°37'12" E a distance of 162.18 feet, to a 5/8 inch CIRS;

S 46°25'07" E a distance of 294.74 feet, to a 5/8 inch CIRS;

S 14°31'28" W a distance of 2613.97 feet, to a 5/8 inch CIRS in the center line of a proposed 120.00 foot Right-of-Way;

THENCE S 14°31'38" W along the center line of said proposed Right-of-Way, a distance of 2671.17 feet to a 5/8 inch CIRS, said CIRS, said corner also being the beginning to a tangent curve to the left, having a central angle of 13°35'36", with a chord length of 248.53 feet, and radius of 1050 feet, whose chord bears S 07°43'50" W;

THENCE continuing along the center line of said proposed Right-of-Way and following said curve to the left a distance of 249.11 feet to a point for corner;

THENCE S 00°56'02" W leaving said curve to the left and continuing along the center line of said proposed Right-of-Way, a distance of 317.34 feet to found 120d nail in the center of County Road 201;

THENCE N 89°36'02" W, with said centerline, a distance of 391.763 feet to a point for corner;

THENCE N 00°13'29" E, leaving said centerline, at a distance of 15.5 feet pass a found 1/2-inch iron rod at a fence post, continuing for a total distance of 1984.82 feet to a found 1/2-inch iron rod at a fence post;

THENCE N 89°08'40" W, generally with a fence, at a distance of 466.13 feet passing a fence corner post on the eastern line of County Road 201, continuing for a total distance 06.15 feet to the POINT OF BEGINNING, and containing 73.436 acres (3,198,870 square feet) of land, more or less.

## **TRACT 2**

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

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

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

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

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

Thence with said curve to the right continuing along said south line of Farm Road No. 543 having a radius of 2825.16 feet, a central angle of 02 degrees 43 minutes 37 seconds, and arc length of 134.47 feet, and chord bearing of South 87 degrees 20 minutes 32 seconds East a distance of 134.46 feet to a ½ inch iron rod found for the most northerly northeast corner of said Honey Creek tract and the northwest corner of a tract of land to Elelyn Cole Family, LTD as recorded in Collin County File Number 2000-0040586 of said Deed Records;

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

Thence South 87 degrees 32 minutes 32 seconds East along the south line of said Cole tract and the south line of a tract of land to Mescal Hill Wilson as recorded in Instrument Number 20091215001497350 of the Official Public Records of Collin County, Texas, passing the common southeast and southwest corner of said Cole and Wilson tracts and continuing a total distance of 1177.20 feet to a 3/8 inch iron rod found for the most easterly northeast corner of said Honey Creek tract and the northwest corner of a tract of land to Gregory Mills as recorded in Collin County File Number 2001-0044545 of said Deed Records;

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

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

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

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

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

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

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



Thence with the southerly line of said Honey Creek tract and the center of Honey Creek the following course and distance;

North 60 degrees 24 minutes 45 seconds West a distance of 109.27 feet;

North 46 degrees 36 minutes 54 seconds West a distance of 72.41 feet;

North 54 degrees 51 minutes 40 seconds West a distance of 59.44 feet;

North 42 degrees 36 minutes 58 seconds West a distance of 84.43 feet;

North 49 degrees 15 minutes 50 seconds West a distance of 200.09 feet;

North 43 degrees 14 minutes 41 seconds West a distance of 168.42 feet;

North 18 degrees 52 minutes 24 seconds West a distance of 52.83 feet;

North 25 degrees 56 minutes 16 seconds East a distance of 66.43 feet;

North 12 degrees 20 minutes 03 seconds West a distance of 67.01 feet;

North 51 degrees 09 minutes 18 seconds West a distance of 90.73 feet;

South 80 degrees 11 minutes 04 seconds West a distance of 105.97 feet;

South 44 degrees 09 minutes 44 seconds West a distance of 157.50 feet;

North 71 degrees 32 minutes 52 seconds West a distance of 102.21 feet;

North 43 degrees 44 minutes 50 seconds West a distance of 177.80 feet;

North 60 degrees 01 minutes 30 seconds West a distance of 206.11 feet;

North 48 degrees 50 minutes 27 seconds West a distance of 157.77 feet;

North 30 degrees 38 minutes 03 seconds West a distance of 105.92 feet;

North 53 degrees 16 minutes 07 seconds West a distance of 86.80 feet;

North 83 degrees 45 minutes 32 seconds West a distance of 167.62 feet;

North 15 degrees 09 minutes 06 seconds West a distance of 212.76 feet;

North 13 degrees 24 minutes 18 seconds West a distance of 90.73 feet;

North 40 degrees 03 minutes 14 seconds West a distance of 41.74 feet;

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

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

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

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

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

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

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

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

### **TRACT 3**

BEING A 7.730 ACRE TRACT OF LAND SITUATED IN THE MEREDITH HART SURVEY, ABSTRACT NO. 371, COLLIN COUNTY, TEXAS, BEING A PORTION OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED TO ROBERT NICHOLAS OLIVIER, AS RECORDED IN INSTRUMENT NO. 20070510000633570, DEED RECORDS, COLLIN COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A SET PK NAIL AT THE SOUTHWEST CORNER OF SAID OLIVIER TRACT, SAID PK NAIL BEING IN COUNTY ROAD 202;

THENCE NORTH, PASSING A 1/2-INCH IRON ROD FOUND AT A DISTANCE OF

30.19 FEET AND CONTINUING A TOTAL DISTANCE OF 808.75 FEET ALONG THE WEST LINE OF SAID OLIVIER TRACT TO A 1/2-INCH IRON ROD SET AT THE NORTHWEST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE NORTH 89° 10' 34" EAST, DEPARTING SAID WEST LINE, PASSING A 1/2-INCH IRON ROD SET AT A DISTANCE OF 703.47 FEET AND CONTINUING A TOTAL DISTANCE OF 733.47 FEET TO A SET PK NAIL AT THE NORTHEAST CORNER OF THIS TRACT, SAID PK NAIL BEING IN AFORESAID COUNTY ROAD 202;

THENCE SOUTH 00° 52' 00" EAST, A DISTANCE OF 155.27 FEET ALONG SAID COUNTY ROAD 202 TO A SET PK NAIL AT THE MOST NORTHERLY SOUTHEAST CORNER OF THIS TRACT;

THENCE SOUTH 89° 10' 34" WEST, DEPARTING SAID COUNTY ROAD 202, PASSING A 1/2-INCH IRON ROD SET AT A DISTANCE OF 30.00 FEET AND CONTINUING A TOTAL DISTANCE OF 400.00 FEET TO A 1/2-INCH IRON ROD SET;

THENCE SOUTH 00° 52' 00" EAST, PASSING A 1/2-INCH IRON ROD SET AT A DISTANCE OF 623.40 FEET AND CONTINUING A TOTAL DISTANCE OF 653.40 FEET TO A SET PK NAIL AT THE MOST SOUTHERLY SOUTHEAST CORNER OF THIS TRACT, SAID PK NAIL BEING IN SAID COUNTY ROAD 202;

THENCE SOUTH 89° 10' 34" WEST, A DISTANCE OF 345.70 FEET ALONG SAID COUNTY ROAD 202 TO THE POINT OF BEGINNING AND CONTAINING 336,718 SQUARE FEET OR 7.730 ACRES OF LAND.

### **TRACT 4**

FIELD NOTES:

BEING, a tract of land situated in the T. Cunis Survey, Abstract Number 211, Collin County, Texas, and being all of a tract of land conveyed to Thomas A. Helsley, as recorded in Volume 5848, Page 4493, of the Deed Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING at a point near the center of an asphalt road called Geren Trail, said point being the northeast corner of said Helsley tract and the northwest corner of a

tract of land to McKinney Ranch, LTD. as recorded in Instrument Number 20140108000018880 of the Official Public Records of Collin County, Texas, from which a 1/2 inch iron rod with cap stamped "R.P.L.S. 3963" found at an angle point on the north line of said McKinney Ranch tract bears North 89 degrees 26 minutes 30 seconds East a distance of 115.63 feet;

THENCE South 00 degrees 33 minutes 30 seconds East along the common line of said Helsley tract and said McKinney Ranch tract a distance of 980.00 feet to a 1/2 inch iron rod with cap stamped "R.P.L.S. 3963" found for the southeast corner of said Helsley tract and the southwest corner of said McKinney Ranch tract, said point also lying on the north line of a tract of land to McKinney Independent School District (M.I.S.D.) as recorded in 2012040200038050 of the Official Public Records of Collin County, Texas;

THENCE South 89 degrees 27 minutes 36 seconds West along the common line of said Helsley tract and said M.I.S.D. tract, a distance of 1169.89 feet to a 1/2 inch iron rod with cap stamped "R.P.L.S. 3963" found for the southwest corner of said Helsley tract lying on the east right-of-way line of F.M. Highway No. 1461 (variable width right-of-way);

THENCE North 00 degrees 06 minutes 23 seconds East along the east line of said F.M. 1461, a distance of 107.58 feet to a 1/2 inch iron rod with red cap found for corner at an angle point in same;

THENCE South 89 degrees 53 minutes 37 seconds East continuing along said East line of F.M. 1461, a distance of 19.67 feet to an inner ell corner of said Helsley tract lying on the east line of County Road 166 (variable width right-of-way);

THENCE North 00 degrees 46 minutes 08 seconds West along the east line of said County Road 166, a distance of 663.23 feet to the most westerly northwest corner of said Helsley tract, same being the southwest corner of a tract of land to Jack Geren as recorded in Volume 830, Page 770 of the Deed Records of Collin County, Texas;

THENCE North 89 degrees 19 minutes 27 seconds East along the common line of said Geren tract and said Helsley tract, a distance of 356.14 feet to a 1/2 inch iron rod found for an inner ell corner of same;

THENCE North 00 degrees 31 minutes 34 seconds West continuing along said Common line, a distance of 208.33 feet to a "PK" nail found near the center of said asphalt road called Geren Trail, said point being the most northerly northwest corner of said Helsley tract, and the northeast corner of said Geren tract;

THENCE North 89 degrees 26 minutes 30 seconds East along the north line of said Helsley tract and said Geren Trail, a distance of 795.15 feet to the POINT OF POINT OF BEGINNING containing 1,054,944 square Feet, or 24.218 acres of land with containing 1,054,944 square Feet, or 24.218 acres of land with approximately 14,473 square feet or 0.332 of an acre lying in said asphalt road called Geren Trail, (area between property line and fence line).

### **Tract 5**

BEING, a tract of land situated in the T. Cunis Survey, Abstract Number 211, Collin County, Texas, and being all of Tract one and Tract two conveyed to Baylor Health Care System, as recorded in Volume 5848, Page 4498, of the Deed Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING at a point near the center of an asphalt road called Geren Trail, said point being the northwest corner of said Tract one;

THENCE North 89 degrees 26 minutes 29 seconds East, along the near center of said asphalt road, and the north line of said Tract one, a distance of 115.63 feet to a 1/2 inch iron rod with cap stamped "R.P.L.S. 3963" found for corner at an angle point;

THENCE North 88 degrees 52 minutes 48 seconds East, leaving said asphalt road, and continuing along the north line of said Tract one, a distance of 640.35 feet to a 12 inch wood fence post found for corner from which a 60D nail found fore reference bears North 14 degrees 09 minutes 44 seconds East, 0.69 feet, said point also being the northwest corner of the aforementioned Tract two;

THENCE North 89 degrees 28 minutes 42 seconds East, along the north line of said Tract two, a distance of 1234.62 feet to a ½ inch iron rod with cap stamped “R.P.L.S. 3963” found for the northeast corner of said Tract two, and the northwest corner of a tract of land conveyed to McKinney Ranch, LTD., as recorded in instrument number 20060208000170600, of the Official Public Records of Collin County, Texas;

THENCE South 00 degrees, 33 minutes, 31 second East, along west line of said McKinney Ranch tract, and the east line of said Tract two, a distance of 985.49 feet to a 5/8 inch iron rod found for the southeast corner of said tract two and a inner ell corner of said McKinney Ranch tract;

THENCE South 89 degrees, 26 minutes, 33 seconds West, along the common line of said Tract two and McKinney Ranch tract, passing a ½ inch iron rod with cap stamped “R.P.L.S. 3963” found for the southwest corner of said Tract two, the southeast corner of said Tract one, a northwest corner of said McKinney Ranch tract, and the northeast corner of a tract of land conveyed to McKinney Independent School District as recorded in instrument number 20120402000380350, of the Official Public Records of Collin County, Texas at a distance of 1230.34 feet, and continuing along the common line of said Tract two and said McKinney Independent School District, for a total distance of 1990.57 feet to a 1/2 inch iron rod with cap stamped "R.P.L.S. 396311 found for the southwest corner of said Tract one and the southeast corner of a tract of land conveyed to Thomas A. Helsley recorded in Volume 5848, Page 4493, Deed Records of Collin County, Texas;

THENCE North 00 degree 33 minutes 30 seconds West, along the common line of said Tract one and said Helsley tract, a distance of 979.98 feet, to the point of beginning and containing 1,960,013 square feet or 44.996 acres of land.

## **TRACT 6**

BEING, a tract of land situated in the T. Cunis Survey, Abstract Number 211, City of McKinney, Collin County, Texas, and being the remainder of a 184.822 acre tract of land described in deed to Eddie B. and Mary K. Maxwell, as recorded in Volume 3834, Page 84, of the Deed Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING at a 60D nail found for comer near the center of County Road 164, said point being the southwest comer of a tract of land conveyed to R & L Knipe Resource . Tract, recorded in Volume 4697, Page 1782, of the Deed Records of Collin County, Texas.

THENCE South 89 degrees 56 minutes 56 seconds West, along the near center of said County Road 164 and the south line of said tract, a distance of 1768.09 feet to a 1 /2 inch iron rod found for comer in said County Road, said point also being the southeast comer of Bloomdale estates, an addition to the City of McKinney, as recorded in Cabinet J, Page 981 of the Map records of Collin County, Texas;

THENCE North 00 degrees 56 minutes 19 seconds West, along the east line of said Bloomdale Estates, passing a ½ inch iron rod found for the southeast corner of Lot 10 at 60 feet, and continuing for a total distance of 1749.40 feet to a 1/2 inch iron rod found for the northeast corner of said Bloomdale Estates, said point also being the southeast corner of a tract of land conveyed to McKinney I.S.D., as recorded in Instrument number 20120402000380350, of the Official Public Records of Collin County, Texas;

THENCE North 00 degree 51 minutes 28 seconds West, along the east line of said McKinney I.S.D. tract, passing a ½ inch iron rod with cap stamped “R.P.L.S. 3963” found for the northeast corner of said McKinney I.S.D. tract, and the southeast corner of a tract of land conveyed to McKinney I.S.D., as recorded in Instrument number 20120402000380350, and continuing for a total distance of 1275.59 feet to a 5/8 inch iron rod found with cap stamped “KHA”, said point lying of the south line of a tract of land conveyed to McKinney Ranch, Ltd., as recorded in Instrument number 20060208000170600, of the Official Public Records of Collin County, Texas;

THENCE North 89 Degrees 41 Minutes, 19 seconds East, along the south line of said McKinney Ranch tract, a distance of 1875.61 feet to a ½ inch iron rod found for corner at the base of a double trunked 10 inch Hackberry tree, said point also being the northwest corner of a tract of land conveyed to Rene Bates, as recorded in instrument number 20070917001294740, of the Official Public Records of Collin County, Texas;

THENCE with the west line of said Bates tract the following courses and distances:

South 17 degrees 31 minutes 38 seconds East, a distance of 287.57 feet to steel fence post for corner;

South 39 degrees 23 minutes 37 seconds East, a distance of 124.08 feet to steel fence post for corner;

South 00 degree 42 minutes 59 seconds West, a distance of 68.64 feet to a 5/8 inch iron rod with cap stamped "KHA" found for corner, said point lying on the north line of a tract of land conveyed to Dennis A. Bryant & Martha J. Bryant, as recorded in instrument number 93-0014444, of the Deed Records of Collin County, Texas;

THENCE South 89 degrees 02 minutes 44 seconds West, along the north line of said Bryant tract, a distance of 187 .67 feet to a 1 /2 inch iron rod found for corner near the north base of a steel fence post, said point also being the northwest corner of said Bryant tract;

THENCE South 00 degree 59 minutes 36 seconds East, along the west line of said Bryant tract, and passing the northwest corner of a tract of land conveyed to Michael Larry Culbreath et ux, As recorded in Volume 4283, Page 2451 of the Deed Records of Collin County, Texas, and continuing with the west line of said Culbreath tract a total distance of 1056.50 feet to a ½ inch iron rod found for corner in the north line of a tract of land conveyed Rene Bates, as recorded in instrument number 20111004001062750, of the Official Public Records of Collin County, Texas;

THENCE with the north and west line of said Bates tract the following courses and distances;

South 89 Degrees 19 minutes 07 seconds West, a distance of 80.01 feet to a ½ inch iron rod found for corner at the northwest base of a steel fence post;

South 00 degree 53 minutes 58 seconds East, a distance of 530.10 feet to a ½ inch iron rod found for corner, said point being the northwest corner of a tract of land conveyed to Richard Knipe et ux of the Deed Records of Collin County, Texas;

THENCE South 00 Degree 57 minutes 27 second East, along the west line of said Richard Knipe et ux tract, and passing a ½ inch iron rod found for the northwest corner of the aforementioned R & L Knipe Resources tract at a distance of 523.10 feet, and continuing along the west line of said R & L Knipe Resources tract, a total distance of 1004.17 feet, to the point of beginning and containing 5,519,836 square feet or 126.718 acres of land.

## **TRACT 7**

BEING a 45.060 acre tract of land situated in the William Rice Survey, Abstract Number 769, Collin County, Texas and being all of a called 45.013 acre tract of land to Barcelona 93, LTD AS recorded in Instrument Number 20160705000847670 of the Official Public Records of Collin County, Texas and being more particularly described as follows;

BEGINNING at a 1" flat iron found in the center of County Road 1006 for the northwest corner of said 45.013 acre tract and the northeast corner of a called 10.107 acre tract of land to Randall K. Hickman and Patricia C. Hickman, Husband and Wife as recorded in Instrument Number 20150306000247630 of the Official Public Records of Collin County, Texas;

THENCE South 89 degrees 46 minutes 44 seconds East along the center of said County Road 1006, same being the north line of said 45.013 acre tract, a distance of 139.84 feet to a mag nail set for corner;

THENCE North 89 degrees 00 minutes 16 seconds East continuing along the center of said County Road 1006, same being the north line of said 45.013 acre tract, a distance of 376.07 feet to a 1/2 inch iron rod found for corner;

THENCE North 89 degrees 13 minutes 11 seconds East continuing along the center of said County Road 1006, same being the north line of said 45.013 acre tract, a distance of 1070.43 feet to a 1/2 inch iron rod found for the northeast corner of said 45.013 acre tract;

THENCE South 00 degrees 40 minutes 37 seconds East along the east line of said 45.013 acre tract and generally along a barbed wire fence, a distance of 686.16 feet to a fence corner post found for corner;

THENCE North 88 degrees 17 minutes 51 seconds East continuing along the east line of said 45.013 acre tract and generally along a barbed wire fence, a distance of 15.05 feet to a fence corner post found for corner;

THENCE South 00 degrees 34 minutes 36 seconds East continuing along the east line of said 45.013 acre tract and generally along a barbed wire fence, a distance of 755.74 feet to a 1/2 inch iron rod with cap stamped "RPLS 5190" found for the southeast corner of said 45.013 acre tract, same being the northeast corner of a called 7.00 acre tract of land to Rene Bates as recorded in Instrument Number 20110106000027310 of the Official Public Records of Collin County, Texas;

THENCE North 88 degrees 07 minutes 54 seconds West along the common line of said 45.013 acre tract and said 7.00 acre tract, a distance of 1080.82 feet to a 1/2 inch iron rod found in a north/south barbed wire fence on the east line of a called 18.97 acre tract of land to Rene Bates as recorded in Instrument Number 20151231001629740 of the Official Public Records of Collin County, Texas for the most southerly southwest corner of said 45.013 acre tract and the northwest corner of said 7.00 acre tract;  
THENCE North 00 degrees 51 minutes 16 seconds West along the common line of said 45.013 acre tract and said 18.97 acre tract and generally along a barbed wire fence, a distance of 529.96 feet to a 1 inch iron pipe found on the east side of a fence corner post for an inner ell corner of said 45.013 acre tract and the northeast corner of said 18.97 acre tract;

THENCE North 88 degrees 36 minutes 28 seconds West continuing along the common line of said 45.013 acre tract and said 18.97 acre tract and generally along a barbed wire fence, a distance of 515.75 feet to a 1 inch iron pipe found on the west side of a fence corner post for the most westerly southwest corner of said 45.013 acre tract and the southeast corner of the aforementioned 10.107 acre tract;

THENCE North 00 degrees 53 minutes 46 seconds West, along the common line of said 45.013 acre tract and said 10.107 acre tract and generally along a barbed wire fence, a distance of 843.23 feet to the POINT OF BEGINNING containing 1,962,793 square feet, or 45.060 acres of land.

**EXHIBIT I**  
**FORM OF DISTRICT JOINDER AGREEMENT**  
**JOINDER AGREEMENT**

THIS JOINDER AGREEMENT (the "Joinder Agreement"), dated as of \_\_\_\_\_, 20\_\_, is executed by \_\_\_\_\_ HONEY CREEK MUNICIPAL MANAGEMENT DISTRICT NO. 1 ("District"), in connection with that certain Honey Creek Development Agreement (the "Development Agreement") entered into by and between the CITY OF MCKINNEY, TEXAS, a home-rule municipality located in Collin County, Texas (the "City"), MCKINNEY RANCH, LTD., a Texas limited partnership ("McKinney Ranch"), HONEY CREEK INVESTMENTS, LLC, a Texas limited liability company ("Honey Creek"), and BARCELONA 93, LTD., a Texas limited partnership ("Barcelona") and collectively with McKinney Ranch and Honey Creek, the "Owner", dated effective as of \_\_\_\_\_, 2024 . Capitalized terms used herein but not otherwise defined herein shall have the definitions provided in the Development Agreement.

In accordance with Section \_\_\_\_ of the Development Agreement, a copy of which is attached hereto as Exhibit "A" and incorporated herein for all purposes, the District executes this Joinder Agreement in order to become a Party to the Development Agreement. Accordingly, the District hereby agrees as follows with City and the Owner:

1. The District acknowledges and confirms that it has received a copy of the Development Agreement and the schedules and exhibits thereto.

2. The District hereby acknowledges, agrees, and confirms that, by its execution of this Joinder Agreement, the District shall automatically be deemed to be a Party to the Development Agreement, and shall have all of the rights and obligations of the District with regard to property within the District thereunder as if it had originally executed the Development Agreement. The District hereby ratifies, as of the date hereof, and agrees to be bound by all of the terms, provisions and conditions contained in the Development Agreement applicable to it to the same effect as if it were an original Party thereto.

3. This Joinder Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Texas, and exclusive venue shall lie in Collin County, Texas.

IN WITNESS WHEREOF, the District has caused this Joinder Agreement to be duly executed by its authorized officer as of the day and year first above written.

[Signature page to follow.]



**HONEY CREEK MUNICIPAL  
MANAGEMENT DISTRICT NO. 1**

By: \_\_\_\_\_  
Name:  
Its: President

**ATTEST:**

By: \_\_\_\_\_  
Secretary

STATE OF TEXAS                    §  
   §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ by \_\_\_\_\_, President of Honey Creek Municipal Management District No. 1, on behalf of said district.

(SEAL)

Name printed or typed

\_\_\_\_\_  
Notary Public, State of Texas

\_\_\_\_\_

**EXHIBIT J**  
**FORM OF IMPACT FEE CREDIT AGREEMENT**

## Construction

The **CITY OF MCKINNEY** ("City"), a home rule municipal corporation situated in Collin County, Texas, and \_\_\_\_\_ ("Developer"), make and enter into this Roadway Impact Fee Credit Agreement ("Agreement"), dated as of the date of execution and effective as of the Effective Date (defined herein).

## RECITALS

WHEREAS, \_\_\_\_\_ is an arterial that will serve Developer's property known as \_\_\_\_\_, which is located on the \_\_\_\_\_ side of \_\_\_\_\_, in an area \_\_\_\_\_ of \_\_\_\_\_ and generally \_\_\_\_\_ of \_\_\_\_\_ (the "Property"); and

WHEREAS, Developer has constructed Roadway Improvements identified herein below that are eligible for impact fee credits which shall be applied to the Property; and

WHEREAS, City has agreed that Developer shall construct a portion of the roadway project known as \_\_\_\_\_; and

WHEREAS, Developer has dedicated to the City the necessary right-of-way for the Roadway Project; and

WHEREAS, City has identified \_\_\_\_\_ on the City's roadway improvement plan, which is a part of the City's Roadway Impact Fee Ordinance; and

WHEREAS, for the construction of the referenced roadway project, Developer shall receive impact fee credits, calculated in accordance with the Ordinance, which shall attach to the Property,

**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. *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.
2. *Developer* means \_\_\_\_\_, its representatives, agents, contractors, employees, and consultants.
3. *Effective Date* means the date on which City accepts the construction of Roadway Improvements.
4. *Notice* means any formal notice or communication required or permitted to be given by one Party to another by this Agreement.
5. *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.
6. *Parties* means the City and Developer.
7. *Property* means Developer's property known as \_\_\_\_\_, a depiction of which is attached hereto as Exhibit A.
8. *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 \_\_\_\_\_ (\_\_\_\_) \_\_\_\_\_bound lanes of \_\_\_\_\_ of \_\_\_\_\_ and \_\_\_\_\_ of the \_\_\_\_\_ subdivision, that is the subject of this Agreement.
9. *Roadway Project* means the Roadway Improvements from \_\_\_\_\_ at its intersection with \_\_\_\_\_ traveling \_\_\_\_\_ to \_\_\_\_\_ approximately \_\_\_\_\_ linear feet north of \_\_\_\_\_

\_\_\_\_\_, also depicted as Station \_\_\_\_\_ to Station \_\_\_\_\_ on the civil engineering plans for \_\_\_\_\_, on file in the City of McKinney Engineering Department;

10. *Service Unit* means one vehicle mile of travel in the p.m. hour afternoon peak hour of traffic. The impact fees per service unit are as set forth in Impact Fee Schedule 1 and its various equivalency tables attached to Ordinance No. 2013-10-108 - as Impact Fee Schedule 1 and its various equivalency tables may be amended from time to time - and serve as the standardized measure of consumption or use of roadway facilities attributable to new development.

***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"). The Roadway Project is therefore eligible for impact fee credits as calculated under the Ordinance.
3. 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.

4. The impact fee credits which shall attach to the Property under this Agreement are \_\_\_\_\_ Service Units for \_\_\_\_\_ linear feet of \_\_\_\_\_.

### ***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 Service Units.

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

Impact fee credits shall be used as development occurs on the Property. Service Unit calculations for proposed uses on the Property shall be in accordance with then existing tables of the Ordinance. 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, 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 Agreements***

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:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

**CITY OF MCKINNEY:**

Office of the City Manager  
222 N. Tennessee 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.

**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  
LISA SEWELL, Deputy City Secretary

APPROVED AS TO FORM:

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

\_\_\_\_\_,  
***By and through its General Partner***

\_\_\_\_\_,  
a \_\_\_\_\_

By:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Title:

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

THE STATE OF TEXAS,  
COUNTY OF COLLIN

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

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

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

THE STATE OF TEXAS,  
COUNTY OF \_\_\_\_\_

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, by \_\_\_\_\_, in his capacity as \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that \_\_\_\_\_, is the General Partner of \_\_\_\_\_, a \_\_\_\_\_, and that he executed the same on behalf of and as the act of the Limited Partnership.

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

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

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**  
**PROPERTY**

**Exhibit B**

**ROADWAY PROJECT PLAN**

## UTILITY IMPACT FEE CREDIT AGREEMENT

\_\_\_\_\_ (Developer Name)

\_\_\_\_\_ **Construction**

STATE OF TEXAS

§

§

KNOW ALL BY THESE PRESENTS:

COUNTY OF COLLIN

§

The **CITY OF MCKINNEY** ("City"), a home rule municipal corporation situated in Collin County, Texas, and \_\_\_\_\_ ("Developer"), make and enter into this Utility Impact Fee Credit Agreement ("Agreement"), dated as of the date of execution and effective as of the Effective Date (defined herein).

### RECITALS

WHEREAS, the City's Water and/or Wastewater Improvement Plans (hereinafter referred to singly and collectively as the "Master Plan") require the construction of certain Utility Improvements upon and across Developer's property known as \_\_\_\_\_, which is located on the \_\_\_\_\_ side of \_\_\_\_\_, in an area \_\_\_\_\_ of \_\_\_\_\_ and generally \_\_\_\_\_ of \_\_\_\_\_ as reflected in Exhibit A, which Exhibit is attached hereto and incorporated herein by reference for all purposes allowed by law, (the "Property") to serve future development in the area specifically including the Property; and

WHEREAS, Developer has constructed or agreed to construct certain Utility Improvements upon and across the Property as reflected in Exhibit B and more specifically described in detail in Exhibit C, which Exhibits are attached hereto and incorporated herein by reference for all purposes allowed by law, in exchange for impact fee credits that shall be applied to the Property; and

WHEREAS, City has agreed that Developer shall construct the Oversize Line required by the City's Master Plan (the "Utility Project"); and

WHEREAS, Developer has dedicated to the City the necessary easements and/or right-of-way for the Utility Project; and

WHEREAS, City has identified the Oversize Line on the City's Master Plan, which is a part of the City's Utility Impact Fee Ordinance; and

WHEREAS, for the construction of the Utility Project, Developer shall receive impact fee credits, calculated in accordance with the Ordinance, which shall attach to the Property,

**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. *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.
2. *Developer* means \_\_\_\_\_, its representatives, agents, contractors, employees, and consultants.
3. *Effective Date* means the date on which City accepts the construction of the Oversize Line and all related appurtenances thereto.
4. *Notice* means any formal notice or communication required or permitted to be given by one Party to another by this Agreement.
5. *Ordinance* means the "McKinney Utility Impact Fees Article" as set forth in Section 130-19, *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.
6. *Oversize Line* means a water or wastewater line that is larger than the City's minimum standard diameter water or wastewater mains, and which is also larger than the water or wastewater main required to serve the subdivision in question, as determined by the City.
7. *Parties* means the City and Developer.
8. *Property* means Developer's property known as \_\_\_\_\_, a depiction of which is attached hereto as Exhibit A.
9. *Utility Improvements* means storm water permitting, erosion control, easement preparation, excavation, trench safety, construction of water / wastewater lines, backfill, compaction, re-establishment of ground cover,



and any other improvements necessary for a complete water / wastewater system, and all engineering, surveying, inspection and permit fees for the construction of an Oversize Line, together with all related appurtenances thereto, upon and across the Property, that is the subject of this Agreement in accordance with all City, state and federal standards.

10. *Utility Project* means the Utility Improvements required to be constructed upon and across the Property by the City's Master Plan as reflected in Exhibit B and more specifically described in Exhibit C, which such Oversize Lines are eligible for impact fee credits and as approved by the CITY Engineer.
11. *Service Unit* means the applicable standard unit of measure that serves as the standardized measure of consumption, use or generation attributable to the new unit of development. The service unit for water and wastewater is a ¾-inch water meter which is the typical water meter used for a single-family detached living unit and is commonly referred to as the single family living unit equivalent (SFLUE). The number of service units used for water and wastewater by a particular land use is determined by the water meter size and water meter type employed by such land use.

***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 UTILITY IMPROVEMENTS**

***C. Utility Improvements***

1. Developer shall construct the Utility Project depicted on the attached Exhibit B and more specifically described in Exhibit C. Developer shall construct all Utility Improvements appurtenant to the Utility Project.

2. At this time, the Utility Project is included in the City's Master Plan. The Utility Project is therefore eligible for impact fee credits as calculated under the Ordinance.

### ***ARTICLE III***

#### ***IMPACT FEE CREDITS***

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

1. City agrees to grant Developer impact fee credits in conjunction with the acceptance of the Utility Project. The impact fee credits shall vest and attach to the Property upon the City's acceptance of the Utility Project.

2. The Impact Fee Credits granted under this agreement shall only be assigned with the City's consent pursuant to Section 130-29 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 Utility Improvements***

1. The City has agreed to reimburse the Developer the actual cost associated with oversizing certain water and/or wastewater lines required to serve the Property by the City's Master Plan as described in detail in Exhibit C.

2. Developer shall provide appropriate cost documentation, as approved by the City Engineer, reflecting the actual expenditures for oversizing the water and/or wastewater lines. The reimbursement costs shall include all items pertinent to construction of the Oversize Line segments but excluding easements dedicated for the construction of such water and/or wastewater lines. The City Engineer shall review the cost documentation and make a final determination regarding those costs that are necessary and attributable solely to the oversizing of the water and/or wastewater lines in question. Said cost documentation shall be attached hereto as Exhibit D and is hereby incorporated herein for all purposes allowed by law.

3. Reimbursement for the cost of oversizing the water and/or wastewater lines shall be made through the grant or award of utility impact fee credits for the Property. Credits shall be calculated and applied based on the Ordinance. Credits shall vest and attach to the Property upon the CITY's acceptance of the Oversize Lines.

4. Developer and City agree that the value of the Oversize Lines shall be expressed in Service Unit Equivalents. The impact fee credits which shall attach to the Property under this Agreement are \_\_\_\_\_ Service Unit Equivalents.

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

Impact fee credits shall be used as development occurs on the Property. Service Unit calculations for proposed uses on the Property shall be in accordance with then existing tables of the Ordinance. Unused impact fee credits shall not be transferable to any other tract or parcel of land 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 after completion of development on the Property as impact fee funds may be available for that purpose. 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 utility impact fees or receive credits for construction of additional utility 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. Developer shall not be entitled to utility impact fee credits for any line that is not actually constructed or which is not constructed in accordance with the City's Master Plan and development ordinances.

***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, 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 Agreements***

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:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_

**CITY OF MCKINNEY:**

Office of the City Manager  
222 N. Tennessee 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 utility 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.

***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 Utility Improvements for the Utility Project in exchange for impact fee credits to be applied to the Property. The construction of the Utility Project is not a condition of approval or acceptance of 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  
LISA SEWELL, Deputy City Secretary

APPROVED AS TO FORM:

---

MARK S. HOUSER  
City Attorney

---

***By and through its General Partner***

---



a \_\_\_\_\_

By:

\_\_\_\_\_

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Title:

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

THE STATE OF TEXAS,  
COUNTY OF COLLIN

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

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

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

THE STATE OF TEXAS,  
COUNTY OF \_\_\_\_\_

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_, in his capacity as \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that \_\_\_\_\_, is the General Partner of \_\_\_\_\_, a \_\_\_\_\_, and that he executed the same on behalf of and as the act of the Limited Partnership.

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

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

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**  
**PROPERTY**

**Exhibit B**

**UTILITY PROJECT MAP**

**Exhibit C**

**IMPACT FEE CREDIT ELIGIBLE  
UTILITY IMPROVEMENTS**

**Exhibit D**

**COSTS FOR ELIGIBLE PROJECTS**

**EXHIBIT K**  
**CAPITAL IMPROVEMENTS BUDGET**

**PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COSTS**

Date Prepared: 08/21/2024

Honey Creek Municipal Management District No. 1

**A. ON-SITE WASTEWATER IMPROVEMENTS**

	DESCRIPTION	QUANTITY	UNIT	COST / UNIT	TOTAL COST THRU 2029	TOTAL COST
1	8" SDR 26	328,088	LF	\$70.00	\$ 13,695,675.00	\$ 22,826,125.00
2	12" SDR 26	9,820	LF	\$75.00	\$ 441,900.00	\$ 736,500.00
3	15" SDR 26	3,746	LF	\$215.00	\$ 483,234.00	\$ 805,390.00
4	36" SDR 26	6,600	LF	\$450.00	\$ 1,782,000.00	\$ 2,970,000.00
5	STANDARD 4' MANHOLE	866	EA	\$10,000.00	\$ 5,193,802.50	\$ 8,656,337.50
6	STANDARD 5' MANHOLE	216	EA	\$14,000.00	\$ 1,817,830.88	\$ 3,029,718.13
7	SINGLE SEWER SERVICE	1,090	EA	\$2,400.00	\$ 1,569,600.00	\$ 2,616,000.00
8	DOUBLE SEWER SERVICE	4,905	EA	\$3,200.00	\$ 9,417,600.00	\$ 15,696,000.00
9	LIFT STATION	6	EA	\$300,000.00	\$ 1,080,000.00	\$ 1,800,000.00
10	4" FORCEMAIN	2,000	LF	\$50.00	\$ 60,000.00	\$ 100,000.00
11	TRENCH SAFETY PROTECTION	346,254	LF	\$1.00	\$ 207,752.10	\$ 346,253.50
<b>Subtotal</b>					<b>\$ 35,749,394.48</b>	<b>\$ 59,582,324.13</b>

**B. ON-SITE WATER IMPROVEMENTS**

	DESCRIPTION	QUANTITY	UNIT	COST / UNIT		
1	8" PVC (C-900)	326,088	LF	\$70.00	\$ 13,695,675.00	\$ 22,826,125.00
2	12" PVC (C-900)	30,887	LF	\$75.00	\$ 1,389,915.00	\$ 2,316,525.00
3	16" PVC (C-900)	3,600	LF	\$85.00	\$ 183,600.00	\$ 306,000.00
4	24" PVC (C-900)	2,600	LF	\$240.00	\$ 374,400.00	\$ 624,000.00
5	8" GATE VALVE	815	EA	\$4,500.00	\$ 2,201,090.63	\$ 3,668,484.38
6	12" GATE VALVE	77	EA	\$9,000.00	\$ 416,974.50	\$ 694,957.50
7	FIRE HYDRANT ASSEMBLY	543	EA	\$7,000.00	\$ 2,282,612.50	\$ 3,804,354.17
8	CONNECT TO EXISTING	2	EA	\$2,000.00	\$ 2,400.00	\$ 4,000.00
9	SINGLE WATER SERVICE	1,090	EA	\$2,200.00	\$ 1,438,800.00	\$ 2,398,000.00
10	DOUBLE WATER SERVICE	4,905	EA	\$3,000.00	\$ 8,829,000.00	\$ 14,715,000.00
11	AUTOMATIC FLUSH VALVE	3	EA	\$3,000.00	\$ 5,400.00	\$ 9,000.00
12	TRENCH SAFETY PROTECTION	356,975	LF	\$1.00	\$ 214,184.70	\$ 356,974.50
<b>Subtotal</b>					<b>\$ 31,034,052.33</b>	<b>\$ 51,723,420.55</b>

**C. DRAINAGE IMPROVEMENTS**

	DESCRIPTION	QUANTITY	UNIT	COST / UNIT		
1	STORM SEWER PIPE	270,690	LF	\$90.00	\$ 14,617,260.00	\$ 24,362,100.00
2	CURB INLET	2,707	EA	\$6,200.00	\$ 10,069,668.00	\$ 16,782,780.00
3	STORM SEWER MANHOLES	1,353	EA	\$6,000.00	\$ 4,872,420.00	\$ 8,120,700.00
4	HEADWALLS	135	EA	\$20,000.00	\$ 1,620,000.00	\$ 2,700,000.00
5	TRENCH SAFETY PROTECTION	270,690	LF	\$1.00	\$ 162,414.00	\$ 270,690.00
5	DETENTION/WATER QUALITY PONDS	15	EA	\$375,000.00	\$ 3,375,000.00	\$ 5,625,000.00
6	DAM REHABILITATION	2	EA	\$2,000,000.00	\$ 2,400,000.00	\$ 4,000,000.00
<b>Subtotal</b>					<b>\$ 37,116,762.00</b>	<b>\$ 61,861,270.00</b>

**D. ROADS**

	DESCRIPTION	QUANTITY	UNIT	COST / UNIT		
1	SUBGRADE PREP	1,043,480	SY	\$8.50	\$ 6,208,706.00	\$ 8,869,580.00
2	10" CONCRETE w/LIME	178,000	SY	\$150.00	\$ 18,690,000.00	\$ 26,700,000.00
3	6" CONCRETE w/LIME	660,000	SY	\$130.00	\$ 60,060,000.00	\$ 85,800,000.00
4	4' CONCRETE SIDEWALK	270,690	LF	\$28.00	\$ 5,305,524.00	\$ 7,579,320.00
5	6" CONCRETE CURB AND GUTTER	270,690	LF	\$26.00	\$ 4,926,558.00	\$ 7,037,940.00
6	SIDEWALK CURB RAMP, COMPLETE IN PLACE	4,174	EA	\$1,400.00	\$ 4,090,441.60	\$ 5,843,488.00
7	SIGNAGE, STRIPING AND TRAFFIC CONTROL	0	LS	\$500,000.00	\$ 350,000.00	\$ 500,000.00
	MOISTURE CONDITIONING, MEANS/METHODS, INTERSECTION PREMIUMS	1	AL	\$43,365,750.00	\$ 30,356,025.00	\$ 43,365,750.00
7	LANDSCAPING	1	AL		\$ 10,500,000.00	\$ 15,000,000.00
<b>Subtotal</b>					<b>\$ 140,487,254.60</b>	<b>\$ 200,696,078.00</b>

**E. EROSION CONTROL**



	DESCRIPTION	QUANTITY	UNIT	COST / UNIT		
1	CLEARING AND GRUBBING	240	AC	\$2,000.00	\$ 287,460.05	\$ 479,100.09
2	REVEGETATION	521,740	SY	\$2.00	\$ 626,088.00	\$ 1,043,480.00
3	SILT FENCE	338,363	LF	\$3.00	\$ 609,052.50	\$ 1,015,087.50
4	INLET PROTECTION	2,707	EA	\$80.00	\$ 129,931.20	\$ 216,552.00
5	CONSTRUCTION ENTRANCE	55	LS	\$1,250.00	\$ 40,875.00	\$ 68,125.00
6	ROCK BERM	1,350	LF	\$20.00	\$ 16,200.00	\$ 27,000.00
				<b>Subtotal</b>	<b>\$ 1,709,606.75</b>	<b>\$ 2,849,344.59</b>

#### F. PARKS, TRAILS & OPEN SPACE

	DESCRIPTION	QUANTITY	UNIT	COST / UNIT		
1	NEIGHBORHOOD PARKS				\$ 7,200,000.00	\$ 12,000,000.00
2	HIKE & BIKE TRAILS				\$ 2,100,000.00	\$ 3,500,000.00
3	COMMON AREA OPEN SPACE				\$ 3,600,000.00	\$ 6,000,000.00
				<b>Subtotal</b>	<b>\$ 12,900,000.00</b>	<b>\$ 21,500,000.00</b>

#### G. NON-CONSTRUCTION COSTS

	DESCRIPTION	QUANTITY	UNIT	COST / UNIT		
1	Engineering Fees	13%	PERCEN		\$ 31,770,370.24	\$ 48,602,202.05
2	Legal Fees	3%	PERCEN		\$ 9,252,351.13	\$ 16,790,754.96
3	Fiscal Agent Fees	2.50%	PERCEN		\$ 7,710,292.61	\$ 13,992,295.80
4	Interest Costs				\$ 29,286,951.60	\$ 48,811,586.00
5	Underwriters Discount	3%	PERCEN		\$ 9,252,351.13	\$ 16,790,754.96
6	Creation / Organization				\$ 75,000.00	\$ 125,000.00
7	Bond Application Report Costs				\$ 1,680,000.00	\$ 2,800,000.00
8	Issuance Costs				\$ 577,500.00	\$ 962,500.00
9	TCEQ Fee (Utilities only)	0.25%	PERCEN		\$ 259,750.52	\$ 432,917.54
10	Attorney General Fee	0.10%	PERCEN		\$ 308,411.70	\$ 559,691.83
11	Administration / Operations Costs				\$ 300,000.00	\$ 500,000.00
				<b>Subtotal</b>	<b>\$ 90,333,078.34</b>	<b>\$ 148,758,198.41</b>

#### SUMMARY OF ESTIMATED PROJECT COSTS

	DESCRIPTION		
A.	ON-SITE WASTEWATER IMPROVEMENTS	\$ 35,749,394.48	\$ 59,582,324.13
B.	ON-SITE WATER IMPROVEMENTS	\$ 31,034,052.33	\$ 51,723,420.55
C.	DRAINAGE IMPROVEMENTS	\$ 37,116,762.00	\$ 61,861,270.00
D.	ROADS	\$ 140,487,254.60	\$ 200,696,078.00
E.	EROSION CONTROL	\$ 1,709,606.75	\$ 2,849,344.59
F.	PARKS, TRAILS & OPEN SPACE	\$ 12,900,000.00	\$ 21,500,000.00
G.	NON-CONSTRUCTION COSTS	\$ 90,333,078.34	\$ 148,758,198.41
		<b>Project Subtotal</b>	<b>\$ 348,274,294.91</b>
		<b>Contingency (10%)</b>	<b>\$ 34,827,429.49</b>
		<b>Total Estimated Project Costs</b>	<b>\$ 383,101,724.40</b>
			<b>\$ 599,731,967.65</b>

**EXHIBIT L**  
**FORM OF RESOLUTION APPROVING CAPITAL IMPROVEMENTS BUDGET**

**RESOLUTION NO.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, APPROVING A CAPITAL IMPROVEMENTS BUDGET FOR THE HONEY CREEK MUNICIPAL MANAGEMENT DISTRICT NO. 1 AND OTHER MATTERS RELATED THEREO; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.**

**WHEREAS,** the Honey Creek Municipal Management District No. 1 ("District") is a municipal management district created by order of the Texas Commission on Environmental Quality to finance and provide public improvements and services to benefit both the property within the District and the City of McKinney, Texas (the "City") pursuant to the provisions of Article XVI, Section 59 and Article III, Section 52, Texas Constitution and Chapter 375, Texas Local Government Code, as amended (the "Act"); and

**WHEREAS,** pursuant to Section 375.207 of the Act, the City may approve a capital improvements budget for the District for a period not to exceed five years; and

**WHEREAS,** the District has provided to the City for approval the District's Capital Improvement Budget, dated as of \_\_\_\_, 20\_\_ (the "CIB"), a copy of which is attached hereto as **Exhibit A**; and

**WHEREAS,** the City has determined that there will be no negative impact on the City's creditworthiness, bond rating, access to or cost of capital, or potential for liability with the issuance of any bonds by the District for the improvements and services set forth in the CIB; and

**WHEREAS,** the City hereby finds and determines that the approval of this Resolution is in the best interests of the Citizens of the City of McKinney, Texas.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS:**

Section 1. **FINDINGS.** That the recitals, findings, and determinations contained in the preamble to this Resolution are incorporated into the body of this Resolution as if fully set forth herein and are hereby found and declared to be true and correct legislative findings and are adopted as part of this Resolution for all purposes.

- Section 2. APPROVAL OF CIB. That the District's CIB, attached hereto as Exhibit A, is hereby approved for a period of five years from the date hereof as a capital improvements budget in accordance with the Act.
- Section 3. ADDITIONAL ACTIONS. That the Mayor, the Mayor Pro Tern, the City Manager and/or the City Secretary are hereby authorized and directed to take any and all actions on behalf of the City necessary or desirable to carry out the intent and purposes of this Resolution.
- Section 4. SEVERABILITY. If any section, article, paragraph, sentence, clause, phrase or word in this Resolution, or the application thereto to any persons or circumstances, is held invalid, such invalidity shall not affect the remaining portions of this Resolution; and the City Council hereby declares it would have passed such remaining portions of this Resolution despite such invalidity, which remaining portions shall remain in full force and effect.
- Section 5. EFFECTIVE DATE. That this Resolution, passed at a meeting that is hereby found and determined as open to the public and for which public notice of the time, place and purpose of said meeting was given as required by law, shall take effect from and upon its adoption.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS ON THE \_\_\_\_ DAY OF \_\_\_\_, 20\_\_.**

CITY OF MCKINNEY, TEXAS

\_\_\_\_\_  
[Mayor]  
Mayor

ATTEST:

\_\_\_\_\_  
[City Secretary]  
City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
[City Attorney]  
City Attorney

