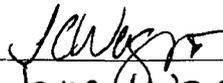


Approved by:

LFC DEVCO GRAHAM, LLC
a Texas limited liability company

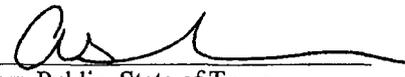
By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

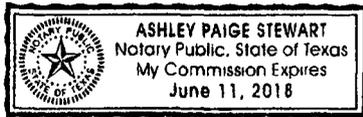
By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner


Name: Jake Wagner
Title: Co-CEO

STATE OF TEXAS §
 §
COUNTY OF Dallas §

This instrument was acknowledged before me on December 22, 2016, by Jake Wagner, Co-CEO of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco Graham, LLC, a Texas limited liability company on behalf of said limited liability company.


Notary Public, State of Texas

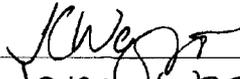


Approved by:

LFC DEVCO HLH, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

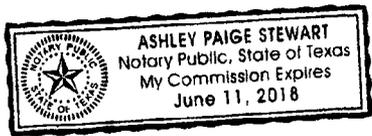
By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner


Name: Jake Wagner
Title: Co-CEO

STATE OF TEXAS §
 §
COUNTY OF Dallas §

This instrument was acknowledged before me on December 27, 2016, by Jake Wagner, Co-CEO of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco HLH, LLC, a Texas limited liability company on behalf of said limited liability company.


Notary Public, State of Texas

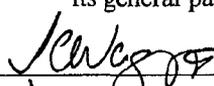


Approved by:

LFC DEVCO GM, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

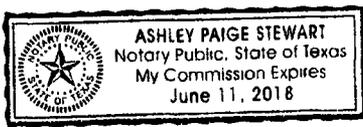

Name: Jaime Wagner
Title: Co-CEO

STATE OF TEXAS §
 §
COUNTY OF Dallas §

This instrument was acknowledged before me on December 22, 2016, by Jaime Wagner Co-CEO of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco GM, LLC, a Texas limited liability company on behalf of said limited liability company.



Notary Public, State of Texas



Approved by:

LFC DEVCO SAGE, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

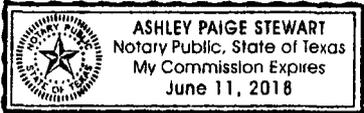
JCWagner
Name: Jace Wagner
Title: Co-CEO

STATE OF TEXAS §
 §
COUNTY OF Dallas §

This instrument was acknowledged before me on December 27, 2016, by Jace Wagner, Co-CEO of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco Sage, LLC, a Texas limited liability company on behalf of said limited liability company.

As

Notary Public, State of Texas



Approved by:

LFC DEVCO SAGE II, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

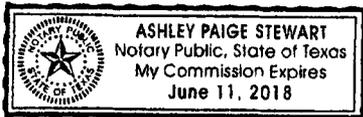
By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

J. Wagner
Name: Jake Wagner
Title: Co-CEO

STATE OF TEXAS §
 §
COUNTY OF Dallas §

This instrument was acknowledged before me on December 27, 2016, by Jake Wagner, Co-CEO of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco Sage II, LLC, a Texas limited liability company on behalf of said limited liability company.

Ashley Paige Stewart
Notary Public, State of Texas



Approved by:

LFC DEVCO EC, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

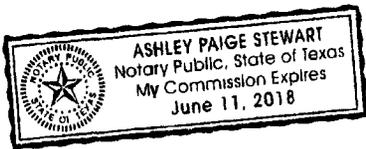
By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

JCWagner
Name: Jake Wagner
Title: Co-CEO

STATE OF TEXAS §
 §
COUNTY OF Dallas §

This instrument was acknowledged before me on December 27, 2016, by Jake Wagner, Co-CEO of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco EC, LLC, a Texas limited liability company on behalf of said limited liability company.

[Signature]
Notary Public, State of Texas



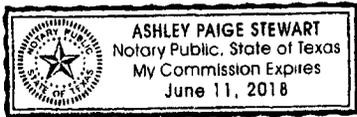
Approved by:

**COLLIN COUNTY MUNICIPAL UTILITY
DISTRICT NO. 1**

By: [Signature]
Name: Keller W. Webster
Title: President

ATTEST
By: [Signature]
Name: _____
Title: _____
STATE OF TEXAS §
COUNTY OF Dallas §

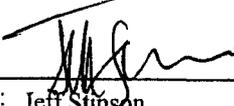
This instrument was acknowledged before me on November 16, 2016, by Keller Webster, President of the Collin County Municipal Utility District No. 1 on behalf of said district.



[Signature]
Notary Public, State of Texas

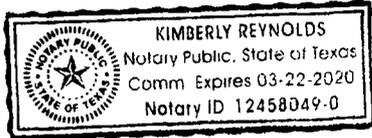
Approved by:

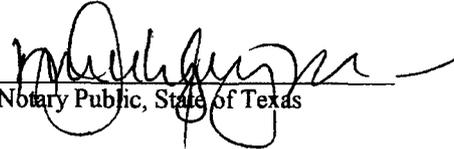
HIGHLAND HOMES - DALLAS, LLC.
a Texas limited liability company

By: 
Name: Jeff Stinson
Title: Vice President

STATE OF TEXAS §
 §
COUNTY OF Collin §

This instrument was acknowledged before me on January 4, 201⁹, by Jeff Stinson, Vice President of Highland Homes - Dallas, LLC, a Texas limited liability company, on behalf of said company.




Notary Public, State of Texas

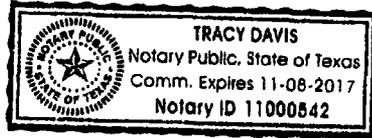
AMERICAN LEGEND HOMES, LLC

a Texas limited liability company

By: *Kevin Egan*
Name: ~~Kevin Egan~~ Kevin Egan
Title: President

STATE OF TEXAS §
 §
COUNTY OF DENTON §

This instrument was acknowledged before me on January 11, 2016, by Kevin Egan, President of American Legend Homes, LLC, a Texas limited liability company, on behalf of said limited liability company.



Tracy Davis
Notary Public, State of Texas

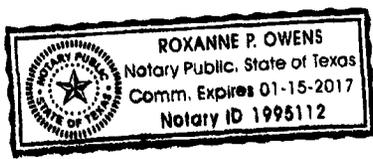
Approved by:

DARLING HOMES OF TEXAS, LLC

By: 
Name: Ryan Huey
Title: VP-Land Acquisition

STATE OF TEXAS §
 §
COUNTY OF Collin §

This instrument was acknowledged before me on January 4, 2016⁷, by Ryan Huey, VP-Land Acquisition of Darling Homes, LLC, a Texas limited liability company on behalf of said limited liability company.




Notary Public, State of Texas

Approved by:

DREES CUSTOM HOMES, LP.
a Texas limited partnership

By: Drees Builders, Inc., an Ohio corporation, its
general partner

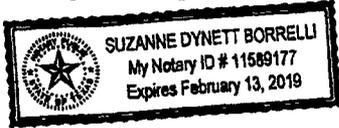
By: David Harbin
Name: David Harbin
Title: President - Texas Region

STATE OF TEXAS

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§

COUNTY OF Dallas

This instrument was acknowledged before me on December 29th, 2016, by David Harbin, President - TX Region of Drees Builders, Inc., an Ohio corporation and general partner of Drees Custom Homes, LP, a Texas limited partnership, on behalf of said limited partnership.



Suzanne Dynett Borrelli
Notary Public, State of Texas

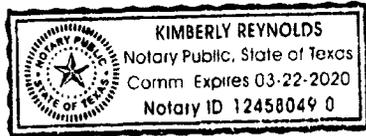
Approved by:

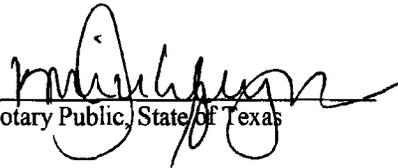
SANDERS CUSTOM BUILDER, LLC
a Texas limited liability company

By: 
Name: Jeff Stinson
Title: Vice President

STATE OF TEXAS §
 §
COUNTY OF Collin §

This instrument was acknowledged before me on January 4, 2019^{KAC} by
Jeff Stinson, Vice President of Sanders Custom Builder, LLC, a Texas
limited liability company, on behalf of said company.




Notary Public, State of Texas

Approved by:

SHADDOCK HOMES, LTD.
a Texas limited partnership

By: Shaddock H GP, LLC, a Texas limited liability company, its general partner

By: Peter H Shaddock
Name: _____
Title: _____

STATE OF TEXAS §
COUNTY OF Collin §

This instrument was acknowledged before me on January 4th, 2016¹⁷, by Peter H Shaddock, President of Shaddock H GP, LLC, a Texas limited liability company and general partner of Shaddock Homes, Ltd., a Texas limited partnership, on behalf of said limited partnership.



Lori Wolfe
Notary Public, State of Texas

Approved by:

K. HOVNIANIAN DFW LIGHT FARMS, LLC,
a Texas limited liability company

By: Jimmy Brownlee
Name: _____
Title: _____

STATE OF TEXAS
COUNTY OF Collin

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Jimmy Brownlee
DFW Region President

This instrument was acknowledged before me on January 4, 2018, by Jimmy Brownlee, DFW Region President of ~~Horizon Homes Management Inc., a Texas corporation and _____ of Horizon Homes, LLC, a Texas limited partnership, on behalf of said limited partnership.~~

*K. Hovnianian DFW Light Farms, LLC,
a Texas limited liability company.*

[Signature]
Notary Public, State of Texas



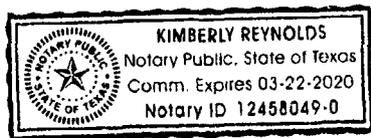
Approved by:

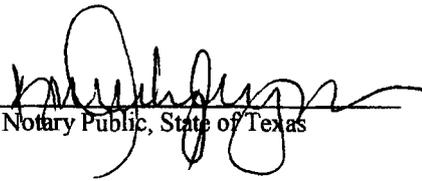
HORIZON HOMES, LLC
a Texas liability company

By: 
Name: Jeff Stinson
Title: Vice President

STATE OF TEXAS §
 §
COUNTY OF Collin §

This instrument was acknowledged before me on January 4, 201~~7~~⁸ by Jeff Stinson, Vice President of Horizon Homes, LLC, a Texas limited liability company, on behalf of said company.




Notary Public, State of Texas

Approved by:

MAINVUE TX, LLC,
a Delaware limited liability company

By: Mainvue Homes, LLC, a Delaware limited liability
company, its manager

By: *[Signature]*
Name: Cheryl C. Turner
Title: DIVISION PRESIDENT

STATE OF TEXAS

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§
§

COUNTY OF Dallas

This instrument was acknowledged before me on JANUARY 11, 201¹⁷~~6~~, by
CHERYL TURNER, Division President of Mainvue Homes, LLC, a Delaware
limited liability company, manager of Mainvue TX, LLC, a Delaware limited liability company,
on behalf of said company.

[Signature]
Notary Public, State of Texas



Approved by:

PERRY HOMES, LLC,
a Texas limited liability company

By: *Michael W. Moore*
Name: **MICHAEL W. MOORE**
Title: **CHIEF FINANCIAL OFFICER**

STATE OF TEXAS §
 §
COUNTY OF Harris §

This instrument was acknowledged before me on January 3rd, ~~2016~~ ²⁰¹⁷, by Michael W. Moore, Chief Financial Officer of Perry Homes, LLC, a Texas limited liability company, on behalf of said company.



MJ Trader
Notary Public, State of Texas

After recording, return to:
Republic Property Group
Attn: Tim McKnight
8401 N. Central Expressway, Suite 350
Dallas, Texas 75225

Exhibits:

- Exhibit A Legal Description of the LFC Property
- Exhibit B Legal Description of the LFC II Property

Exhibit A
Legal Description of the LFC Property

TRACT A

Being a 597.17 acre tract of land situated in the John Ragsdale Survey, Abstract No. 734, and the Collin County School Land Survey No. 14, Abstract No. 167, and being all of Tract A, a 597.17 acre tract of land as described in instrument to LFC Land Company, LLC, as recorded in Document Number 20120423000464780, Land Records, Collin County, Texas, all of a 1.00 acre tract of land as described in instrument to Frederick L Albrecht, as recorded in Document Number 20070510000634680, Land Records, Collin County, Texas, all of a 1.00 acre tract of land as described in instrument to Keller Webster, as recorded in Document Number 20070510000634710, Land Records, Collin County, Texas, all of a 1.00 acre tract of land as described in instrument to Andy Harvey, as recorded in Document Number 20070510000724440, Land Records, Collin County, Texas, all of a 1.00 acre tract of land as described in instrument to Gordon Greeson, as recorded in Document Number 2007051000634740, Land Records, Collin County, Texas, all of a tract of 1.00 acre tract of land as described in instrument to Kenneth Prater, as recorded in Document Number 20070510000634770, Land Records, Collin County, Texas, and a portion of Collin County Road 51. Said 597.17 acre tract, with reference bearing of grid north, Texas State Plane Coordinates, North Central Zone, HARN NAD 83 (93) datum, being more particularly described by metes and bounds as follows:

Commencing at ½ inch iron rod found for the northwest corner of a called 161.4193 acre tract of land conveyed by deed to the Board of Regents of the Texas A&M University System recorded in Volume 2513, Page 274, Land Records, Collin County, Texas, and being on the west line of aforesaid John Ragsdale Survey, and being on the east line of the F.D. Gary Survey, Abstract No. 361;

THENCE, North 89 degrees 56 minutes 06 seconds East, along the North line of aforesaid 161.4193 acre tract of land, a distance of 950.04 feet to the POINT OF BEGINNING and being the most southerly southwest corner of said Lucas Celina tract;

THENCE, North 00 degrees 36 minutes 37 seconds West, along a west line of said Lucas Celina tract a distance of 1,513.85 feet to a 5/8 inch iron rod found;

THENCE, North 30 degrees 59 minutes 39 seconds East, continuing along a northwesterly line of said Lucas Celina tract a distance of 867.40 feet to a 1/2 inch iron rod found at an inner ell corner of said Lucas Celina tract;

THENCE, South 59 degrees 00 minutes 21 seconds East, departing the northwesterly line of said Lucas Celina tract a distance of 50.00 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars" on a northwesterly line of said 408.510 acre tract;

THENCE, North 30 degrees 59 minutes 39 seconds East, along a northwesterly line of said 408.510 acre tract a distance of 575.60 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

THENCE, North 59 degrees 00 minutes 21 seconds West, departing the northwesterly line of said 408.510 acre tract a distance of 260.21 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars" and being the beginning of a non-tangent curve to the left having a radius of 3,644.79 feet;

THENCE, in a northerly direction along said curve to the left through a central angle of 36 degrees 57 minutes 20 seconds, an arc distance of 2,350.88 feet and being subtended by a chord bearing North 09 degrees 52 minutes 14 seconds East, a distance of 2,310.34 feet;

THENCE, North 08 degrees 36 minutes 26 seconds West, a distance of 1,585.77 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

THENCE, North 89 degrees 27 minutes 32 seconds East, passing at 322.72 feet a 5/8 inch iron rod found at the most northerly southwest corner of said 408.510 acre tract, passing at 1,521.70 feet a 5/8 inch iron rod found at an inner ell corner of said 408.510 acre tract, continuing for a total distance of 1,571.93 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

THENCE, North 04 degrees 53 minutes 56 seconds East, a distance of 1,990.49 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

THENCE, North 03 degrees 20 minutes 56 seconds East, a distance of 52.00 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars" on the north line of said 408.510 acre tract;

THENCE, North 89 degrees 32 minutes 06 seconds East, along the north line of said 408.510 acre tract a distance of 657.83 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" found for corner at the northeast corner of said 408.51 acre tract and the common northeast corner of said John Ragsdale Survey and the southwest corner of the M.D. Bullion Survey, Abstract No. 137 and being on the west line of Collin County School Land Survey No. 14, Abstract No. 167 and the west line of a tract of land conveyed to Richard C. Smith and wife, Janet L. Smith by deed recorded in County Clerk's File No. 97-0086916, Land Records, Collin County, Texas.

THENCE, South 01 degrees 06 minutes 02 seconds East, along the east line of said 408.510 acre tract and the west line of said Collin County School Land Survey No. 14, Abstract No. 167 and the common west line of said Smith Tract, and the common west line of a 100.593 acre tract conveyed by deed to the Walton Bradford Family Partnerships, L.P. recorded in Volume 5050, Page 00784, Land Records, Collin County, Texas, and the west line of tract of land conveyed by deed to Albert Mokhtar, trustee, recorded in Volume 2722, Page 333, Land Records, Collin County, Texas, a distance of 3,004.05 feet to a point for corner;

THENCE, North 89 degrees 28 minutes 05 seconds East, passing at a distance of 35.43 feet a 1" iron pipe found for the northwest corner of aforesaid 151.289 acre tract and continuing along the

north line of said 151.289 acre tract and the common south line of aforesaid Albert Mokhtar Tract, a total distance of 1,948.01 feet to a ½ inch iron rod found for the northeast corner of said 151.289 acre tract and the southeast corner of said Albert Mokhtar Tract and being on the west right-of-way of the Red River Texas & Southern Railway Company, Tract No. 54, by deed recorded in Volume 121, Page 20, Land Records, Collin County, Texas.

THENCE, South 11 degrees 20 minutes 28 seconds West, along the east line of aforesaid 151.289 acre tract and the common west line of aforesaid Red River Texas & Southern Railway Company Tract No. 54, a distance of 4,816.17 feet to a ½ inch iron rod found for the southeast corner of said 151.289 acre tract and point on the north line of a called 81.68 acre tract of land, conveyed to Graham S. Stelzer and wife, Doris Stelzer by deed recorded in Volume 587, Page 146, Land Records, Collin County, Texas;

THENCE, South 89 degrees 32 minutes 42 seconds West, along the south line of aforesaid 151.289 acre tract and the common north line of aforesaid 81.68 acre tract, passing at a distance of 884.15 feet a 3/8 inch iron rod found for the southeast corner of said 151.289 acre tract and continuing a total distance of 910.34 feet to a point for corner on the east line of aforesaid 408.510 acre tract;

THENCE, South 01 degrees 06 minutes 02 seconds East, along the east line of said 408.510 acre tract, a distance of 1,090.95 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for corner at the southeast corner of said 408.510 acre tract and the northeast corner of aforesaid 161.4193 acre tract;

THENCE, along the south line of said 408.510 acre tract and the common north line of said 161.4193 acre tract, the following courses and distances:

NORTH 89 degrees 44 minutes 17 seconds West, a distance of 138.60 feet to a point for corner;

NORTH 82 degrees 40 minutes 54 seconds West, a distance of 632.77 feet to a point for corner;

SOUTH 89 degrees 19 minutes 08 seconds West, a distance of 1,314.05 feet to a point for corner;

SOUTH 87 degrees 52 minutes 29 seconds West, a distance of 475.03 feet to a point for corner;

SOUTH 89 degrees 56 minutes 06 seconds West, a distance of 722.47 feet to the POINT OF BEGINNING and containing 597.17 acres of land, more or less.

TRACT B

Being a 209.022 acre tract of land situated in the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas, and being all of Tract B, a 209.022 acre tract of land as described in instrument to LFC Land Company, LLC, recorded in Document No. 20120423000464780, Land Records, Collin County, Texas, said 209.022 acre tract, with bearing basis of grid north, Texas State Plane Coordinates, north central zone, harn nad 83 (93) datum, being more particularly described by metes and bounds as follows:

Beginning at ½ inch iron rod found for the northeast corner of aforesaid 209.022 acre tract and being the southeast corner of a called Tract 4, conveyed to Ownsby 1880 Farms, LTD. by deed recorded in County Clerk's File No. 99-0005737, Land Records, Collin County, Texas and being on the west line of a called Tract 1, conveyed to Ownsby 1880 Farms, LTD. by deed recorded in County Clerk's File No. 99-0005737, Land Records, Collin County, Texas;

THENCE, South 00 degrees 28 minutes 05 seconds east, along the east line of aforesaid 209.022 acre tract, and the west line of aforesaid Tract 1 and a called Tract 2 & Tract 3, conveyed to Ownsby 1880 Farms, LTD. by deed recorded in County Clerk's File No. 99-0005737, Land Records, Collin County, Texas, a distance of 4058.21 feet to a 60D Nail found for the southwest corner of aforesaid Tract 3;

THENCE, continuing along the east line of aforesaid 209.022 acre tract and the west line of a called 139.708 acre tract of land, conveyed to Keeran Family Partnership, LTD., recorded in County Clerk's File No. 2001-0083876, Land Records, Collin County, Texas, the following courses and distances:

SOUTH 00 degrees 28 minutes 43 seconds East, a distance of 658.85 feet to a ½ inch iron rod found for corner;

SOUTH 00 degrees 26 minutes 50 seconds East, a distance of 2675.40 feet to a 3/8 inch iron rod found for corner in the approximate centerline of Business Highway No. 289 (A variable prescriptive width right-of-way) and being the southeast corner of aforesaid 209.022 acre tract and the southwest corner of aforesaid 139.708 acre tract, from said corner a 60D nail bears north 00 degrees 52 minutes 30 seconds West, a distance of 33.68 feet found for witness;

THENCE, South 89 degrees 29 minutes 44 seconds West, along the south line of aforesaid 209.022 acre tract and with the approximate centerline of aforesaid Business Highway No. 289, a distance of 1322.70 feet to a 3/8 inch iron rod found for the southwest corner of said 209.022 acre tract and the southeast corner of a called 7.438 acre tract of land, conveyed to Lotti Loraine Couch by deed recorded in County Clerk's File No. 97-0002825, Land Records, Collin County, Texas, from said corner a 60D nail bears north 01 degrees 13 minutes 49 seconds west, a distance of 37.84 feet found for witness;

THENCE, North 00 degrees 42 minutes 12 seconds West, along a west line of aforesaid 209.022 acre tract and the common east line of aforesaid 7.438 acre tract, a distance of 605.95 feet to a ½ inch iron rod found for the northeast corner of said 7.438 acre tract;

THENCE, North 00 degrees 18 minutes 06 seconds West, continuing along a west line of aforesaid 209.022 acre tract and the common east line of a called 81.68 acre tract of land, conveyed to Graham S. Stelzer and wife, Doris Stelzer by deed recorded in Volume 587, Page 146, Land Records. Collin County, Texas, a distance of 2067.07 feet to a ½ inch iron rod found for the insider cll corner of said 209.022 acre tract and the northeast corner of said 81.68 acre tract;

THENCE, South 89 degrees 31 minutes 56 seconds West, along a south line of aforesaid 209.022 acre tract and the common north line of aforesaid 81.68 acre tract, a distance of 353.59 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for corner on the east right-of-way of the Red River Texas & Southern Railway Company Tract No. 54 by deed recorded in Volume 121, Page 20, Land Records, Collin County, Texas;

THENCE, North 11 degrees 20 minutes 28 seconds East, along the west line of aforesaid 209.022 acre tract and the west line of aforesaid 69.81 acre tract and the common east line of aforesaid Red River Texas & Southern Railway Company Tract No. 54, a distance of 4816.78 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for the northwest corner of said 209.022 acre tract and the southwest corner of aforesaid Tract 4;

THENCE, North 89 degrees 04 minutes 39 seconds East, along the north line of aforesaid 209.022 acre tract and the common south line of aforesaid Tract 4, a distance of 687.89 feet to the POINT OF BEGINNING and containing 209.022 acres of land, more or less.

Exhibit B
Legal Description of the LFC II Property

Keeran Tract

BEING all that certain lot, tract or parcel of land situated in the City of Celina, Collin County, Texas, out of the Collin County School Land No. 14 Survey, Abstract 167, and being a part of the 134.88 acres of Land described in Deeds to Keeran Family Partnership, Ltd., as recorded in County Clerk's file Number 2001-0083874 and 2001-0083876 of the Real Property Records of Collin County, Texas, and being more particular described by metes and bounds as follows:

BEGINNING AT A ½" IRON ROD FOUND FOR THE Northwest corner of said 134.88 acre tract, said point also being in the East line of a 209.022 acre tract of land conveyed to LFC Land Company as recorded in County Clerk's file No. 2012-0423000464780 of the Real Property Records of Collin County, Texas, said point also being the Southwest corner of tract of land conveyed to Ownsby Farms, Ltd., as recorded in Volume 4332, Page 1047, Deed Records, Collin County, Texas;

THENCE North 89 degrees 35 minutes 26 seconds East (North 89 degrees 58 minutes West Deed), (Basis of Bearings per North Central Texas Zone 4203 State Plane Coordinates) South line of said Ownsby Farms Ltd. Tract for distance of 1334.62 feet (1335.30 feet Deed) to a 1/2" iron rod found for the Northeast corner of said 134.88 acre tract , said point also being the Northwest corner of a called 15.211 acre tract of land conveyed to J. Altus Inc. Profit Sharing Trust & Metroplex Properties LLC & Dall Developments, Inc. as recorded in Volume 5870 at Page 5025 of the Deed Records of Collin County, Texas;

THENCE South 00 degrees 15 minutes 00 seconds East (South 00 degrees 00 minutes 38 seconds West Deed), and following along the East line of said 134.88 acre tract, and the West line of said 15.211 acre J. Altus tract and also along the West line of a 15.28 acre tract of land conveyed to John Feizy by Deed and recorded in County Clerk's file No. 93-0056727, for a distance of 1045.61 feet to a 1/2" iron rod found for corner, said point being the Southwest corner of a 3.99 acre tract of land conveyed to Terry Barnes by Deed as recorded in Volume 2006, Page 93180, of the Deed Records of Collin County, Texas;

THENCE South 00 degrees 54 minutes 17 seconds East and continuing along the East line of the Keeran Family 134.88 acre tract and the West line of said 3.99 acre Terry Barnes Tract, for a distance of 527.61 feet to a point for the Southwest corner of said 3.99 acre Terry Barnes Tract, same being the Northwest corner of 12.0734 acre tract of land conveyed to J. Altus Inc. Profit Sharing by Deed and Recorded in Volume 5826 at Page 5441 of the Deed Records of Dallas County, Texas;

THENCE South 00 degrees 03 minutes 36 seconds West and following along the West line of said 12.0734 acre J. Altus Inc. Profit Sharing Tract, for a distance of 417.19 feet to a ½" iron rod found for the Southwest corner of said 12.0734 acre J. Altus Inc. Profit Sharing Tract;

THENCE South 00 degrees 30 minutes 27 seconds East across said 134.88 acre tract for a distance of 1341.14 feet to a railroad spike set in asphalt for corner in the center of Business Highway No. 289 Also known as County Road No. 5 and also known as North Coleman Street (an undedicated variable width prescriptive right of way);

THENCE South 89 degrees 29 minutes 33 seconds West and following along the center of said roadway and the South line of said 134.88 acre tract, for a distance of 1332.51 feet to a 3/8" iron rod found for the Southwest corner of said 134.88 acre tract, same being the Southeast corner of the aforementioned 209.022 acre tract;

THENCE North 00 degrees 26 minutes 47 seconds West (North 00 degrees 05 minutes West Deed), and following along the West line of said 134.88 acre tract and the East line of said 209.22 acre tract for a distance of 2674.96 feet (2675.16 feet Deed) to a 1/2" iron rod found for corner;

THENCE North 00 degrees 29 minutes 23 seconds West (North 0 degrees 12 minutes West Deed) , and continuing along the West line of said 134.88 acre tract and the East line of said 209.022 acre tract for a distance of 658.83 feet (659.2 feet Deed) to the point of Beginning and Containing 101.9292 acres of Land, more or less of which 0.9177 acres of land lies within the aforesaid Business Highway No. 289, leaving 101.0115 acres of land net of right of way.

Texas A&M Tract

BEING a tract of land situated in the John Ragsdale Survey, Abstract No. 734, Collin County, Texas and being all of a tract of land described in instrument to the Board of Regents of the Texas A & M University System as recorded in Volume 2513, Page 274 of the Deed Records, Collin County, Texas and being more particularly described as follows;

BEGINNING at a P.K. Nail found at the southeast corner of said Texas A & M University System tract, said point being at the approximate intersection of CR 5 and CR 51;

THENCE along the approximate centerline of CR 5, South 89 degrees 26 minutes 49 seconds West a distance of 4,240.33 feet (Deed 4,239.94 feet) to a 1/2 inch iron rod found at the southwest corner of said Texas A & M University System tract and being at the approximate intersection of CR 5 and CR 50;

THENCE departing the approximate centerline of CR 5, North 00 degrees 36 minutes 39 seconds West a distance of 1,674.54 feet (Deed 1,673.98 feet) to a 1/2 inch iron rod found at the northwest corner of the aforementioned Texas A & M University System tract;

THENCE along the northerly line of said Texas A & M University System tract and the approximate centerline of a drainage ditch the following;

North 89 degrees 56 minutes 00 seconds East a distance of 1,672.59 feet (Deed 1,669.51 feet) to a point for corner;

North 87 degrees 52 minutes 29 seconds East a distance of 475.03 feet to a point for corner;

North 89 degrees 19 minutes 08 seconds East a distance of 1,314.05 feet to a point for corner;

South 82 degrees 40 minutes 54 seconds East a distance of 632.77 feet to a point for corner;

South 89 degrees 44 minutes 17 seconds East a distance of 138.60 feet (Deed 138.11 feet) to a 5/8 inch iron rod found with plastic cap stamped "Huit-Zollars" in the approximate centerline of the aforementioned CR51;

THENCE along the approximate centerline of the aforementioned CR51, South 01 degrees 06 minutes 06 seconds East a distance of 1,587.75 feet to the POINT OF BEGINNING and containing 161.51 Acres of land, more or less.



Filed and Recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
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AMENDED AND RESTATED DEVELOPMENT AGREEMENT

This Amended and Restated Development Agreement (this "Agreement") is by and between (i) the CITY OF CELINA, TEXAS, a general law city located in Collin County, Texas (the "City"), (ii) Forestar/RPG Land Company LLC ("RPG"), (iii) Lucas Celina 209, Ltd., A Texas limited partnership (the "East Commercial Property Owner"), and (iv) Central Frisco, Ltd., A Texas limited partnership (the "West Commercial Property Owner") and is made and entered into effective as of the date signed by the Mayor of the City (the "Effective Date"). The parties are sometimes individually referred to as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, RPG holds fee simple title to approximately 769 acres of land described by metes and bounds on the attached Exhibit A and depicted on the attached Exhibit A-1 (the "RPG Property"); and

WHEREAS, the RPG Property is located within the extraterritorial jurisdiction ("ETJ") of the City and not within the ETJ or corporate limits of any other city or town; and

WHEREAS, the East Commercial Property Owner holds fee simple title to approximately 209 acres of land described by metes and bounds on the attached Exhibit B and depicted on the attached Exhibit B-1 (the "East Commercial Property"); and

WHEREAS, the West Commercial Property Owner holds fee simple title to approximately 103 acres of land described by metes and bounds on the attached Exhibit C and depicted on the attached Exhibit C-1 (the "West Commercial Property", collectively, the East Commercial Property and the West Commercial Property being referred to as the "Commercial Property"; and collectively, the Commercial Property and the RPG Property being referred to as the "Property"); and

WHEREAS, the Commercial Property is located within the ETJ of the City and not within the ETJ or corporate limits of any other city or town; and

WHEREAS, the Light family trust holds fee simple title to approximately 66 acres of land described by metes and bounds on the attached Exhibit D and depicted on the attached Exhibit D-1 (the "Trust Property"); and

WHEREAS, the Trust Property is located within the ETJ of the City and not within the ETJ or corporate limits of any other city or town; and

WHEREAS, the City has entered into that certain "City-County Plat Approval Agreement (Exclusive City Control)" with Collin County, Texas dated March 25, 2002 (the "Interlocal Agreement"); and

WHEREAS, the Interlocal Agreement has not been amended; and

WHEREAS, the Interlocal Agreement provides that the City is granted exclusive jurisdiction to regulate all subdivision plats and approve all related permits in the City's ETJ in accordance with Chapter 212, Texas Local Government Code, the City's adopted Subdivision Regulations, or other applicable codes and ordinances of the City and that Collin County shall not exercise any of such functions within the City's ETJ; and

WHEREAS, the Interlocal Agreement provides that the Subdivision Regulations of the City are established as a consolidated and consistent set of regulations related to plats and subdivisions of land as authorized by Chapter 212 and Chapter 232, Texas Local Government Code, and will be enforced by the City within its ETJ; and

WHEREAS, on April 1, 2003, 14875 PARTNERS, LTD. ("14875"), a predecessor in interest to RPG, petitioned the Texas Commission on Environmental Quality (the "TCEQ") for the creation of Collin County Municipal Utility District No. 1 ("MUD 1") and the City opposed the petition; and

WHEREAS, 14875 obtained approval of a preliminary plat covering 511.2 acres of the RPG Property from the Commissioner Court of Collin County, Texas, on May 10, 2004 because at the time the preliminary plat was filed, the 511.2 acres was located outside of the City's ETJ; and

WHEREAS, the City agreed to (i) drop its opposition to the creation of MUD 1 and consent to the creation of MUD 1, and (ii) consent to the inclusion of the remainder of the Residential Property into MUD 1 in return for certain agreements of 14875 relative to the Property; and

WHEREAS, as part of the settlement of the dispute between the City and 14875, the City and 14875 entered into that certain Development Agreement effective August 23, 2004 that included the Property, which Development Agreement was recorded in the deed records of Collin County, Texas on April 25, 2005, under file number 2005-0053154 (the "2004 Development Agreement"); and

WHEREAS, by Order dated February 24, 2005, the TCEQ created MUD 1 encompassing a portion of the RPG Property; and

WHEREAS, by Order dated March 18, 2005, the Board of Directors of MUD 1 annexed into the boundaries of MUD 1 the remainder of the RPG Property; and

WHEREAS, the City has consented to the creation of MUD 1 by the TCEQ and to the annexation into MUD 1 of the remainder of the RPG Property; and

WHEREAS, the RPG Property is located wholly within the boundaries of MUD 1; and

WHEREAS, no portion of the Commercial Property is located within or will be annexed into the boundaries of MUD 1; and

WHEREAS, no portion of the Trust Property is located within the boundaries of MUD 1; and

WHEREAS, the City and RPG will not oppose the efforts of MUD 1, either through the Texas Legislature or through petitioning the TCEQ, to acquire powers granted to the district for the construction and maintenance of roads; and

WHEREAS, the Property and the Trust Property are all located within the City's water and wastewater service area, as shown by Certificates of Convenience and Necessity Nos. 12667 and 20764 (collectively, the "CCNs"); and

WHEREAS, the City and Upper Trinity Regional Water District ("Upper Trinity") entered into that certain Regional Wastewater Treatment Services Contract dated December 7, 2006 (the "Upper Trinity Contract"); and

WHEREAS, pursuant to the terms of the Upper Trinity Contract, Upper Trinity shall provide to the City wholesale wastewater treatment services for wastewater collected by the City within the City's wastewater service area; and

WHEREAS, 14875, The Carolina Development Company, Inc. ("Carolina"), and the City entered into that certain "Memorandum of Understanding" effective as of May 1, 2006 (the "Memorandum") wherein the parties to the Memorandum resolved their dispute with respect to the then-pending application by 14875 with the TCEQ of a Texas Pollutant Discharge Elimination System Permit (the "TPDES Permit") to discharge treated wastewater at a location within Collin County, Texas and at a point within the service area of the City based on the City's wastewater Certificate of Convenience and Necessity referenced above; and

WHEREAS, pursuant to the terms of the Memorandum, 14875, Carolina, and the City entered into that certain First Amendment to Development Agreement effective August 24, 2006 (as amended, the "Amended 2004 Development Agreement"); and

WHEREAS, the TPDES Permit was issued to 14875 by the TCEQ on October 27, 2006, and assigned TPDES Permit Number WO0014516001; and

WHEREAS, the TPDES Permit expires at midnight, October 1, 2011; and

WHEREAS, 14875 will assign the TPDES Permit to RPG; and

WHEREAS, pursuant to the terms of each document, MUD 1 executed written consents to the 2004 Development Agreement, the Memorandum, and the Amended 2004 Development Agreement; and

WHEREAS, the Parties desire to replace, in their entirety, the 2004 Development Agreement, the Memorandum, and the Amended 2004 Development Agreement with this Agreement.

NOW THEREFORE, for and in consideration of these premises and of the mutual promises, obligations, covenants and benefits herein contained, the Parties contract and agree as follows:

ARTICLE I
GENERAL PROVISIONS

1.1 Definitions. The following capitalized words and phrases when used in this Agreement shall have the following meanings:

- (a) “Assets” shall mean all assets of MUD 1, including but not limited to: (i) all rights, title and interests of MUD 1 in and to the Facilities, (ii) any Bonds of MUD 1 which are authorized but have not been issued by MUD 1, (iii) all rights and powers of MUD 1 under any agreements or commitments with any persons or entities pertaining to the financing, construction or operation of all or any portion of the Facilities and/or the operations of MUD 1, and (iv) all books, records, files, documents, permits, funds and other materials or property of MUD 1.
- (b) “Bonds” shall mean MUD 1’s bonds, notes or other evidences of indebtedness issued from time to time for the purpose of financing the costs of acquiring, constructing, purchasing, operating, repairing, improving or extending the Facilities, whether payable from ad valorem taxes, cash flow from operations, the proceeds of one or more future bond issues or otherwise, and including any bonds, notes or similar obligations issued to refund such bonds.
- (c) “Construction Costs” shall mean all costs related to the development and construction of the Facilities that are eligible to be financed by MUD 1 pursuant to the laws of the State of Texas and the then current Rules, including any impact fees paid to receive water and sanitary sewer service.
- (d) “Critical Development Date” shall mean the date on which a “notice to proceed” has been given under any contract for the construction of water, sanitary sewer, roads, or drainage Facilities for the first residential subdivision within the RPG Property. The Critical Development Date shall not occur prior to the later to occur of (1) the first anniversary of Effective Date of this Agreement or (2) the time that the City has approved construction plans for all of the water, sanitary sewer, roads, and drainage to serve the first residential subdivision within MUD 1 (which approval date for purposes of calculating the Critical Development Date shall not be more than 60 days after the construction plans are submitted to the City).
- (e) “Facilities” shall mean and include those portions of any water supply and distribution system, any sanitary sewer collection and treatment system, any storm water and drainage facilities, and any road, street, or transportation system designed and constructed either inside or outside of MUD 1 by RPG or MUD 1 to serve property within MUD 1.
- (f) “Land Plan” shall mean the land plan of approximately 769 acres within MUD 1 attached hereto as Exhibit E. If MUD 1 annexes additional property into MUD 1, the Land Plan will be updated which update shall include a proportional increase in the residential lots permitted within MUD 1. The updated Land Plan shall be

substituted for the Land Plan contained on Exhibit E, and this Agreement shall be deemed amended by such substitution.

- (g) “Obligations” shall mean: (i) all outstanding Bonds of MUD 1, (ii) all other debts, liabilities and obligations of MUD 1 (including, but not limited to, contractual agreements between MUD 1 and RPG and/or future owners of portions of property within MUD 1) to or for the benefit of any persons or entities relating to the financing, construction or operation of all or any portion of the Facilities or the operations of MUD 1, and (iii) all functions performed and services rendered by MUD 1, for and to the owners of property within MUD 1 and the customers of the Facilities.
- (h) “Rules” shall mean the applicable rules and regulations of the TCEQ.
- (i) “Sewer Facilities” shall mean those sewer Facilities and other sewer facilities designed and constructed to serve property other than the RPG Property described and depicted on Exhibit F.
- (j) “TCEQ” shall mean the Texas Commission on Environmental Quality or its successors.
- (k) “Water Facilities” shall mean those water Facilities and other water facilities designed and constructed to serve property other than the RPG Property which Water Facilities include the Phase One Water Facilities and the Phase Two Water Facilities described and depicted on Exhibit G.

1.2 Recitals. The Recitals set forth in this Agreement are true and correct, are binding upon the Parties, and form the basis upon which the Parties entered into this Agreement.

ARTICLE II OBLIGATIONS/ACTIONS OF PROPERTY OWNERS

2.1 Applicable Regulations. Unless otherwise approved in writing by the owner of any portion of the Property being developed under this Agreement, the Property shall be developed in accordance with the regulations set forth in this section (the “Applicable Regulations”). In the event of any conflict or inconsistency between this Agreement and the Applicable Regulations, the provisions and intent of this Agreement shall control. No ordinances, resolutions, codes, rules, regulations, standards, policies, guidelines, or other requirements of any kind adopted, enacted, or otherwise enforced by the City shall apply to the development of the Property other than the Applicable Regulations. The Applicable Regulations shall continue to apply during the term of this Agreement and shall not be affected by the fact that later phases of development may vary significantly from earlier phases or from the Land Plan. The Applicable Regulations consist exclusively of the following:

- (a) The City’s Water Distribution Master Plan prepared by Birkhoff, Hendricks & Conway and dated May 2003 as modified by the RPG Property water distribution

plan attached as Exhibit G (collectively, the improvements described and depicted on Exhibit G are the “Water Facilities”).

- (b) The City’s Wastewater Master Plan prepared by Birkhoff, Hendricks & Conway and dated August 2003 as modified by the RPG Property wastewater distribution plan attached as Exhibit F (collectively, the improvements described and depicted on Exhibit F are the “Sewer Facilities”).
- (c) The City’s Master Thoroughfare Plan prepared by Dunkin, Sefko & Associates, Inc. and dated December 2001 (the “Thoroughfare Plan”) as modified by the Land Plan.
- (d) The International Building Code, International Residential Code, International Mechanical Code, International Plumbing Code, International Fire Code, International Energy Conservation Code, National Life and Safety Code, National Electrical Code (all of the foregoing codes as amended, including local amendments adopted by the North Central Texas Council of Governments but excluding any other local amendments to such codes and excluding any other City-adopted building codes) that are applicable to buildings and other structures (including, but not limited to, single-family homes), that are adopted by ordinance, and that are uniformly applied and enforced throughout the corporate limits of the City (the “Building Codes”).
- (e) The uniform engineering and construction design standards of the City, as amended, that are applicable to water, sanitary sewer, streets, and drainage Facilities, that are adopted by ordinance, and that are uniformly applied and enforced throughout the ETJ and corporate limits of the City (the “Engineering Design Standards”).
- (f) The water and sanitary sewer rules, regulations, and policies of the City, as amended, that are related to providing retail water and sanitary sewer service to individual platted lots, that are adopted by ordinance, and that are uniformly applied and enforced throughout the ETJ and corporate limits of the City and the area for which the City holds the CCNs (the “Retail Utility Policies”).
- (g) In addition to the regulations described in subsections (a) through (f) above, the RPG Property shall be developed in accordance with the Land Plan (with densities no greater than, and lot sizes no smaller than, those shown on the Land Plan) and with Collin County Subdivision Ordinance dated November 24, 2003 (including the interpretations and utility placement depiction set forth on the attached Exhibit H). In the event of any conflict between the Land Plan and any of the regulations described in subsections (a) through (f) above, the Land Plan shall control. In the event of any conflict between the Engineering Design Standards and the same or similar design standards contained in the referenced county Subdivision Ordinance, the Engineering Design Standards shall control; provided, however, the Engineering Design Standards shall not be applied or interpreted to adversely impact the street layouts or widths, lot layouts, lot

dimensions, or lot sizes as shown on the Land Plan. The City will review and approve any revisions to the Land Plan as well as all plats for any portion of the RPG Property (such review and approvals to be governed by the Applicable Regulations).

- (h) In addition to the regulations described in subsections (a) through (f) above, the Commercial Property shall be developed in accordance with Celina Subdivision Ordinance No. 97-9, as amended by Ordinance No. 02-38 (including the interpretations of such ordinances set forth on the attached Exhibit I).
- (i) In addition to the regulations described in subsections (a) through (g) above, RPG shall have the right to develop any portion of the RPG Property to include lot layouts, lot dimensions, setbacks and lot sizes that are the same as or comparable to those shown on the Land Plan.
- (j) In addition to the regulations described in subsections (a) through (f) and (h) above, the East Commercial Property Owner and the West Commercial Property Owner shall each have the right to develop any portion of the Commercial Property respectively owned for any retail, office, and other commercial uses including, but not limited to, "big box" retail and regional retail (such as a regional mall). The Commercial Property shall otherwise be subject to the City's development standards (such as the contemplated "Toll Road Overlay Corridor Commercial Zoning and Development Standards"), as amended, that are applicable at the time the Commercial Property, or any portion thereof, is annexed into the City.
- (k) In addition to the regulations described above, the RPG Property shall be subject to the City's sign regulations, as amended, that are adopted by ordinance and that are uniformly applied and enforced throughout the ETJ and corporate limits of the City as modified by the sign standards attached as Exhibit J.
- (l) In addition to the regulations described above, the Property shall be subject to the City's regulations, as amended, that are adopted by ordinance, that are uniformly applied and enforced throughout the ETJ and corporate limits of the City, and that are intended to prevent the imminent destruction of property or injury to persons.

2.2 Development Fees and Charges. Development of the Property shall be subject to the payment of the following fees and charges (collectively, the "Development Fees"): (a) for each connection, a water impact fee in the amount provided on Exhibit K (subject to rebate as provided in Section 5.5(d) of this Agreement); (b) for each connection, a sanitary sewer impact fee in the amount provided on Exhibit K (subject to rebate as provided in Section 5.6(d) of this Agreement); (c) for each connection, a sewer capacity reservation fee of \$500; (d) building permit fees as provided by Section 2.3 of this Agreement; (e) park dedication fees as provided by Section 2.6 of this Agreement; (f) Plan Review Fees as provided by Section 4.7 of this Agreement; (g) charges for labor and materials (such as meter costs and meter set fees) as set forth in the Retail Utility Policies; (h) the costs to design and construct the Water Facilities and Sewer Facilities;

(i) the costs to design and construct the water distribution lines and appurtenances and sanitary sewer collection lines and appurtenances necessary to serve individual lots or connections within the Property; (j) the City's standard plat application fees (as adopted by the City's Master Fee Schedule, as amended); and (k) the City's standard professional fees for plat review (as adopted by the City's Professional Review Fee Ordinance, as amended). Sewer capacity reservation fees and water and sanitary sewer impact fees applicable to individual lots will be due and payable by the applicants at the time building permits are issued for homes or other structures to be built on such lots. In the event of any conflict or inconsistency between the Development Fees and any development fees or charges otherwise referenced in the Applicable Regulations, the Development Fees shall control. No development fees, impact fees, front foot fees, pro-rata charges, capital recovery charges, or charges of any kind shall apply to the development of the Property other than the Development Fees. The Development Fees are charged pursuant to the authority of Texas Local Government Code Section 212.172(b) and are not Texas Local Government Code Chapter 395 impact fees.

- 2.3 Building Permits. Except for the temporary manufactured housing permitted by Section 2.4, all single-family homes and other buildings constructed within the Property shall comply with the Building Codes. The City shall review construction plans, issue building permits, inspect construction (including call-backs, if applicable), and issue certificates of occupancy or completion (collectively, the "Permit Services"). The Permit Services will be performed by Graham-Marcus employees or by another qualified and certified independent contractor selected by the City; however, the City reserves the right to perform the Permit Services using a full-time City employee who is qualified and certified to the same standards as Graham-Marcus. The City agrees that the Permit Services shall be performed in a timely manner and without undue delay. The fees for the Permit Services shall be charged at the time of construction plan submission and shall be competitive with similar fees charged within the north Texas area (but shall not exceed the fee charged by the City for Permit Services anywhere else within the City's corporate limits or ETJ).
- 2.4 Temporary Manufactured Housing. A maximum of five (5) HUD-certified manufactured homes ("Manufactured Housing") within MUD 1 are permitted at any given time as necessary for the creation and administration of MUD 1. RPG will notify the City at least 45 days prior to the installation of each unit of Manufactured Housing. RPG agrees that the location of Manufactured Housing on the RPG Property will be temporary and removed from MUD 1 within sixty (60) days from the date of the election confirming the creation of MUD 1. The Applicable Regulations (including the plat approval process) do not apply to the Manufactured Housing authorized by this section.
- 2.5 Dedication of Road Right-of-Way. RPG, the East Commercial Property Owner and the West Commercial Property Owner, as applicable, shall transfer (with a reservation of all outstanding mineral interests) to MUD 1 (or otherwise as may be necessary to facilitate private maintenance), at no cost to the City or Collin County, all right-of-way within the Property that is necessary for the construction or maintenance of thoroughfare roads within the Property. The location of all roads within the Property, shall be determined by RPG, the East Commercial Property Owner and the West Commercial Property Owner,

respectively, each in its sole discretion; however, unless otherwise approved by the City, all roads within the Property shall be (a) consistent with the Land Plan, and (b) except as otherwise shown on the Land Plan, shall align with the Thoroughfare Plan at the perimeter boundaries of the Property. In the event of any conflict between the Land Plan and the Thoroughfare Plan, the Land Plan shall control for the RPG Property.

- 2.6 Park Dedication Fees. In lieu of any requirement to dedicate land for parks, playgrounds, trails, open space, green space, recreational area, or any other similar purposes, development of the RPG Property shall require the payment of park fees in the amount of \$1,000.00 per single-family lot. The fee for each lot shall be payable at the time a building permit is issued for the home or other structure to be built on the lot. Seventy percent (70%) of the park fees so paid shall be used by the City for the acquisition, operation, maintenance, or construction of any public park, recreation facility, or public trail located within the City (or, if approved by the City, within the RPG Property) or for any other lawful purpose. The remaining thirty percent (30%) shall be rebated by the City to RPG who shall use such funds for the acquisition, operation, maintenance, or construction of any park, recreation facility, or trail located within the RPG Property. The City shall allocate and pay to RPG thirty percent (30%) of any such park fees collected within 30 days following receipt thereof by the City.

2.7 Sanitary Sewer and Trail Easements.

- (a) RPG, the East Commercial Property Owner and the West Commercial Property Owner, agree that whichever one or more of them own or control the real estate to be subject to the following described easements, to dedicate to the City, at no cost or expense to the City, (1) a non-exclusive 30-foot wide sanitary sewer easement along Doe Branch proper, (2) a non-exclusive 30-foot wide sanitary sewer easement along the southern, unnamed tributary of Doe Branch, (3) temporary construction easements of not more than 50 feet in width adjacent to the two sanitary sewer easements; and (4) a fifteen (15) foot wide trail easement located along Doe Branch proper; provided, however, such trail easement shall not be located within the floodway except as permitted by the City in its sole discretion.
- (b) The exact locations of the sanitary sewer and temporary construction easements described above will be approved by the City (which approval shall not unreasonably be withheld) prior to the City's approval (and as a condition to the City's approval) of the first final plat of property within the Land Plan. The exact locations of such easements shall be selected to facilitate construction and maintenance of the City's future sanitary sewer system with a minimum impact on (1) the natural features of the Property (such as creek beds, creek banks, and wooded areas), (2) existing or future development of the Property, and (3) the loss of developable land (although the City, RPG, the East Commercial Property Owner and the West Commercial Property Owner recognize that the loss of some natural features and developable land may not be avoided). The City and RPG acknowledge that the Land Plan does not include the easements described above; however, RPG agrees to find suitable locations for such easements (based on the criteria set forth in this subsection) during the final plat process for the first phase

of the RPG Property. For those portions of the RPG Property not covered by the first final plat, such easements will be dedicated by plat unless the City needs the easement at an earlier time; in which case the City shall give notice to RPG of the date the easement is needed; whereupon, RPG shall cause the easement to be dedicated by separate instrument within 60 days after receiving such notice from the City. Such easement shall retain grantor's right to construct, dedicate, operate and maintain on, over, under and across the easement such fences, pavement, sidewalks, roads, parking areas, utility lines, landscaping, signs, lighting and related improvements in any manner that does not damage the sewer line or significantly increase the cost of repair or maintenance of the sewer line. The City shall have the right to remove or damage such crossing in order to repair or maintain the sewer line; however, the City shall replace or restore such crossing to the same condition in which it existed before the removal or damage.

- (c) The exact location of the trail easement described above will be determined during the final plat process for each phase of the RPG Property. If the City needs the trails at an earlier time, the City shall give notice to RPG of the date the trail is needed; whereupon, RPG shall cause the trail to be dedicated by separate easement instrument within 60 days after receiving such notice from the City. The exact location of the trail shall be within the green space corridors shown on the Land Plan.

2.8 Site For Elevated Water Storage Tank. The East Commercial Property Owner agrees to dedicate to the City one (1) acre within the East Commercial Property in either of the two locations shown in the attached Exhibit L for the sole purpose of constructing, using, operating, maintaining, and repairing an elevated water storage tank and related Water Facilities. The East Commercial Property Owner also agrees to dedicate to the City non-exclusive easements reasonably necessary for access, power, utilities, telecommunications, and pipelines to such site (including temporary construction easements as reasonably required). The dedication will occur at the earlier of such time as the land surrounding the site receives final plat approval or at such time as the City gives the East Commercial Property Owner written notice that the City is ready to proceed with the development of the site for the elevated water storage tank. Such dedication shall include a restriction and reverter clause which provides that the City may use such site solely for an elevated water storage tank and related Water Facilities. Title to the site shall automatically revert to the East Commercial Property Owner if construction of the elevated water storage tank has not begun within three years after the later to occur of (a) the date the site is dedicated or (b) the date the City receives funds from RPG to construct the tank pursuant to Section 5.5(b) of this Agreement. RPG, the East Commercial Property Owner and the West Commercial Property Owner shall agree on which of the two locations shown in the attached Exhibit L shall be dedicated to the City.

2.9 Site For Public Safety Facility. The East Commercial Property Owner agrees to dedicate to the City three (3) acres within the East Commercial Property adjacent to the site that is selected for the elevated water storage tank for the sole purpose of constructing, using, operating, maintaining, and repairing police, fire, and EMS facilities that will serve the

Property and the remainder of the City. The East Commercial Property Owner also agrees to dedicate to the City non-exclusive easements reasonably necessary for access, power, utilities, and telecommunications to such site (including temporary construction easements as reasonably required). The location of the site must be approved by the City, which approval shall not be unreasonably withheld or delayed. The dedication will occur at the earlier of such time as the land surrounding the site receives final plat approval or at such time as the City gives the East Commercial Property Owner written notice that it is ready to proceed with the development of the site for police, fire, and EMS facilities and has funding for such use approved by the City Council and available. Such conveyance shall include a restriction and reverter clause which provides that the City may use such site solely for construction of police, fire, and EMS facilities. If no such facilities have been constructed on the site within twenty years (20) after the site is dedicated, title to the site shall automatically revert to the East Commercial Property Owner.

- 2.10 Waiver. RPG, the East Commercial Property Owner and the West Commercial Property Owner (a) waive any and all claims against the City regarding validity or enforceability of the Development Fees and easement and site donations described in this Agreement, and (b) release any claims that RPG, the East Commercial Property Owner and the West Commercial Property Owner may have against the City regarding such fees and donations (whether such claim exists on the Effective Date or arises in the future). In addition, RPG, the East Commercial Property Owner and the West Commercial Property Owner on behalf of themselves and their respective assigns and successors in interest, including subsequent owners of the Property (a) waive any and all claims against the City regarding validity or enforceability of the Park Fee, Water Impact Fee, and Sewer Impact Fee, and water rates described in this Agreement, and (b) release any claims that RPG, the East Commercial Property Owner and the West Commercial Property Owner, and their respective assigns and successors in interest may have against the City regarding the collection of such fees and the payment of all or part of such fees to RPG.

ARTICLE III AGREEMENTS/CONSENTS

- 3.1 MUD 1 Bonds. Before MUD 1 sells or offers to sell any Bonds of MUD 1, or incurs any Obligation, the Board of Directors of MUD 1 will approve, ratify, execute, and deliver to the City the Acknowledgement of Agreement attached hereto as Exhibit M. In addition, MUD 1 will not offer any Bonds for sale or sell any Bonds or incur Obligations unless:
- (a) The terms of such Bonds expressly provide that MUD 1 shall have the right to redeem the Bonds on any interest payment date subsequent to the 10th anniversary of the issuance date of the Bonds, without premium or penalty.
 - (b) The Bonds, other than refunding Bonds, are sold after the taking of public bids in accordance with applicable laws.
 - (c) No series of the Bonds, other than refunding Bonds, are sold for less than 95% of the par value of said series of Bonds.

- (d) The Bonds are payable from, and secured by, a pledge of the proceeds from ad valorem taxes within MUD 1 and that the Bonds will not be secured by a pledge of the revenue from the water, wastewater, or drainage Facilities within MUD 1.
- (e) Unless and until MUD 1 is annexed and dissolved by the City or by operation of law, and the City assumes the Assets and Obligations of MUD 1, the Bonds and Obligations of MUD 1, as to both principal and interest, shall be and remain obligations solely of MUD 1 and shall never be deemed or construed to be obligations or indebtedness of the City.
- (f) MUD 1 will not issue any Bonds or Obligations to finance or construct any fire protection equipment or facilities, or police or public safety equipment or facilities absent consent by the City, which consent may be withheld for any reason.
- (g) MUD 1 shall submit to the City Manager a copy of each application to the TCEQ for authorization to issue Bonds or Obligations, together with a copy of MUD 1's official statement, annual audit, annual budget and amendments, and reimbursement report. The copy of each such application should be delivered to the City Manager concurrently with the filing with the TCEQ, and the copies of the other documents shall be delivered to the City immediately after being approved by MUD 1.
- (h) MUD 1 will not annex or add any territory without the prior consent of the City, which the City may withhold for any reason, except for that portion of the land shown on the attached Exhibit N that excludes the Commercial Property and the Ownsby property which the City agrees MUD 1 may annex.
- (i) MUD 1 will not provide or offer to provide retail or wholesale water or wastewater service either within or outside its boundaries except as provided in Section 3.3 of this Agreement.
- (j) Facilities constructed or financed by MUD 1 shall be constructed in accordance with plans and specifications approved by the City pursuant to the Applicable Regulations and the City shall have the right to inspect all such Facilities, all in accordance with the terms of this Agreement.
- (k) If any land within MUD 1 is proposed to be developed for retail purposes, then prior to approval of the final plat for such land, RPG and MUD 1 shall prepare, execute and deliver to the City a Strategic Partnership Agreement (complying with Texas Local Government Code §43.0751), which agreement shall provide for the limited purpose annexation of such commercial retail land by the City so that the City may collect sales and use tax on receipts from retail sales occurring within such retail land. The City shall not be obligated under this Agreement to provide water or sanitary sewer service to any land to be developed for retail purposes within MUD 1 until the Strategic Partnership Agreement is signed by MUD 1 and delivered to the City. RPG and MUD 1 agree not to enforce any

statutory obligation that the City may have to provide water or sanitary sewer service to any such retail establishment until such Strategic Partnership Agreement is signed by MUD 1 and delivered to the City. The conditions set forth in this subsection shall not, however, apply: (1) unless the land proposed to be developed for retail purposes is contiguous to the corporate limits of the City, or (2) if the City fails or refuses to perform its obligations under said §43.0751 that are required to accomplish the limited purpose annexation.

- (l) Certain of the contracts described in Section 8.2 of this Agreement shall be subject to termination by the City upon dissolution of MUD 1 in accordance with Article VIII of this Agreement or by operation of law.
- (m) The City consents to MUD 1 acquiring powers granted to districts to construct and maintain roads, and the City acknowledges that such powers may be acquired by converting MUD 1 to another type of district under the Texas Constitution, article 16, section 59 or by petitioning either the Texas Legislature or the TCEQ; provided, however, if such converted district shall only hold or exercise the powers granted to municipal utility districts as of the Effective Date of this Agreement, plus the power to construct and maintain roads.

3.2 RPG Property PID Creation. The City acknowledges its support for the creation of one or more public improvement districts pursuant to Chapter 372, Texas Local Government Code (individually, a “PID”), which PIDs may include all or any portion of the RPG Property as well as other property. The City will use all reasonable efforts to assist RPG in the creation of one or more PIDs including, but not limited to, assistance in the preparation and processing of the PID petitions, the calling and conducting of public hearings, and the adoption of resolutions and ordinances to create the PIDs and levy special assessments to fund public improvement projects (other than public improvement projects financed by MUD 1) including, but not limited to, services relating to public safety and security (e.g., police, fire and emergency medical services) and operation and maintenance of parks and park improvements for the benefit of the RPG Property. When levying special assessments for the public improvements, the City shall take into consideration (a) the City’s actual cost of providing police, fire and EMS services within its corporate boundaries both on a per capita and per residential unit basis; and (b) a budget prepared by a third party consultant outlining the costs of operating and maintaining parks within the RPG Property. Upon RPG’s request, the City may use proceeds from PID assessments to contract with either MUD 1 or the Property’s owners association to provide the authorized services. Nothing in this Section 3.2 is intended to waive the requirements of Chapter 372 for the creation of a PID or to otherwise bind or impair the exercise by the City of its legislative authority and discretion with respect to such creation. The Parties acknowledge that the City shall not be obligated to provide any funds to finance PID creation and administration costs as such costs shall be paid from PID assessments.

3.3 Commercial Property PID/TIRZ Creation. The City acknowledges its support for the creation of one or more PIDs and one or more tax increment finance reinvestment zones pursuant to Chapter 311, Texas Tax Code (individually, a “TIRZ”) to finance the

construction of improvements authorized by Chapter 372 and Chapter 311, which PIDs and TIRZs may include all or any portion of the Commercial Property. The City will use all reasonable efforts to assist the East Commercial Property Owner and West Commercial Property Owner in the creation of one or more PIDs and TIRZs including, but not limited to, assistance in the preparation and processing of petitions and preliminary project and finance plans, the calling and conducting of public hearings, the adoption of resolutions and ordinances to create the PIDs and TIRZS, the adoption of assessment plans and final project and finance plans, and the levy of special assessments. Nothing in this section is intended to waive the requirements of Chapter 372 or Chapter 311 for the creation of a PID and TIRZ or to otherwise bind or impair the exercise by the City of its legislative authority and discretion with respect to such creation. The Parties acknowledge that the City shall not be obligated to provide any funds to finance PID or TIRZ creation and administration costs.

- 3.4 Water Wells. Water wells may be drilled within the RPG Property for the sole purpose of providing irrigation water and maintaining lake levels; subject, however, to all applicable rules and regulations of the County and the TCEQ. Water wells may not be used to provide potable water without the consent of the City, which consent may be denied in the sole discretion of the City. In the event the water wells provide insufficient water for the stated purpose the City shall sell to RPG or its designee sufficient water for that purpose at a rate equal to the City's "effective" volume water rate then in effect as stated in its then current contract with the regional provider of wholesale water plus a surcharge (not to exceed 2% of the City's volume wholesale water rate) to recover the City's cost of receiving and transmitting the water. The City's obligation to deliver potable water for irrigation or pond use shall cease if, as, and when the city imposes any stage of its drought contingency plan, even though such plan may not be listed as an Applicable Regulation. The City shall limit the delivery of such wholesale water to a two-inch meter and through an air gap and RPG or its designee must satisfy state requirements before discharge of such wholesale water into any surface water. The Developer and the City recognize that the City's duty to supply water for domestic purposes within its service area has a higher priority than the City's obligation under this Section 3.3.
- 3.5 Water Storage Tank Naming Rights. RPG may, from the time the elevated water storage tank is constructed until the second anniversary of the first sale to an end-buyer of a fully developed and improved lot within the RPG Property, use the elevated water storage tank surface as a sign which sign content will be limited to advertising development and/or sale of the RPG Property. After such period, the City may use the elevated water storage tank surface as a sign and may control the contents of any sign. RPG shall pay the City's costs to resurface the elevated water storage tank one time, replacing the RPG sign with the City sign. All signs are governed by the Applicable Regulations.
- 3.6 Property Advertising. The City will allow advertising of the RPG Property development within the corporate limits of the City. In the event of any conflict or inconsistency between this Section 3.5 and the Applicable Regulations, the provisions and intent of this Section 3.5 shall control.

- 3.7 Settlement. The City's consent to the creation of MUD 1 and the annexation of the territory into MUD 1 as described in this Agreement, is part of a negotiated settlement to resolve the dispute regarding the creation of MUD 1.

ARTICLE IV
DESIGN AND CONSTRUCTION OF FACILITIES

- 4.1 General. RPG and/or MUD 1 shall have the right to design and construct all or any portion of the Facilities in such phases or stages as RPG and/or MUD 1, in their sole discretion, may determine, subject to the limitations contained in Section 5.11 below.
- 4.2 Design Standards. All Facilities will be designed and constructed in compliance with the Applicable Regulations.
- 4.3 Approval of Plans and Specifications. Prior to commencing construction of any Facilities, RPG and/or MUD 1 shall submit to the City complete and accurate copies of all plans and specifications. Construction shall not commence until such plans and specifications have been approved in writing by the City; provided, however, if the City fails to approve or disapprove the plans and specifications within 30 days after receipt, such plans and specifications shall be deemed to be approved. In the event the City disapproves such plans and specifications, the disapproval shall contain a detailed explanation for the reason for disapproval, which basis for disapproval shall be limited solely to the failure of such plans and specifications to meet the Applicable Regulations. Any re-submittal of plans and specifications shall be subject to the same time limits and requirements for approval as stated above. In the event the City disapproves any re-submittal of such plans and specifications, the disapproval shall contain a detailed explanation for the reason for disapproval, which basis for disapproval shall be limited solely to the failure of such plans and specifications to meet the Applicable Regulations.
- 4.4 Additional Requirements. Contracts awarded by MUD 1, or by RPG on behalf of MUD 1, for the construction of Facilities must be advertised and awarded in accordance with state law applicable to municipal utility districts. Each of such contracts shall require a two (2) year maintenance bond following completion, which bond shall be for 100% of the cost of the completed Facilities and shall run in favor of the party responsible for maintenance of the completed Facilities. The Facilities will be installed within the public right-of-way or in easements granted to the City, Collin County, or MUD 1, as applicable, or dedicated as easements on the applicable final plat; provided, however, streets within MUD 1 shall be located within right-of-way dedicated to the public.
- 4.5 Conveyance/Lease of The City Facilities. Upon completion of construction of water and sanitary sewer Facilities, or portions thereof, located within MUD 1, title thereto shall be conveyed to the City, together with the warranty that the same are free and clear of all liens and encumbrances, subject, however to the obligation of the City to utilize such Facilities, including any capacities created therein, to serve property within MUD 1 throughout the useful life of such Facilities (unless the City, at its sole cost and expense, has provided alternative water and sanitary sewer Facilities capable of providing

comparable water and sanitary sewer service). Notwithstanding the preceding, in the event the Rules or the Public Finance Division of the Office of the Attorney General, or the opinion of nationally recognized bond counsel, or the Internal Revenue Code require MUD 1 to retain legal title to or an operating interest in any of such Facilities as a condition to MUD 1 issuing its tax-exempt Bonds to finance such Facilities, then MUD 1 shall retain legal title or such operating interest thereto and the City shall be entitled to utilize such Facilities at no cost for the purposes provided in this Agreement or if the City must pay compensation to the MUD, an amount equal to ten dollars per year.

- 4.6 Construction by Third Parties. From time to time RPG may enter into contracts with MUD 1 whereby RPG will undertake, on behalf of MUD 1, to pre-finance or pre-construct, in one or more phases, all or any portion of the Facilities. Such contracts shall be subject to the terms and conditions of this Agreement applicable to contracts by MUD 1.
- 4.7 Facility Plan Review and Plan Review Fee. RPG or MUD 1 shall pay or cause to be paid to the City a fee (the "Plan Review Fee") to compensate the City for reviewing construction plans for the Facilities (the "Review Services"). It is contemplated that the Review Services will be performed by a qualified and certified independent contractor selected by the City; however, the City reserves the right to perform the Review Services using a full-time City employee who is qualified and certified to the same standards as the independent contractor. The amount of the Plan Review Fee shall be 1% of the cost to construct such Facilities and shall be paid as follows: an amount equal to one-half (½) of the Plan Review Fee, based upon the estimated construction cost, shall be paid at the time the construction plans are submitted; and the balance, based upon the actual construction cost, shall be paid on final acceptance of such Facilities by the City. The Review Services (including any certificates of completion) shall be performed (and the certificates of completion prepared) in accordance with any requirements of the TCEQ; provided, however, if the TCEQ requirements cause the cost of the Review Services to exceed the Plan Review Fee, RPG shall pay the excess or cause the excess to be paid to the City. If TCEQ requires laboratory testing or inspections in addition to the Review Services, such work shall be performed by a qualified and certified independent contractor selected and paid for by RPG or MUD 1.

ARTICLE V

WATER SUPPLY AND WASTEWATER TREATMENT AND CR 5 IMPROVEMENTS

- 5.1 Application for Service. By its execution of this Agreement, RPG is requesting retail water and sanitary sewer service to serve full development of the RPG Property, not to exceed 2,700 residential units ("Full Development") in accordance with the Demand Projections described in Section 5.3, below. By its execution of this Agreement, the City is agreeing to provide retail water and sanitary sewer service for Full Development in accordance with Demand Projections and subject to the condition that RPG and MUD 1 fully comply with their respective obligations under this Agreement and the additional conditions listed in Section 5.2 of this Agreement. This obligation is limited only to the RPG Property and is not assignable to the Commercial Property or the Trust Property.

- 5.2 Service Conditions. The agreement of the City to provide retail water and sanitary sewer service for Full Development in accordance with Demand Projections is subject to the following specific limitations and requirements: (a) the design and construction of all Facilities to provide water and sanitary sewer service must comply with the Applicable Regulations; (b) only the City shall provide retail water and sanitary sewer service within the RPG Property; (c) RPG will pay all funds described in Section 5.5 and Section 5.6 of this Agreement and, if necessary, construct the wastewater treatment plant in accordance with Section 5.6(a) of this Agreement; and (d) RPG will construct all other Facilities to provide water and sanitary sewer service necessary to provide water and sanitary sewer service and located within the RPG Property. The City, at its sole cost and expense (including, but not limited to, water and sanitary sewer impact fees collected by the City) will construct such additional water and sanitary sewer Facilities, if any, that are located outside of the RPG Property and that are required to provide the capacity for service to the remaining connections required for Full Development in accordance with Demand Projections, up to a maximum of 2700 residential units. In no case, however, shall the City be responsible for or fund or construct water distribution lines and appurtenances or sanitary sewer collection lines and appurtenances necessary to serve individual lots or connections within the RPG Property. The City agrees that upon the payment to the City of the applicable impact fees (as provided in Section 2.2 of this Agreement) by RPG, MUD 1, or any other owner of land within MUD 1 (other than a person requesting temporary water service for construction purposes or a person requesting water service to a home or business), the customers within the property for which such impact fees were paid shall be entitled to the capacity or volume of service for which the impact fees were paid for the useful life of the City's water system (i.e., if a water impact fee is paid for a single-family lot, the home constructed on such lot will be entitled to receive water service for one equivalent single-family connection for the life of the City's water system). The City will initiate retail service, whether for temporary water service for construction purposes or for water service to a home or business, upon submittal of the standard application for service and compliance with the requirements for such service, including but not limited to payment of inspection fees, service initiation fees, and deposit as set forth in the Retail Utility Policies.
- 5.3 Demand Projections. Attached hereto as Exhibit O is RPG's current schedule of demands for water and sanitary sewer service for Full Development (the "Demand Projections"). The Demand Projections, together with the Applicable Regulations, shall be used to size the Facilities for water and sanitary sewer service and to limit the City's obligation to provide service to the RPG Property based upon projected build-out. From time to time RPG may revise the Demand Projections; in which case a copy of the revisions shall be immediately provided to the City, and the City will use all reasonable efforts to meet the revised Demand Projections; provided, however, if the City incurs any additional costs whatsoever in satisfying or attempting to satisfy any change in the Demand Projections that increases the service demand sooner than depicted on the initial Demand Projections, RPG shall pay all such costs to the City and there shall be no credit or rebate on impact fees for such costs paid by RPG. If MUD 1 annexes additional property into MUD 1, the Demand Projections will be updated, which update shall include a proportional increase in the 2,700 residential units allowed for Full Development. The updated Demand Projections shall be substituted for the Demand

Projections contained on Exhibit O, and this Agreement shall be deemed amended by such substitution, subject to the Developer's obligation to pay additional costs associated with the change as stated in this section.

5.4 Regional Wholesale Water and Wastewater Service. The City will negotiate to obtain wholesale water and sanitary sewer service from one or more regional providers that, in the aggregate, will provide water and sanitary sewer service for Full Development in accordance with the Demand Projections. The City has represented to and agreed with RPG that the financial obligations of the City to such regional providers will be passed through to RPG solely in the form of the retail water and sanitary sewer rates charged to future customers within the RPG Property or impact fees which impact fees are limited to the amount provided on Exhibit K in accordance with Section 2.2 of this Agreement. Based on such representation and agreement, RPG has withdrawn its request to participate in such negotiations.

5.5 Water Facilities.

- (a) Obligation to Construct. RPG or MUD 1 shall design and construct the Water Facilities.
- (b) Obligation to Fund. RPG and MUD 1 shall fund all costs associated with the design and construction of the Phase One Water Facilities, including all cost overruns, which costs are currently estimated to be \$5,467,285. Notwithstanding the foregoing, if the cost of right-of-way acquisition required for construction of the Phase One Water Facilities exceeds \$298,439, such right-of-way acquisition cost overruns shall be the responsibility of the City, subject to availability of the City funds for such purpose. In addition, the City shall fund all costs associated with the design and construction of the Phase Two Water Facilities in a manner that causes such facilities to be completed on a schedule that permits the City to satisfy the Demand Projections.
- (c) Right-of-Way. RPG, the East Commercial Property Owner, and the West Commercial Property Owner shall dedicate, at no cost to the City, all easements within their respective properties or within any other property owned by RPG, the East Commercial Property Owner or the West Commercial Property Owner that is required for the Water Facilities. All other right-of-way required for the Water Facilities shall be acquired by the City. Neither RPG nor MUD 1 is obliged to construct any portion of the Facilities that requires the acquisition of land, rights-of-way or easements outside the RPG Property until the City causes or completes the needed acquisition; provided, however, before the City files a condemnation petition, RPG will deposit in escrow with the City the appraised value of the interest to be acquired, and damages to the remainder, plus 15%. Within ten days of notice of the amount of the award of the special commissioners, RPG will deposit into the registry of the court, the balance between the amount of the special commissioners award, plus expense, and the amount previously deposited with the City. In the event any appeal of an award of by the special commissioners results in a judgment in excess of the award of the special

commissioners, then within ten days after notice of that fact, RPG will deposit the additional amount into the registry of the court. RPG will advance to the City the projected costs of acquiring easements and rights of way by negotiation or condemnation based upon budgets presented by the City and will pay any additional costs within twenty days after receiving notice from the City. RPG's obligation to pay costs under this Section 5.5(c) is limited to \$298,439.

- (d) Water Impact Fee Rebate. In partial consideration for RPG's agreement to pay funds under Section 5.5(b) of this Agreement, RPG shall be entitled to a rebate of the water impact fees described in Section 2.2(a) of this Agreement applicable to the development of the RPG Property to be paid from the first water impact fees due in connection with the development of the RPG Property; which rebate shall equal the lesser of \$230,000 or the actual total amount paid by RPG for the design and construction of that portion of the Water Facilities oversized to serve property other than the RPG Property. Such rebate amount may be assigned, in whole or in part, to any future owner or developer of land within the Property. Rebates shall be given within 30 days following receipt thereof by the City. The City will give the rebate only to the person who RPG designates in writing, and such designation shall be binding upon RPG, the City, and all other persons; and the City shall not be responsible for determining who is eligible for the rebate.
- (e) Compliance with Laws. RPG, MUD 1 and the City will comply with all applicable laws and Rules in connection with the design and construction of the Water Facilities.
- (f) Facilities. Subject to the right-of-way acquisition cap contained in Section 5.5(b), and reimbursement from MUD 1 in accordance with applicable law, RPG will be responsible for installing, at no cost to the City, all water Facilities located within or outside the RPG Property which are sized solely to serve customers within the RPG Property, except for those portions of the Water Facilities described in Section 5.5(b) above which shall be located within the RPG Property and sized to serve customers located outside of the RPG Property.
- (g) Performance by MUD 1. To the extent allowed by law, and subject to reimbursement from MUD 1 in accordance with applicable law, RPG may choose to perform its obligation under this Section 5.5 by advancing funds to MUD 1, in which case, MUD 1 will perform the obligations of RPG with respect to the design and construction of the Water Facilities.

5.6 Sewer Facilities.

- (a) Obligation to Construct. RPG or MUD 1 shall design and construct the Sewer Facilities.
- (b) Obligation to Fund. RPG and MUD 1 shall fund all costs associated with the design and construction of the Sewer Facilities, including all cost overruns, which costs are currently estimated to be \$5,728,795. Notwithstanding the foregoing, if

the cost of right-of-way acquisition required for construction of the Sewer Facilities exceeds \$195,225 such right-of-way acquisition cost overruns shall be the responsibility of the City, subject to availability of the City funds for such purpose.

- (c) Right-of-Way. RPG, the East Commercial Property Owner and the West Commercial Property Owner shall dedicate, at no cost to the City, the sanitary sewer easements required by this Agreement. All other right-of-way required for the Sewer Facilities shall be acquired by the City, at its sole cost and expense. Neither RPG nor MUD 1 is obliged to construct any portion of the Facilities that requires the acquisition of land, rights-of-way or easements outside the RPG Property until the City causes or completes the needed acquisition; provided, however, before the City files a condemnation petition, RPG will deposit in escrow with the City the appraised value of the interest to be acquired, and damages to the remainder, plus 15%. Within ten days of notice of the amount of the award of the special commissioners, RPG will deposit into the registry of the court, the balance between the amount of the special commissioners award, plus expense, and the amount previously deposited with the City. In the event any appeal of an award of by the special commissioners results in a judgment in excess of the award of the special commissioners, then within ten days after notice of that fact, RPG will deposit the additional amount into the registry of the court. RPG will advance to the City the projected costs of acquiring easements and rights of way by negotiation or condemnation based upon budgets presented by the City and will pay any additional costs within twenty days after receiving notice from the City. RPG's obligations to pay costs under this Section 5.5(c) is limited to \$195,225.
- (d) Sewer Impact Fee Rebates. In partial consideration for RPG's agreement to pay funds under Section 5.6(b) of this Agreement, RPG shall be entitled to a rebate of the sewer impact fees described in Section 2.2(b) of this Agreement applicable to the development of the RPG Property to be paid from the first sewer impact fees due in connection with the development of the RPG Property; which rebate shall equal the lesser of \$270,000 or the actual total amount paid by RPG for the design and construction of that portion of the Sewer Facilities oversized to serve property other than the RPG Property. Such rebate amount may be assigned, in whole or in part, to any future owner or developer of land within the Property. Rebates shall be given within 30 days following receipt thereof by the City. The City will give the rebate only to the person who RPG designates in writing, and such designation shall be binding upon RPG, the City, and all other persons; and the City shall not be responsible for determining who is eligible for the rebate.
- (e) Interim STP. RPG and the City acknowledge that the Sewer Facilities may not be constructed and operational by the Critical Development Date. If the Sewer Facilities are not constructed and operational by the Critical Development Date, RPG shall have the right to design and construct the first phase (the capacity of which phase shall be determined by RPG) of a temporary sanitary sewer treatment plant (the "Interim STP") that will serve the RPG Property until the Sewer

Facilities are constructed and operational. The design of the Interim STP shall be determined by RPG (consistent with the requirements of the TPDES Permit and with the approval of the City, which approval shall not be unreasonably withheld or delayed) to provide the needed treatment capacity at the most economical cost considering both construction and operation costs. All costs and expenses related to the engineering design, permitting, and construction of the Interim STP (and subsequent expansions thereof if needed) shall be paid by RPG. When the first phase of the Interim STP has been constructed and is operational, but prior to the time the Interim STP is actually placed in service, RPG shall (1) lease to the City the site for the Interim STP and all improvements on the site for a rental of one dollar per year for so long as the Interim STP operates on said site, (2) assign, on a non-exclusive basis, to the City all easements required to operate the Interim STP and (3) assign or transfer to the City the TPDES Permit. The City may, if it so chooses, assign or transfer the TPDES Permit to Upper Trinity Regional Water District or to any other regional provider. The City shall operate and maintain the Interim STP and provide sanitary sewer service for the RPG Property; and should the City refuse or fail to operate and maintain the Interim STP, then MUD 1 shall have the right to operate and maintain the Interim STP. Other than allowing the rebate described in Section 5.6(d) of this Agreement (provided the conditions precedent to such rebate have been satisfied), the City is not obligated under this Agreement to pay any portion of the cost of acquiring the TPDES Permit or constructing or installing the Interim STP.

- (f) Interim STP – Expansions. If at any time the City fails or refuses to timely provide the sanitary sewer treatment service to meet the Demand Projections, then RPG shall have the right, at its sole cost and expense, to expand the capacity of the Interim STP to provide such service (including the right to secure any amendments required to the TPDES Permit).
- (g) Interim STP – Abandonment. Within 12 months after the Interim STP is no longer needed to serve Full Development of the RPG Property, the Interim STP shall be closed and abandoned. Upon such closure and abandonment, (1) the Interim STP site shall be returned to RPG; (2) the salvageable components of the Interim STP (or the value thereof) shall belong to the City and RPG in proportion to the total amounts paid by each of them in connection with the acquisition or operation of the Interim STP; (3) terminate the lease; and (4) reassign the easements; provided, however, any portion of the Interim STP site that is necessary to convey, store, or treat wastewater shall remain operational as long as needed.
- (h) Alternative to Interim STP. If RPG, at its option, concludes that the Interim STP is not the most economical alternative to provide the needed treatment capacity, RPG may elect to fund alternative sewer treatment options, including, but not limited to, trucking sewage to a sewer treatment facility.

- (i) Compliance with Laws. RPG, MUD 1 and the City will comply with all applicable laws and Rules in connection with the design and construction of the Sewer Facilities.
- (j) Facilities. Subject to the right-of-way acquisition cap contained in Section 5.6(b), and reimbursement from MUD 1 in accordance with applicable law, RPG will be responsible for installing, at no cost to the City or Collin County, all sanitary sewer Facilities located within or outside the RPG Property which are sized solely to serve customers within the RPG Property, except for those portions of the Sewer Facilities described in Section 5.6(b) above which may be located within the Property and sized to serve customers located outside of the Property.
- (k) Performance by MUD 1. To the extent allowed by law, and subject to reimbursement from MUD 1 in accordance with applicable law, RPG may choose to perform its obligation under this Section 5.6 by advancing funds to MUD 1, in which case, MUD 1 will perform the obligations of RPG with respect to the design and construction of the Sewer Facilities.

5.7 Water Facilities or Sewer Facilities. Upon completion of construction of the water and sanitary sewer Facilities, or portions thereof, located within the RPG Property, title thereto shall be conveyed to the City, together with (a) the warranty that the same are free and clear of all liens and encumbrances and (b) access to public rights-of-way owned and operated by MUD 1 sufficient to permit the City to operate and maintain such Facilities, subject, however to the obligation of the City to utilize such Facilities, including any capacities created therein, to serve the RPG Property throughout the useful life of such Facilities (unless the City, at its sole cost and expense, has provided alternative water and sanitary sewer Facilities capable of providing comparable water and sanitary sewer service). Notwithstanding the preceding, in the event the Rules or the Public Finance Division of the Office of the Attorney General, or the opinion of nationally recognized bond counsel, or the Internal Revenue Code require MUD 1 to retain legal title to or an operating interest in any of such Facilities as a condition to MUD 1 issuing its tax-exempt Bonds to finance such Facilities, then MUD 1 shall retain legal title or such operating interest thereto and the City shall be entitled to utilize such Facilities at no cost for the purposes provided in this Agreement or if the City must pay compensation to MUD 1, an amount equal to ten dollars per year. The conveyance of water and sewer facilities, and land and easements therefor, by MUD 1 to the City as required by this Agreement shall be in consideration of the City's agreement to continue to use and maintain such facilities for the public purposes of serving the residents and commercial users within MUD 1.

5.8 No Ownership of Facilities. No provision in this Agreement is intended, nor should be construed, to create any ownership interest by RPG or MUD 1 in the Water Facilities or Sewer Facilities. Notwithstanding the preceding, in the event the Rules or the Public Finance Division of the Office of the Attorney General, or the opinion of nationally recognized bond counsel, or the Internal Revenue Code require MUD 1 to retain legal title to or an operating interest in any of such Facilities as a condition to MUD 1 issuing its tax-exempt Bonds to finance such Facilities, then MUD 1 shall retain legal title or such operating interest thereto and the City shall be entitled to utilize such Facilities at no

cost for the purposes provided in this Agreement or if the City must pay compensation to the MUD, an amount equal to ten dollars per year.

- 5.9 Water and Sewer Commitment. The Parties acknowledge that RPG has been granted a service commitment sufficient to satisfy the Demand Projections. Such service commitment may be assigned and transferred to successor owners of any portion of the RPG Property without the consent of the City so long as such portion of the RPG Property is being developed in accordance with this Agreement; however, any party desiring to effect such an assignment or transfer shall give at least ten (10) days' prior written notice to the City, which notice shall identify the assignee or transferee and the extent of capacity being assigned and transferred. RPG may not assign or transfer capacity for the development of property outside the RPG Property without the prior written consent of the City.
- 5.10 County Road Improvements. RPG shall fund \$1,000,000 in costs for certain CR 5 improvements. RPG and the City shall agree upon the scope of and construction schedule for such CR 5 improvements. In addition, RPG shall realign and improve CR 51 within the RPG Property to a four-lane road as shown on the Land Plan.
- 5.11 Other Developments. While this Agreement provides the RPG with the control over the timing of construction of water, wastewater, and road improvements, RPG acknowledges that the City may need or want to extend service to other property and in order to do so, certain improvements that are RPG's responsibility under this Agreement may need to be designed and/or constructed prior to the time that RPG was planning to design or construct a particular improvement. If this contingency occurs, the City and RPG will fully cooperate with each other and the other persons needing or wanting service from the City, so that the improvements are constructed timely and the cost responsibilities are borne by the appropriate person.

ARTICLE VI
OPERATION AND MAINTENANCE OF FACILITIES/CITY SERVICES

- 6.1 Acceptance and Operation of Road and Drainage Facilities. As acquisition and/or construction of each phase of the road and drainage Facilities to serve the RPG Property is completed, MUD 1 shall accept a certification from Huitt Zollars or another licensed engineer acceptable to RPG, MUD 1, and the City that such road and drainage Facilities have been completed in accordance with the final plans and specifications approved by the City. After obtaining such certification, MUD 1 will accept the construction of such road and drainage Facilities. Upon MUD 1 acceptance of construction of the road and drainage Facilities to serve the RPG Property, MUD 1 will also accept same for operation by MUD 1, whereupon such portion of such road and drainage Facilities shall be owned, operated and maintained by MUD 1 at its sole expense.
- 6.2 Acceptance and Operation of Water and Wastewater Facilities.
 - (a) Acceptance. As acquisition and/or construction of each phase of the water and wastewater Facilities to serve the RPG Property is completed, representatives of

the City shall accept from MUD 1 a certification from Huitt Zollars or others acceptable to RPG, MUD 1, and the City that such water and wastewater Facilities have been completed in accordance with the final plans and specifications approved by the City. After obtaining and confirming such certification, the City will accept the construction of such water and wastewater Facilities. Upon the City's acceptance of construction of the water and wastewater Facilities to serve the RPG Property, the City will also accept same for operation by the City, whereupon such portion of such water and wastewater Facilities shall be owned, operated and maintained by the City at its sole expense, provided, however, if the conditions described in Section 4.5 exist, then otherwise available for use by the City. In the event that such water and wastewater Facilities have not been completed in accordance with the final plans and specifications approved by the City, the City will immediately advise RPG and MUD 1 in what manner said water and wastewater Facilities do not comply, and RPG or MUD 1 shall cause same to be corrected; whereupon the City shall inspect the water and wastewater Facilities and accept the same if the defects have been corrected.

- (b) The City will operate the water and wastewater Facilities (or the capacities thereof) serving the RPG Property that it has accepted and will use such water and wastewater Facilities to provide service to all customers within the RPG Property without discrimination. The City shall at all times maintain such water and wastewater Facilities, or cause the same to be maintained, in good condition and working order in compliance with all applicable laws and all applicable regulations, rules, and orders of any governmental entity with jurisdiction over same, and will operate the same, or cause the same to be operated, in an efficient and economical manner at a reasonable cost and in accordance with sound business principles, and the City will comply with all contractual provisions and agreements entered into by it and with all valid rules, regulations, directions or orders by any governmental, administrative or judicial body promulgating the same. The supply of water to the City's customers within the RPG Property may be reasonably limited by the City on the same basis and to the same extent as the supply of water to other similarly situated customers within the City.
- 6.3 Rates. The retail water rates charged to customers located within the RPG Property shall not exceed 150% of those rates duly adopted and uniformly charged by the City for "in-city" service. The retail wastewater rates charged to customers located within the RPG Property shall be the same as those duly adopted and uniformly charged by the City for "in-city" services. Each end-buyer (as defined in Section 12.14(a) below) takes title to its portion of the Property, subject to these rates, and acknowledges that such rates are reasonable.
- 6.4 Water Conservation. Retail customers within the RPG Property shall be subject to the City's Water Conservation Program and Drought Contingency Plan as amended from time to time and as adopted by the City Council and uniformly applied throughout the City's service area. RPG agrees to encourage water conservation and compliance with such program and plan.

- 6.5 Industrial Waste. Industrial waste, if any, received by the City from the RPG Property shall be subject to the provisions of the City's Industrial Waste Ordinance, as amended from time to time and as adopted by the City Council and uniformly applied throughout the City's service area. RPG further agrees to cooperate with the City to enforce any industrial waste pre-treatment requirements with respect to the RPG Property imposed on the City by the TCEQ or the United States Environmental Protection Agency.
- 6.6 Service. The City is not obligated to provide retail water or wastewater service to any lot unless a subdivision plat for such lot has been filed in the real property records of Collin County and all fees required pursuant to this Agreement have been paid or credited with respect to such lot. Interim or temporary water or wastewater service for construction purposes only may be provided during construction.
- 6.7 Solid Waste/Trash Collection. To the extent allowed by law, the City shall provide solid waste/trash collection services to each customer located within the RPG Property. The City shall charge the same rates to such customers as it charges similarly situated customers located within the City. Upon request by the City, MUD 1 will exercise its powers under Texas Water Code, Section 54.203 to establish a solid waste collection system within its boundaries under which the City provides the solid waste collection service, require use of the solid waste collection established by MUD 1, and contract with the City to be the exclusive provider of the solid waste collection service under the provisions of this Agreement and Texas Government Code, Chapter 791.
- 6.8 Police, Fire and Emergency Services.
- (a) Fire and Emergency Services. In order for MUD 1 to contract for fire protection and emergency services, TCEQ approval of such contract must be obtained in accordance with the Texas Water Code, Section 49.351. RPG and the City agree to use their good faith efforts to negotiate and enter into such a contract pursuant to which the City will provide such services and MUD 1 will collect a tax or assessment to pay for such services (including, to the extent permitted by law, a provision allowing the City to discontinue water service to any customer who does not pay such taxes or assessment). If MUD 1 and the City are successful in negotiating such a contract (upon the condition that the City can provide the services on terms and conditions that are competitive with other sources of such services that are available to MUD 1), upon approval of TCEQ, MUD 1 shall place the required proposition on the ballot at the confirmation election for MUD 1, and shall encourage voters to approve such proposition. Thereafter, if approved by the voters, the Board of Directors of MUD 1 will enter into a contract with the City under which the City will provide firefighting and emergency services in accordance with the agreed upon terms and conditions. If MUD 1 does not contract with the City for fire protection and emergency services, the City shall have no obligation to provide such services within the boundaries of MUD 1. Neither MUD 1 nor RPG shall look to the County to provide fire protection and emergency services unless the County should otherwise agree in writing. In the event the TCEQ or voters of MUD 1 fail to approve the contract or proposition, respectively, the Parties agree to proceed with the creation of a PID or PIDs as

provided in Section 3.2 hereof to enter into such contract with the City and levy and collect special assessments in support thereof.

- (b) Police Services. RPG, MUD 1, and the City will use their good faith efforts to negotiate and enter into a contract pursuant to which the City will provide police protection services (upon the condition that the City can provide such services on terms and conditions that are competitive with other sources of such services that are available to MUD 1). For purposes of this section, "other sources" shall not include the provision of services by the Collin County's sheriff's office to the RPG Property absent an interlocal agreement for such services acceptable to Collin County for sheriff's department service to the RPG Property at a service level, and at a fee, acceptable to MUD 1 and Collin County. If the City can provide police protection services on competitive terms and conditions, then RPG, MUD 1, and the City shall investigate alternatives to fund such services (including one or more homeowners associations organized within the RPG Property with mandatory fee authority). If MUD 1 does not contract with the City for police protection services, the City shall have no obligation to provide such services within the boundaries of MUD 1. Neither MUD 1 nor RPG shall look to the County to provide police protection services unless the County should otherwise agree in writing. In the event the TCEQ or voters of MUD 1 fail to approve the contract or proposition, respectively, the Parties agree to proceed with the creation of a PID or PIDs as provided in Section 3.2 hereof to enter into such contract with the City and levy and collect special assessments in support thereof.

ARTICLE VII TAXES AND ORDINANCES

MUD 1 is authorized to assess, levy and collect ad valorem taxes upon all taxable properties within its boundaries to provide for (i) the payment in full of the Obligations, including principal, redemption premium, if any, or interest on the Bonds and to establish and maintain any interest and sinking fund, debt service fund or reserve fund, (ii) for operation and maintenance purposes, and (iii) to make payments under contracts, all in accordance with applicable law. The Parties agree that nothing herein shall be deemed or construed to prohibit, limit, restrict or otherwise inhibit the district's authority to levy ad valorem taxes as the Board of Directors of MUD 1 from time to time may determine to be necessary. The City recognizes and agrees that all ad valorem tax receipts and revenues collected by MUD 1 shall become the property of MUD 1 and may be applied by MUD 1 to the payment of all proper debts, obligations, costs and expenses of MUD 1 and may be pledged or assigned to the payment of all or any designated portion of the principal or redemption premium, if any, or interest on the Bonds or otherwise in accordance with applicable law.

ARTICLE VIII DISSOLUTION OF THE DISTRICT

- 8.1 Dissolution Prior to Retirement of Bonded Indebtedness. The City and RPG recognize that, as provided in the laws of the State of Texas and this Agreement, the City has the right, by annexation of MUD 1 to abolish and dissolve MUD 1 and to acquire the Assets

and assume the Obligations. MUD 1 will continue to exist until the City decides to dissolve it; however, the City hereby agrees that it will not annex any of the territory within MUD 1, except for the limited purpose annexations contemplated by Section 3.1(k) of this Agreement, until the earlier of fifteen (15) years or until all of the Facilities required to serve at least one hundred percent (100%) of the usable land within MUD 1 are constructed and operational. By execution of this Agreement, RPG and MUD 1 request and petition the City to annex the territory within MUD 1, and any land added to MUD 1, subject to the condition that annexation will not occur or be effective until the date provided by this Section 8.1, and such request shall be irrevocable and coupled with an interest and binding upon RPG and its successor and assigns, including the ultimate consumer of the lots within MUD 1.

8.2 Contracts. All contracts, agreements, or other undertakings for personal or professional services or supplies entered into by MUD 1 that could extend beyond the term of this Agreement, excluding any reimbursement agreements, shall provide that in the event MUD 1 is dissolved by the City or by operation of law, the City shall have the unilateral right to terminate such contracts, agreements, or other undertakings, save and except for reimbursement agreements, effective on or after the date of dissolution without penalty or other payments. MUD 1 shall not enter into any contract, save and except for reimbursement agreements, which contain any provision other than the one described in the first sentence of this section, which is or becomes effective upon the dissolution of MUD 1 by the City.

8.3 Transition upon Dissolution. Upon dissolution of MUD 1, the City shall acquire the Assets and shall assume the Obligations. In the event all required findings and procedures for the dissolution of MUD 1 have been duly, properly and finally made and satisfied by the City, and unless otherwise mutually agreed by the City and MUD 1 pursuant to then existing law, MUD 1 agrees that its officers, agents and representatives shall be directed to cooperate with the City in any and all respects reasonably necessary to facilitate the dissolution of MUD 1 and the transfer of the Assets to, and the assumption of the Obligations by the City.

ARTICLE IX TERM OF AGREEMENT

9.1 Term and Effect. This Agreement shall remain in effect until the earlier of (i) the annexation of the RPG Property into the City, or (ii) fifteen (15) years from the Effective Date, provided that the Parties hereto may renew or extend this Agreement for successive fifteen (15) year periods, upon mutual agreement, so long as the total duration of the Agreement does not exceed forty-five (45) years.

ARTICLE X THIRD PARTY BENEFICIARIES

Except for (a) the successors and assigns of RPG, the East Commercial Property Owner and the West Commercial Property Owner as provided by Article XI and (b) Collin County solely with respect to the next to the last sentence of Section 6.8(a) and the next to the last

sentence of Section 6.8(b) above, this Agreement is for the benefit of the Parties and MUD 1 and shall not be construed to confer any benefit on any other party except as expressly provided herein.

ARTICLE XI ASSIGNMENT OF AGREEMENT

The obligations of RPG, the East Commercial Property Owner and the West Commercial Property Owner under this Agreement are binding upon RPG, the East Commercial Property Owner and the West Commercial Property Owner and their successors and assigns as permitted by this Article, and any lien holder who forecloses a lien on the Property in whole or in part or who receives a deed in lieu of foreclosure to all or any part of the Property. RPG, the East Commercial Property Owner and the West Commercial Property Owner, and their successors and assigns ("Assignor"), shall have the right, from time to time, to sell, transfer, convey, donate, assign, pledge, mortgage, or encumber all or any part of Assignor's rights and obligations under this Agreement to any person or entity ("Assignee"), provided Assignor is not in breach of this Agreement at the time of such sale, transfer, etc. Upon approval by the City of such Assignee, which approval shall not be unreasonably withheld, conditioned or delayed (provided such Assignee assumes in writing the liabilities, responsibilities and obligations of Assignor under this Agreement to the extent so assigned, conveyed or transferred), Assignor shall be released from the liabilities, responsibilities and obligations hereof to the extent of the land involved in such sale, transfer, etc. or to the greater extent otherwise approved by the City. Notwithstanding the preceding, Assignor may, from time to time, sell, transfer, convey, donate, assign, pledge, mortgage, or encumber all or any part of Assignor's rights and obligations under this Agreement without the consent of the City provided the Assignee is an owner of land within MUD 1 and provided the Assignee agrees in writing to be bound by the terms and conditions of this Agreement (whereupon the Assignor shall be released from all liabilities, responsibilities, and obligations under this Agreement to the extent of the land conveyed to the Assignee).

ARTICLE XII MISCELLANEOUS PROVISIONS

- 12.1 Default; Remedies. No Party shall be in default under this Agreement until written notice of such Party's alleged failure to perform has been given to all Parties to this Agreement and to MUD 1 (including a detailed description of the alleged failure) and until such Party has had a reasonable opportunity to cure the alleged failure (taking into consideration the nature and extent of the alleged failure, but in no event less than 30 days after the notice is given). Except as otherwise expressly provided by this Agreement, if a Party is in default under this Agreement, the exclusive remedies of the non-defaulting Parties shall be injunctive relief, mandamus, or specific performance specifying the actions to be taken by or prohibited of the defaulting Party and the actions, if any, permitted to be taken by the non-defaulting Party to remedy the default. Such relief shall be directed solely to the failed obligation and shall not address or include any activity or actions not directly related to the failed obligation. No default by any Party to this Agreement shall affect, in any way: (a) the validity of the creation of MUD 1 or any inclusions of land into MUD 1 that the City has consented to in this Agreement; or (b) the ability of MUD 1 to issue and sell its Bonds and distribute the proceeds thereof unless

MUD 1 is in default with respect to the "Consent Conditions" set forth Section 3.1 of this Agreement. If RPG is in default of its obligations to pay funds for the Water Facilities and Sewer Facilities (as set forth in Section 5.5(b) and Section 5.6(b) of this Agreement) or pay the park fees (as set forth in Section 2.6 of this Agreement), MUD 1 agrees that any Bond proceeds to which RPG is otherwise entitled in connection with the development of the RPG Property shall used by MUD 1 to first pay the amounts that RPG wrongfully failed to pay for the Water Facilities, Sewer Facilities, or park fees, and all lien holders of the RPG Property agree to such payment; provided, however, the City's right to such payment by MUD 1 is in addition to the other remedies available to the City under this Agreement.

12.2 Failure to Provide Water and/or Sanitary Sewer Service. Notwithstanding anything to the contrary herein, if the City is unable, despite its good faith, best efforts, to (a) enter into wholesale water and sanitary sewer contracts (with one or more regional providers of such services) capable of providing water and sanitary sewer service for Full Development in accordance with the Demand Projections, (b) provide water and sanitary sewer service for Full Development with the Demand Projections, or (c) perform any other obligation under this Agreement that is necessary to provide water and wastewater service for Full Development in accordance with the Demand Projections, RPG and/or MUD 1 shall have the right to obtain and provide such services from any available source or sources (upon such terms and conditions as RPG and/or MUD 1 shall determine, in their sole discretion) on a temporary basis until the City is capable of providing water and sanitary sewer services in accordance with this Agreement. Should it become necessary for RPG and/or MUD 1 to obtain or provide such temporary services, the City will use its good faith, best efforts to support RPG and/or MUD 1 including, but not limited to, the City's consent to the expansion of the TPDES Permit and Interim STP and such other City consents as are reasonably required for RPG and/or MUD 1 to provide water and sanitary sewer service for Full Development in accordance with the Demand Projections. Nothing in this Section 12.2 is intended to constitute a relinquishment by the City of its CCNs covering the RPG Property.

12.3 Force Majeure In the event any Party is rendered unable, wholly or in part, by force majeure to carry out any of its obligations under this Agreement, other than any Party's obligations to pay funds to any other Party, then the obligations of such Party, to the extent affected by such force majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused, to the extent provided, but for no longer period. As soon as reasonably possible after the occurrence of the force majeure relied upon, the Party whose contractual obligations are affected thereby shall give notice and the full particulars of such force majeure to the other Parties. Such cause, as far as possible, shall be remedied with all reasonable diligence. The term "force majeure", as used herein, shall include without limitation of the generality thereof, acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, orders of any kind of the government of the United States or the State of Texas, or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, drought, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines or canals, partial

or entire failure of water supply, and inability to provide water necessary for operation of the water and sanitary sewer systems hereunder, or of the City to receive wastewater, and any other inabilities of any Party, whether similar to those enumerated or otherwise, which are not within the control of the Party claiming such inability, which such Party could not have avoided by the exercise of due diligence and care and which the Party is proceeding promptly to cure. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the Party having the difficulty, and that the above requirement that any force majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable to it in the judgment of the Party having the difficulty; provided, however, the term "force majeure" does not include a down turn in the real estate market, an increase in interest rates, or the inability of RPG to obtain financing.

- 12.4 Approvals and Consents. Approvals or consents required or permitted to be given under this Agreement shall be evidenced by an ordinance, resolution or order adopted by the governing body of the appropriate Party or by a certificate executed by a person, firm or entity previously authorized to give such approval or consent on behalf of the Party. Approvals and consents shall be effective without regard to whether given before or after the time required for giving such approvals or consents.
- 12.5 Notices. Any notice or other communication required by this Agreement to be given, provided, or delivered to a Party shall be in writing addressed to the Parties as set forth below. Notices shall be considered "given" for purposes of this Agreement: (a) if by Certified Mail, five business days after deposited with the U.S. Postal Service, Certified Mail, return Receipt Requested; (b) if by private delivery service (e.g., FedEx or UPS), on the date delivered to the notice address as evidenced by a receipt signed by any person at the notice address; or (c) if by any other means (including, but not limited to, FAX and E-mail), when actually received by the Part at the notice address.

If to the City, to:

City of Celina, Texas
c/o City Administrator
302 West Walnut
Celina, Texas 75009
FAX: 972-382-4041

If to MUD 1, to:

Collin County Municipal Utility District No. 1
c/o Coats, Rose, Yale, Ryman & Lee, P.C.
2 Lincoln Plaza, Suite 1300
Dallas, Texas 75242
FAX: 713-890-3924

If to RPG, to:

Republic Property Group
c/o Mark Wagner
8401 N. Central Expressway, Suite 350
Dallas, Texas 75225
FAX: 214-292-3411

with copy to:

Forestar (USA) Real Estate Group Inc.
c/o Tom Burleson
14755 Preston Road, Suite 710
Dallas, Texas 75254
FAX: 972-702-8372

If to the East Commercial Property Owner:

Lucas Celina 209, Ltd., A Texas limited partnership
c/o Rex Glendenning
2828 East Trinity Mills Road, Suite 100
Carrollton, Texas 75006
FAX: 972-250-1020

If to the West Commercial Property Owner:

Central Frisco, Ltd., A Texas limited partnership
c/o Rex Glendenning
9400 North Central Expressway, Suite 1616
Dallas, Texas 75231
FAX: 972-250-1020

Each Party has the right to change, from time to time, its notice addresses by giving at least 10 days written notice to the other Parties. If any time period provided in this Agreement ends on a Saturday, Sunday, or legal holiday, the period shall be extended to the first Business day following such Saturday, Sunday, or legal holiday.

- 12.6 No Additional Waiver Implied. The failure of any Party to insist upon strict performance of any provision of this Agreement shall not be construed as a waiver of the future performance of such provision by the other Parties.
- 12.7 Reservation of Rights. All rights, powers, privileges and authority of the Parties hereto not restricted or affected by the express terms and provisions hereof are reserved by the Parties and, from time to time, may be exercised and enforced by the Parties.
- 12.8 Merger. Except to the extent of other written agreements entered into by RPG contemporaneous with or subsequent to this Agreement, this Agreement embodies the

entire understanding between the Parties and there are no other representations, warranties or agreements between the Parties covering the subject matter of this Agreement.

- 12.9 Captions. The captions of each section of this Agreement are inserted solely for convenience and shall never be given effect in construing the duties, obligations or liabilities of the Parties hereto or any provisions hereof, or in ascertaining the intent of any Party, with respect to the provisions hereof.
- 12.10 Interpretations. This Agreement and the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of this Agreement.
- 12.11 Severability. If any provision of this Agreement or the application thereof to any person or circumstances is ever judicially declared invalid, such provision shall be deemed severed from this Agreement and the remaining portions of this Agreement shall remain in effect. In the event that the TCEQ or any court of competent jurisdiction determines that any provision of this Agreement is beyond the scope of the Texas Water Code, the City, RPG, the East Commercial Property Owner, the West Commercial Property Owner and MUD 1 agree to immediately amend this Agreement to conform to such ruling or decision.
- 12.12 Amendments. This Agreement may only be amended by a resolution or ordinance of the City and a written agreement signed by RPG, the East Commercial Property Owner, and the West Commercial Property Owner and, upon execution of the MUD 1 acknowledgment, MUD 1, and no City officer or official is authorized or empowered to vary or waive the terms of this Agreement absent such amendment. This Agreement, as it applies to the RPG Property, may be amended without the consent of the East Commercial Property Owner or the West Commercial Property Owner so long as such amendment does not affect the rights and obligations of the East Commercial Property Owner or the West Commercial Property Owner under this Agreement. This Agreement, as it applies to the Commercial Property, may be amended without the consent of RPG so long as such amendment does not affect the rights and obligations of RPG under this Agreement.
- 12.13 Expenses in Consenting to Creation of MUD 1. The Parties acknowledge that the predecessors in interest to RPG reimbursed the City \$175,000 for actual third-party costs and expenses paid or incurred by the City in connection with the petition for consent to create MUD 1 as filed with the City and dated August 19, 2004, and all actions relating to MUD 1 occurring after that date; and reimbursed Collin County \$35,000 for similar expenses. RPG agrees to reimburse the City up to \$15,000 for actual third party costs and expenses paid or incurred by the City since December 1, 2006 relating to RPG's request to amend this Agreement and proposal to change the law applicable to MUD 1 and RPG shall pay such amounts within twenty days after receipt of an invoice or statement from the City showing such costs and expenses.

12.14 Binding Obligation; Releases; Estoppel.

- (a) Binding Obligation. This Agreement shall bind and inure to the benefit of the Parties hereto, and their permitted successors and assigns. Subject to the limitations contained in Section 12.14(b) below, upon recordation of this Agreement (but not the memorandum thereof described below) in accordance with this subsection, this Agreement shall bind and constitute a covenant running with the Property. This Agreement shall be recorded in the Deed Records of Collin County, Texas within 10 days after the Effective Date. As required by HB 1197 and Section 212.172(f) of the Texas Local Government Code, this Agreement is binding on the City, RPG, the East Commercial Property Owner, the West Commercial Property Owner and MUD 1 and on their respective successors and assigns for the term of this Agreement; however, pursuant to the same statutory authority, this Agreement is not binding on, and does not create any encumbrance to title as to, any end-buyer of a fully developed and improved lot within the RPG Property or the Commercial Property except for regulations that apply to specific lots and the consent to annexation. For purposes of this Agreement, the Parties agree as follows: (1) that the term “end-buyer” or “ultimate consumer” means any owner, lessee, or occupant; (2) that term “fully developed and improved lot” means any lot, regardless of proposed use, for which the City has approved a final plat; and (3) that the “regulations that apply to specific lots” include the following sections of this Agreement: Section 2.1, Applicable Regulations; Section 2.5, Dedication of Road Right-of-Way; Section 2.6, Park Dedication Fees; Section 2.8, Site for Elevated Water Storage Tank; Section 2.10, Waiver; Section 6.3, Rates; Section 6.4, Water Conservation; Section 6.5, Industrial Waste; Section 6.7, Solid Waste/Trash Collection; Section 6.8; Police, Fire, and Emergency Services; and Section 12.14, Binding Obligation; Releases; Estoppel.
- (b) Commercial Property. Except as provided by this section, this Agreement shall not be binding upon or constitute a covenant running with the Commercial Property. The following, and only the following, sections of this Agreement apply to, are binding upon, and constitute a covenant running with the Commercial Property: the Recitals; Section 1.1, Definitions; Section 2.1, Applicable Regulations; Section 2.2, Development Fees and Charges; Section 2.3, Building Permits; Section 2.5, Dedication of Road Right-of-Way; Section 2.7, Sanitary Sewer and Trail Easements; Section 2.8, Site for Elevated Water Storage Tank; Section 2.9, Site for Public Safety Facility; Section 2.10, Waiver; Section 5.5(c), Water Facilities, Right of Way; Section 5.6(c), Sewer Facilities, Right of Way; Article IX, Term of Agreement; Article X, Third Party Beneficiaries; Article XI, Assignment of Agreement; Section 12.1, Default; Remedies; Section 12.3, Force Majeure; Section 12.4, Approvals and Consents; Section 12.5, Notices; Section 12.6, No Additional Waiver Implied; Section 12.7, Reservation of Rights; Section 12.8, Merger; Section 12.9, Captions; Section 12.10, Interpretations; Section 12.11, Severability; Section 12.12, Amendments; Section 12.14, Binding Obligation; Releases; Estoppel; Section 12.15, Authority; and Section 12.17, Waiver of Governmental Immunity.

- (c) Releases. From time to time the applicant for any final plat (or the owner of the land covered by any final plat) may request, in writing, that the City execute, in recordable form, a release of this Agreement with respect to any portion of the Property covered by an approved final plat (subject, however, to the continuing applicability of the "regulations that apply to specific lots" as identified above); and if the final plat has been approved, the City shall evidence such release by a statement included on the face of the approved final plat (provided; however, the failure of the approved final plat to include such an express release shall not adversely affect the automatic release provided by this Agreement).
- (d) Estoppel Certificates. From time to time upon written request by any seller or purchaser of property within the Property the City shall execute a written estoppel certificate to such seller or purchaser stating, if true that the City has not given or received any written notices alleging any events of default under this Agreement, provided, however, the City may charge up to \$200 per estoppel certificate.
- 12.15 Authority. By executing below, the Parties agree that they have all necessary authority to enter into this Agreement, including any necessary approval by partners, directors or council members.
- 12.16 Interlocal Agreement. Upon MUD 1 acknowledging this Agreement pursuant to the provisions of Section 3.1(a) hereof, this Agreement shall constitute an Interlocal Agreement entered into between MUD 1 and the City pursuant to Chapter 791, Texas Government Code, as amended.
- 12.17 Waiver of Government Immunity. By executing this Agreement, the City and MUD 1 waive sovereign immunity from suit for the purpose of enforcing this Agreement.
- 12.18 Construction and Venue. This Agreement is a contract made under and shall be construed in accordance with and governed by the laws of the United States of America and the State of Texas, as such laws are now in effect and venue for any action shall lie only in Collin County, Texas.
- 12.19 Service to the Light Family Property. The Trust Property is located within an area for which the City has a certificate of convenience and necessity to provide retail water and sanitary sewer service. If and when the owners of the Trust Property desire water and sanitary sewer service for the Trust Property, the owner should file an application for service with the City. If, however, upon the filing of such application it is determined that the City is unable to provide the requested service as and when requested, and if upon the filing of such application MUD 1 has the ability to provide such service, then MUD 1 shall be allowed to provide such service, on a temporary basis, until such time as the City is able to do so. Nothing in this Section 12.19 is intended to constitute a relinquishment by the City of its CCNs covering the Trust Property. If necessary or convenient for the City to provide retail water or sewer service to the Trust Property, RPG, the East Commercial Property Owner, the West Commercial Property Owner and MUD 1 consent to using Water Facilities and Sewer Facilities easements and streets located within the Property.

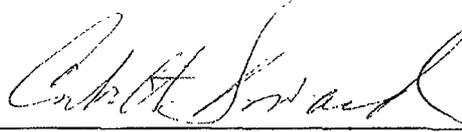
12.20 Exhibits. The exhibits attached to this Agreement are incorporated as part of this Agreement for all purposes as if set forth in full in the body of this Agreement

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IN WITNESS WHEREOF, the Parties hereto have executed this agreement in multiple copies, each of equal dignity.

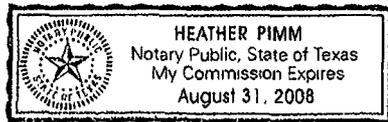
Accepted and executed as of the 12th day of March, 2007.

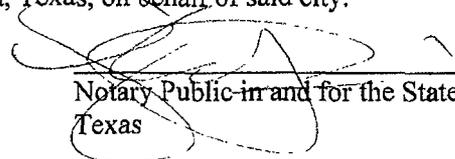
City of Celina, Texas

By: 
Corbett Howard, Mayor

STATE OF TEXAS §
COUNTY OF COLLIN §

This instrument was acknowledged before me on this 12th day of March, 2007, by Corbett Howard, Mayor, City of Celina, Texas, on behalf of said city.




Notary Public in and for the State of
Texas

Accepted and executed as of the 12th day of March, 2007.

Forestar/RPG Land Company LLC,
a Texas limited liability company

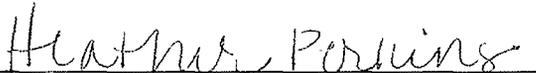
By: RJM/CELINA, L.P.,
a Texas limited partnership,
Manager

By: RJM/CELINA GP, INC.,
a Texas corporation,
General Partner

By: 
Name: Richard C. Strauss
Title: Chairman/CEO

STATE OF TEXAS §
COUNTY OF COLLIN §

This instrument was acknowledged before me this 12th day of March, 2007, by Richard C Strauss, Chairman/CEO of RJM/Celina GP, Inc., a Texas corporation, general partner of RJM/Celina, L.P., a Texas limited partnership, manager of Forestar/RPG Land Company LLC, a Texas limited liability company, on behalf of said limited liability company.


Notary Public in and for the State of
Texas



Accepted and executed as of the 15th day of May, 2007.

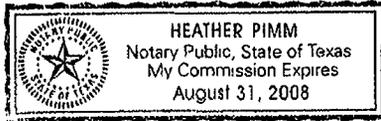
Lucas Celina 209, Ltd.,
A Texas limited partnership

By: [Signature]
Name: Harry B. Lucas Jr
Title: Manager

STATE OF TEXAS §
COUNTY OF DALLAS §

This instrument was acknowledged before me this 15th day of May, 2007, by Harry B. Lucas Jr for Lucas Celina 209, Ltd., A Texas limited partnership, on behalf of said limited partnership

[Signature]
Notary Public in and for the State of Texas



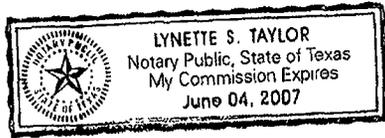
Accepted and executed as of the ___ day of March, 2007.

Central Frisco, Ltd.,
A Texas limited partnership
By ALR General, LLC, general partner

By: *Gregg Allen*
Name: Gregg Allen
Title: Co-Manager

STATE OF TEXAS §
COUNTY OF COLLIN Dallas §

This instrument was acknowledged before me this 21st day of March, 2007, by Gregg Allen, Co-Manager for Central Frisco, Ltd., A Texas limited partnership, on behalf of said limited partnership.



Lynette S. Taylor
Notary Public in and for the State of
Texas

Exhibits:

Exhibit A	Legal Description of the RPG Property
Exhibit A-1	Depiction of the RPG Property
Exhibit B	Legal Description of the East Commercial Property
Exhibit B-1	Depiction of the East Commercial Property
Exhibit C	Legal Description of the West Commercial Property
Exhibit C-1	Depiction of the West Commercial Property
Exhibit D	Legal Description of the Trust Property
Exhibit D-1	Depiction of the Trust Property
Exhibit E	Land Plan
Exhibit F	Water Distribution Plan
Exhibit G	Wastewater Master Plan
Exhibit H	Interpretations of Collin County Subdivision Ordinance
Exhibit I	Interpretations of Celina Subdivision Ordinance
Exhibit J	Sign Standards
Exhibit K	Impact Fees
Exhibit L	Location of 1-Acre Site for Elevated Storage Tank
Exhibit M	Acknowledgment of this Agreement by Board of MUD 1
Exhibit N	Land which MUD 1 May Annex
Exhibit O	Demand Projections

March 12, 2007 Execution Final
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Exhibit A
Legal Description of the RPG Property

LEGAL DESCRIPTION

TRACT 1:

BEING a 408.510 acre tract of land situated in the John Ragsdale Survey, Abstract No. 734, Collin County, Texas, and being all of a tract of land conveyed as Tract "A" to the Carolina Development Company, Inc. by deed recorded in County Clerk's File No. 2005-0177083, Land Records, Collin County, Texas, said 408.510 acre tract, with reference bearing of Grid North, Texas State Plane Coordinates, North Central Zone, NAD 83 Datum, being more particularly described by metes and bounds as follows:

COMMENCING at a 1/2 inch iron rod found for the northwest corner of a called 161.4193 acre tract of land, conveyed to The Board of Regents of The Texas A&M University System by deed recorded in Volume 2513, Page 274, Land Records, Collin County, Texas, and being on the west line of aforesaid John Ragsdale Survey, and being on the east line of the F.D. Gary Survey, Abstract No. 361;

THENCE, North 89 degrees 56 minutes 06 seconds east, along the north line of aforesaid 161.4193 acre tract of land, a distance of 1000.04 feet to the point of beginning, said point being the southwest corner of said Tract "A" and the southeast corner of a called 365.311 acre tract conveyed to the Carolina Development Company, Inc. by deed recorded in County Clerk's File No. 2005-0177083, Land Records, Collin County, Texas;

THENCE, along the west line of said Tract "A" and the east line of said 365.311 acre tract the following courses and distances:

North 00 degrees 36 minutes 37 seconds west, a distance of 1500.17 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for corner;

North 30 degrees 59 minutes 39 seconds east, a distance of 2547.33 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for corner;

North 00 degrees 36 minutes 40 seconds west, a distance of 648.12 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for corner;

North 39 degrees 46 minutes 58 seconds east, a distance of 324.39 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for corner;

North 07 degrees 03 minutes 16 seconds east, a distance of 222.20 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for corner;

North 74 degrees 04 minutes 00 seconds east, a distance of 521.49 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for corner;

North 04 degrees 53 minutes 56 seconds east, a distance of 1779.08 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for corner;

South 89 degrees 27 minutes 32 seconds west, a distance of 1198.99 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for corner;

North 12 degrees 43 minutes 10 seconds west, a distance of 1321.07 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for corner;

North 89 degrees 27 minutes 32 seconds east, a distance of 1600.65 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for corner;

North 04 degrees 53 minutes 56 seconds east, a distance of 697.40 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for corner;

North 03 degrees 20 minutes 56 seconds east, a distance of 48.00 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for the northwest corner said Tract "A" and the northeast corner of said 365.311 acre tract, said point being on the north line of said John Ragsdale Survey and The Common South Line of a tract of land conveyed to Martha Ann King and Peggy Sue Earthman, by deed recorded in County Clerk's File No. 92-0091304, Land Records, Collin County, Texas;

THENCE, North 89 degrees 32 minutes 06 seconds east, along the north line of said Tract "A" and the south line of a said tract of land conveyed to Martha Ann King and Peggy Sue Earthman, a distance of 707.94 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for the northeast corner of said Tract "A" and the common northeast corner of said John Ragsdale Survey and the southwest corner of the M.D. Bullion Survey, Abstract No. 137 and being on the west line of Collin County School Land Survey No. 14, Abstract No. 167 and the west line of a tract of land conveyed to Richard C. Smith and wife, Janet L. Smith by deed recorded in County Clerk's File No. 97-0086916, Land Records, Collin County, Texas;

THENCE, South 01 degrees 06 minutes 02 seconds east, along the east line of said Tract "A" and the west line of said Collin County School Land Survey No. 14, Abstract No. 167 and the common west line of a 100.593 acre tract conveyed to the Walton Bradford Family Partnerships, L.P. recorded in Volume 5050, Page 00784, Land Records, Collin County, Texas, a distance of 8807.15 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for the southeast corner of said Tract "A", at the west line of aforesaid Collin County School Land Survey No. 14, Abstract No. 167;

THENCE, along the south line of said Tract "A" and the north line of said 161.4193 acre tract of land, the following courses and distances:

North 89 degrees 44 minutes 17 seconds west, a distance of 138.60 feet to a point for corner;

North 82 degrees 40 minutes 54 seconds west, a distance of 632.77 feet to a point for corner;

South 89 degrees 19 minutes 08 seconds west, a distance of 1314.05 feet to a point for corner;

South 87 degrees 52 minutes 29 seconds west, a distance of 475.03 feet to a point for corner;

South 89 degrees 56 minutes 06 seconds west, a distance of 672.47 feet to the POINT OF BEGINNING
AND
CONTAINING 408.510 acres of land, more or less.

SAVE & EXCEPT:

BEING a 5.000 acre tract of land situated in the John Ragsdale Survey, Abstract No. 734, Collin County, Texas, and being all of five 1.000 acre tracts conveyed as M.U.D. Director Lot 1 to Rett Corson by deed recorded in Volume 5438, Page 6055, Land Records, Collin County, Texas, M.U.D. Director Lot 2 to Jay Kirby by deed recorded in Volume 5438, Page 6058, Land Records, Collin County, Texas, M.U.D. Director Lot 3 to Michael Blase by deed recorded in Volume 5438, Page 6061, Land Records, Collin County, Texas, M.U.D. Director Lot 4 to 14875 Partners, Ltd. by deed recorded in County Clerk's File No. 20061027001545080, Land Records, Collin County, Texas, and M.U.D. Director Lot 5 to Josh J. Kahn by deed recorded in Volume 5438, Page 6021, Land Records, Collin County, Texas said 5.000 acre tract, with bearing basis of Grid North, Texas State Plane Coordinates, North Central Zone, NAD 83 Datum, being more particularly described by metes and bounds as follows:

COMMENCING at a 5/8" iron rod with yellow plastic cap stamped "Carter Burgess" set for the northeast corner of said Tract "A";

THENCE, South 89 degrees 32 minutes 06 seconds west, along the north line of said Tract "A", a distance of 657.83 feet to point for corner in the east line of a 50 foot easement to Lone Star Gas Company, recorded in Volume 507, Page 383, Land Records Collin County, Texas;

THENCE, over and across said Tract "A" and along the east line of said Lone Star Gas Company Easement, the following courses and distances:

South 03 degrees 20 minutes 56 seconds west, a distance of 52.00 feet to point for corner;

South 04 degrees 53 minutes 56 seconds west, a distance of 2933.00 feet to the point of beginning of said five-1.000 acre tracts;

THENCE, continuing over and across said Tract "A", the following courses and distances:

South 85 degrees 06 minutes 04 seconds east, a distance of 348.48 feet to a point for corner;

South 04 degrees 53 minutes 56 seconds west, a distance of 625.00 feet to point for corner;

North 85 degrees 06 minutes 04 seconds west, a distance of 348.48 feet to point for corner on the aforesaid east line of Lone Star Gas Company Easement;

North 04 degrees 53 minutes 56 seconds east, along said east line, a distance of 625.00 feet to the point of beginning and containing 5.000 acres of land and leaving a net acreage of 403.510 acres of land, more or less.

TRACT 2: - 151.289 acres

BEING a 151.289 acre tract of land situated in the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas, and being all of 151.289 acre tract of land, conveyed as Tract "B" to the Carolina Development Company, Inc. by deed recorded in County Clerk's File No. 2005-0177083, Land Records, Collin County, Texas, said 151.289 acre tract with bearing basis of Grid North, Texas State Plane Coordinates, North Central Zone, NAD 83 Datum, being more particularly described by metes and bounds as follows:

BEGINNING at a 1 inch pipe found for the northwest corner of said Tract "B", said corner bears north 89 degrees 28 minutes 05 seconds east a distance of 35.13 feet from a 1/2" iron rod found at the southwest corner of a tract of land conveyed to Albert Mokhtar, Trustee by deed recorded in Volume 2722, Page 333, Land Records, Collin County, Texas;

THENCE, North 89 degrees 28 minutes 05 seconds east, along the north line of said Tract "B" and the common south line of aforesaid Albert Mokhtar Tract, a distance of 1912.58 feet to a 1/2" iron rod found for the northeast corner of said Tract "B" and the southeast corner of said Albert Mokhtar Tract and being on the west right-of-way of The Red River Texas & Southern Railway Company Tract No. 54 by deed recorded in Volume 121, Page 20, Land Records, Collin County, Texas;

THENCE, South 11 degrees 20 minutes 28 seconds west, along the east line of said Tract "B" and the common west line of aforesaid Red River Texas & Southern Railway Company Tract No. 54, a distance of 4816.17 feet to a 1/2 inch iron rod found for the southeast corner of said Tract "B" and point on the north line of a called 81.68 acre tract of land, conveyed to Graham S. Stelzer and Wife, Doris Stelzer by deed recorded in Volume 587, Page 146, Land Records, Collin County, Texas;

THENCE, South 89 degrees 32 minutes 42 seconds west, along the south line of said Tract "B" and the common north line of aforesaid 81.68 acre tract, a distance of 884.15 feet to a 3/8 inch iron rod found for the southwest corner of said Tract "B" and the northwest corner of said 81.68 acre tract;

THENCE, North 00 degrees 59 minutes 18 seconds west, along the east line of said Tract "B", a distance of 4712.10 feet to the POINT OF BEGINNING AND CONTAINING 151.289 acres of land, more or less.

TRACT 3: - 209.022 acres

BEING a 209.022 acre tract of land situated in the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas, and being all of a 209.022 acre tract of land conveyed as Tract "C" to the Carolina Development Company, Inc. by deed recorded in County Clerk's File No. 2005-0177083, Land Records, Collin County, Texas, said 209.022 acre tract, with bearing basis of Grid North, Texas State Plane Coordinates, North Central Zone, NAD 83 Datum, being more particularly described by metes and bounds as follows:

BEGINNING at 1/2 inch iron rod found for the northeast corner of said Tract "C" and being the southeast corner of a called Tract 4, conveyed to Ownsby 1880 Farms, Ltd. by deed recorded in County Clerk's File No. 99-0005737, Land Records, Collin County, Texas and being on the west line of a called Tract 1, conveyed to Ownsby 1880 Farms, Ltd. by deed recorded in County Clerk's File No. 99-0005737, Land Records, Collin County, Texas;

THENCE, South 00 degrees 28 minutes 05 seconds east, along the east line of said Tract "C" and the west line of aforesaid Tract 1 and a called Tract 2 & Tract 3, conveyed to Ownsby 1880 Farms, Ltd. by deed recorded in County Clerk's File No. 99-0005737, Land Records, Collin County, Texas, a distance of 4058.21 feet to a 60D nail found for the southwest corner of said Tract 3;

THENCE, continuing along the east line of said Tract "C" and the west line of a called 139.708 acre tract of land, conveyed to Keeran Family Partnership, Ltd., recorded in County Clerk's File No. 2001-0083876, Land Records, Collin County, Texas, the following courses and distances:

South 00 degrees 28 minutes 43 seconds east, a distance of 658.85 feet to a 1/2 inch iron rod found for corner;

South 00 degrees 26 minutes 50 seconds east, a distance of 2675.40 feet to a 3/8 inch iron rod found for corner in the approximate centerline of Business Highway No. 289 (a variable prescriptive width right-of-way) and being the southeast corner of said Tract "C" and the southwest corner of aforesaid 139.708 acre tract, from said corner a 60D nail bears North 00 degrees 52 minutes 30 seconds west, a distance of 33.68 feet found for witness;

THENCE, South 89 degrees 29 minutes 44 seconds west, along the south line of said Tract "C" and with the approximate centerline of aforesaid Business Highway No. 289, a distance of 1322.70 feet to a 3/8 inch iron rod found for the southwest corner of said 209.022 acre tract and the southeast corner of a called 7.438 acre tract of land, conveyed to Lotti Loraine Couch by deed recorded in County Clerk's File No. 97-0002825, Land Records, Collin County, Texas, from said corner a 60D nail bears North 01 degrees 13 minutes 49 seconds west, a distance of 37.84 feet found for witness;

THENCE, North 00 degrees 42 minutes 12 seconds west, along a west line of said Tract "C" and the common east line of aforesaid 7.438 acre tract, a distance of 605.95 feet to a 1/2 inch iron rod found for the northeast corner of said 7.438 acre tract;

THENCE, North 00 degrees 18 minutes 06 seconds west, continuing along a west line of said Tract "C" and the common east line of a called 81.68 acre tract of land, conveyed to Graham S. Stelzer and wife, Doris Stelzer by deed recorded in Volume 587, Page 146, Land Records, Collin County, Texas, a distance of 2067.07 feet to a 1/2 inch iron rod found for the inside ell corner of said 209.022 acre tract and the northeast corner of said 81.68 acre tract;

THENCE, South 89 degrees 31 minutes 56 seconds west, along a south line of said Tract "C" and the common north line of aforesaid 81.68 acre tract, a distance of 353.59 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for corner on the east right-of-way of The Red River Texas & Southern Railway Company Tract No. 54 by deed recorded in Volume 121, Page 20, Land Records, Collin County, Texas;

THENCE, North 11 degrees 20 minutes 28 seconds east, along the west line of said Tract "C" and the common east line of aforesaid Red River Texas & Southern Railway Company Tract No. 54, a distance of 4816.78 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for the northwest corner of said 209.022 acre tract and the southwest corner of aforesaid Tract 4;

THENCE, North 89 degrees 04 minutes 39 seconds east, along the north line of said Tract "C" and the common south line of aforesaid Tract 4, a distance of 687.89 feet to THE POINT OF BEGINNING AND CONTAINING 209.022 acres of land, more or less.

TRACT 4: - EASEMENT ESTATE

PARCEL A:

Being a 3.615 acre tract of land situated in the John Ragsdale Survey, Abstract No. 734, Collin County, Texas, and being part of a 768.821 acre tract of land, conveyed to 14875 Partners, Ltd. by Deed recorded in County Clerk's File No. 2004-0007545, Land Records, Collin County, Texas. Said 3.615 acre tract, with bearing basis of Grid North, Texas State Plane Coordinates, North Central Zone, Harn NAD 83 (93) Datum, being more particularly described by metes and bounds as follows:

COMMENCING at a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for a Southwest corner of said 768.821 acre tract and being on the East line of a tract of land conveyed to James Darrell Neal and Deborah Ann Neal by Deed recorded in County Clerk's File No. 96-0106278, Land Records, Collin County, Texas;

THENCE North 00 degrees 36 minutes 37 seconds West, along the West line of aforesaid 768.821 acre tract and the common East line of aforesaid James Darrell Neal and Deborah Ann Neal Tract and the East line of a called 10.000 acre tract conveyed to Jeffrey A. Watters by Deed recorded in County Clerk's File No. 2000-0086536, Land Records, Collin County, Texas and a tract of land conveyed to Davis Whetsel and wife, Georgina Whetsel by Deed recorded in County Clerk's File No. 94-0094058, Land Records, Collin County, Texas;

THENCE over and across aforesaid 768.821 acre tract the following courses and distances:

North 89 degrees 23 minutes 23 seconds East, a distance of 937.25 feet to the POINT OF BEGINNING and the beginning of a non-tangent curve to the left having a central angle of 10 degrees 01 minutes 17 seconds, a radius of 2684.79 feet, a chord bearing of North 08 degrees 53 minutes 26 seconds East, and a chord length of 468.98 feet;

Along said non-tangent curve to the left, an arc length of 469.58 feet to a point for corner;

North 57 degrees 57 minutes 30 seconds East, a distance of 167.91 feet to a point for corner and the beginning of a tangent curve to the right having a central angle of 27 degrees 07 minutes 58 seconds, a radius of 475.00 feet, a chord bearing of North 71 degrees 31 minutes 29 seconds East, and a chord length of 222.84 feet;

Along said tangent curve to the right, an arc length of 224.94 feet to a point for corner;

North 85 degrees 05 minutes 28 seconds East, a distance of 12.44 feet to a point for corner and the beginning of a non-tangent curve to the right having a central angle of 06 degrees 55 minutes 41 seconds, a radius of 3044.79 feet, a chord bearing of South 03 degrees 51 minutes 27 seconds West, and a chord length of 367.95 feet;

Along said non-tangent curve to the right, an arc length of 368.17 feet to a point for corner;

South 57 degrees 57 minutes 30 seconds West, a distance of 446.95 feet to a point for corner and the beginning of a tangent curve to the right having a central angle of 04 degrees 49 minutes 13 seconds, a radius of 478.00 feet, a chord bearing of South 60 degrees 22 minutes 07 seconds West and chord length of 40.20 feet;

Along said tangent curve to the right, an arc length of 40.21 feet, to the POINT OF BEGINNING, and containing 3.615 acres of land, more or less.

PARCEL B:

Being a 8.523 acre tract of land situated in the John Ragsdale Survey, Abstract No. 734, Collin County, Texas, and being part of a 768.821 acre tract of land, conveyed to 14875 Partners, Ltd. by Deed recorded in County Clerk's File No. 2004-0007545, Land Records, Collin County, Texas. Said 8.523 acre tract,

with bearing basis of Grid North, Texas State Plane Coordinates, North Central Zone, Harn NAD 83 (93) Datum, being more particularly described by metes and bounds as follows:

COMMENCING at a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for a Southwest corner of aforesaid 768.821 acre tract and being the Northwest corner of a 66.179 acre tract being the remainder of a tract of land conveyed to D.W. Light, William M. Light, and Jack H. Light by Deed recorded in Volume 1044, Page 203, Land Records, Collin County, Texas;

THENCE North 00 degrees 36 minutes 37 seconds West, along the West line of aforesaid 768.821 acre tract, a distance of 1480.95 feet to the POINT OF BEGINNING;

THENCE North 00 degrees 36 minutes 37 seconds West, continuing along the West line of aforesaid 768.821 acre tract, a distance of 413.50 feet to a point for corner;

THENCE over and across aforesaid 768.821 acre tract the following courses and distances:

South 48 degrees 20 minutes 40 seconds East, a distance of 843.57 feet to a point for corner and being the beginning of a tangent curve to the left having a central angle of 73 degrees 41 minutes 50 seconds, a radius of 147.00 feet, a chord bearing of South 85 degrees 11 minutes 35 seconds East, and a chord length of 176.31 feet;

Along said tangent curve to the left, an arc length of 189.08 feet, to a point for corner;

North 57 degrees 57 minutes 30 seconds East, a distance of 248.76 feet to a point for corner on the proposed West right-of-way of the Dallas North Tollway and the beginning of a non-tangent curve to the right having a central angle of 08 degrees 38 minutes 25 seconds, a radius of 2684.79 feet, a chord bearing of South 08 degrees 51 minutes 42 seconds West, and a chord length of 404.48 feet;

Along said non-tangent curve to the right, and along aforesaid proposed West right-of-way, an arc length of 404.87 feet, to a point for corner and the beginning of a non-tangent curve to the right having a central angle of 71 degrees 39 minutes 44 seconds, a radius of 453.00 feet, a chord bearing of North 84 degrees 10 minutes 32 seconds West, and a chord length of 530.37 feet;

Along said non-tangent curve to the right, an arc length of 566.59 feet, to a point for corner;

North 48 degrees 20 minutes 40 seconds West, a distance of 565.47 feet to the POINT OF BEGINNING, and containing 8.523 acres of land, more or less.

PARCEL C:

Being a 13.813 acre tract of land situated in the John Ragsdale Survey, Abstract No. 734, Collin County, Texas, and being part of a 768.821 acre tract of land, conveyed to 14875 Partners, Ltd. by Deed recorded in County Clerk's File No. 2004-0007545, Land Records, Collin County, Texas. Said 13.813 acre tract, with bearing basis of Grid North, Texas State Plane Coordinates, North Central Zone, Harn NAD 83 (93) Datum, being more particularly described by metes and bounds as follows:

COMMENCING at a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for a Southwest corner of aforesaid 768.821 acre tract and being the Northwest corner of a 66.179 acre tract being the remainder of a tract of land conveyed to D.W. Light, William M. Light, and Jack H. Light by Deed recorded in Volume 1044, Page 203, Land Records, Collin County, Texas;

THENCE over and across aforesaid 768.821 acre tract the following courses and distances:

North 62 degrees 35 minutes 32 seconds West, a distance of 2615.86 feet to the POINT OF BEGINNING;

North 57 degrees 20 minutes 16 seconds West, a distance of 376.51 feet to a point for corner;

South 85 degrees 23 minutes 24 seconds West, a distance of 577.01 feet to a point for corner;

South 57 degrees 57 minutes 30 seconds West, a distance of 101.17 feet to a point for corner on the proposed East right-of-way of the Dallas North Tollway and the beginning of a non-tangent curve to the left having a central angle of 05 degrees 50 minutes 59 seconds, a radius of 3044.79 feet, a chord bearing of North 03 degrees 47 minutes 27 seconds East, and a chord length of 310.72 feet;

Along said non-tangent curve to the left, and along aforesaid proposed East right-of-way, an arc length of 310.86 feet, to a point for corner;

North 85 degrees 05 minutes 28 seconds East, a distance of 723.28 feet to a point for corner and being the beginning of a tangent curve to the left having a central angle of 60 degrees 36 minutes 26 seconds, a radius of 175.00 feet, a chord bearing of North 54 degrees 47 minutes 15 seconds East, and a chord length of 176.60 feet;

Along said tangent curve to the left, an arc length of 185.11 feet, to a point for corner;

North 24 degrees 29 minutes 02 seconds East, a distance of 245.29 feet to a point for corner and being the beginning of a tangent curve to the right having a central angle of 68 degrees 48 minutes 24 seconds, a radius of 436.60 feet, a chord bearing of North 58 degrees 53 minutes 14 seconds East, and a chord length of 493.37 feet;

Along said tangent curve to the right, an arc length of 524.31 feet, to a point for corner;

South 86 degrees 42 minutes 34 seconds East, a distance of 299.76 feet to a point for corner and being the beginning of a tangent curve to the left having a central angle of 07 degrees 55 minutes 59 seconds, a radius of 163.40 feet, a chord bearing of North 89 degrees 19 minutes 27 seconds East, and a chord length of 22.61 feet;

Along said tangent curve to the left, an arc length of 22.62 feet, to a point for corner;

South 04 degrees 53 minutes 56 seconds West, a distance of 224.56 feet to a point for corner;

South 74 degrees 04 minutes 00 seconds West, a distance of 521.49 feet to a point for corner;

South 07 degrees 03 minutes 16 seconds West, a distance of 222.20 feet to a point for corner;

South 39 degrees 46 minutes 58 seconds West, a distance of 324.39 feet to a point for corner;

South 00 degrees 36 minutes 40 seconds East, a distance of 201.56 feet to the POINT OF BEGINNING, and containing 13.813 acres of land, more or less.

Exhibit A-1
Depiction of the RPG Property

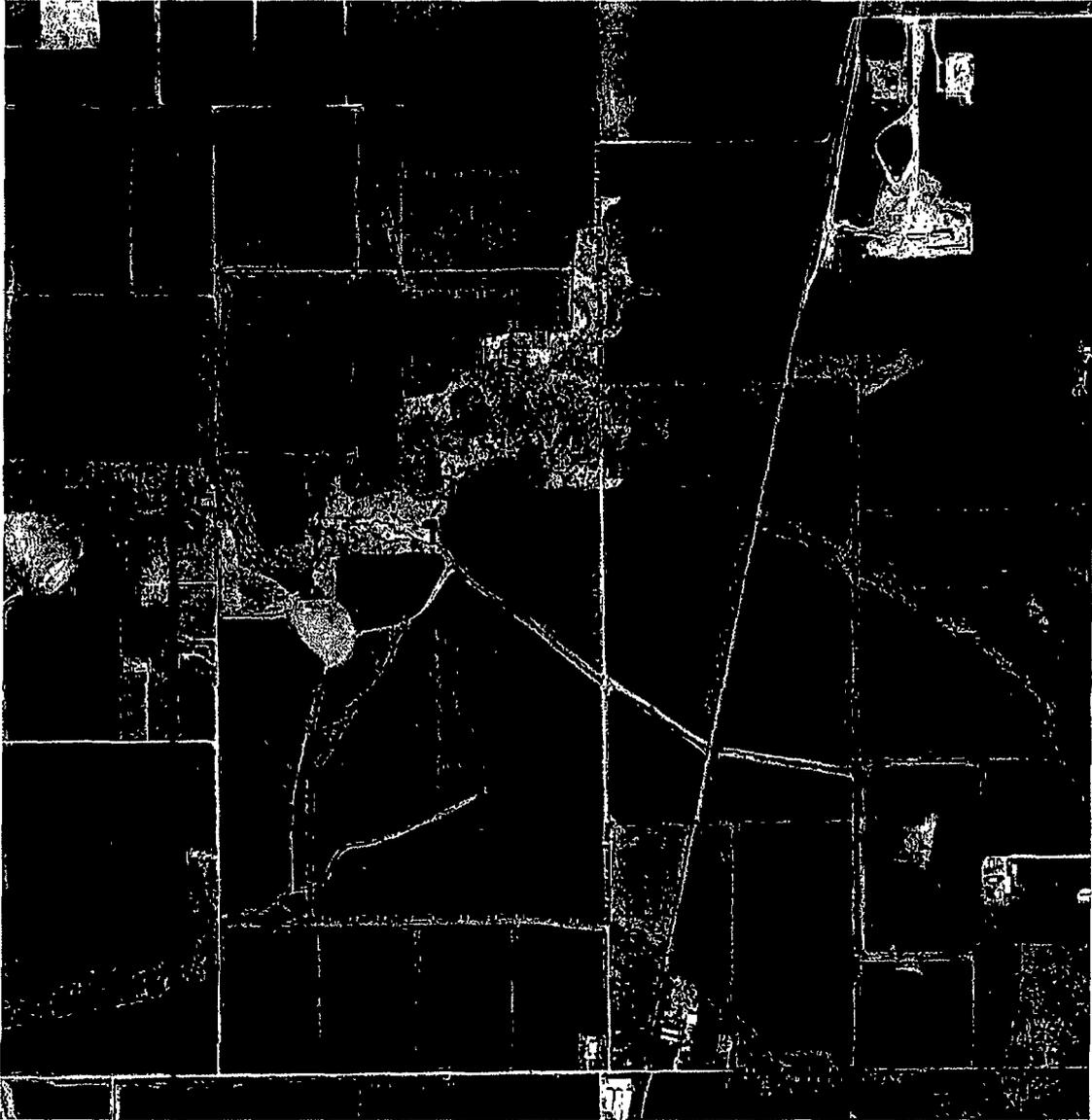


Exhibit B
Legal Description of the East Commercial Property
d

5912 010671

EXHIBIT "A"

BEING a 365.311 acre tract of land situated in the John Ragsdale Survey, Abstract No. 734, COLLIN County, Texas, and being part of a 768.821 acre tract of land, conveyed to 14875 Partners, Ltd. by deed recorded in County Clerk's File No. 2004-0007545, Land Records, COLLIN County, Texas, said 365.11 acre tract, with reference bearing of grid North, Texas State Plane Coordinated, North central zone, Ham Nad 83 (93) Datum, being more particularly described by metes and bounds as follows:

COMMENCING at a 1/2 inch iron rod found for the Northwest corner of a called 161.4193 acre tract of land, conveyed to the Board of Regents of the Texas A&M University System by deed recorded in Volume 2513, Page 274, Land Records, COLLIN County, Texas, and being the Southwest corner of said 768.821 acre tract and being on the West line of aforesaid John Ragsdale Survey, and being on the East line of the F.D. Gary Survey, Abstract No. 361;

THENCE, North 89 degrees 56 minutes 06 seconds East, along the North line of aforesaid 161.4193 acre tract of land and the South line of aforesaid 768.821 acre tract, a distance of 950.04 feet to the POINT OF BEGINNING;

THENCE, along the West line of said 768.821 acre tract the following courses and distances:

North 00 degrees 36 minutes 37 seconds West, a distance of 1513.85 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

North 30 degrees 59 minutes 39 seconds East, a distance of 867.40 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

North 69 degrees 00 minutes 21 seconds West, a distance of 1183.24 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner and being the beginning of a tangent curve to the left having a central angle of 31 degrees 36 minutes 14 seconds, a radius of 430.00 feet, and a long chord that bears North 74 degrees 48 minutes 29 seconds West, a distance of 234.19 feet;

Along said tangent curve to the left, an arc distance of 237.19 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

South 89 degrees 23 minutes 23 seconds West, a distance of 171.47 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner on the West line of said 768.821 acre tract, and the West line of said John Ragsdale Survey, and the common East survey line of Spencer Rice Survey, Abstract No. 787, and the East line of a tract of land conveyed to James Darrell Neal and Deborah and Neil, recorded in County Clerk's File No. 96-0106278, Land Records, COLLIN County, Texas;

THENCE, North 00 degrees 36 minutes 37 seconds West, along said West line, a distance of 5798.81 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner at the Northwest corner of said 768.821 acre tract and the Northwest corner of said John Ragsdale Survey;

THENCE, North 89 degrees 32 minutes 06 seconds East, along the North line of said 768.821 acre tract, a distance of 3443.38 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner on the North line of aforesaid 768.821 acre tract and the common North line of said John Ragsdale Survey, and the South line of a tract of land conveyed to Martha Ann King and Peggy Sue Earthman, recorded in County Clerk's File No. 92-0091304, Land Records, COLLIN County, Texas;

THENCE over and across said 768.821 acre tract the following courses and distances:

South 03 degrees 20 minutes 58 seconds West, a distance of 48.00 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

5912 010681

South 04 degrees 53 minutes 56 seconds West, a distance of 697.40 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

South 89 degrees 27 minutes 32 seconds West, a distance of 1800.85 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

South 12 degrees 43 minutes 10 seconds East, a distance of 1321.07 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

North 89 degrees 27 minutes 32 seconds East, a distance of 1198.99 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

South 04 degrees 53 minutes 56 seconds West, a distance of 1779.08 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

South 74 degrees 04 minutes 00 seconds West, a distance of 521.49 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

South 07 degrees 03 minutes 16 seconds West, a distance of 222.20 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

South 39 degrees 46 minutes 58 seconds West, a distance of 324.39 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

South 00 degrees 36 minutes 40 seconds East, a distance of 648.12 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

South 30 degrees 59 minutes 39 seconds West, a distance of 2547.33 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

South 00 degrees 36 minutes 37 seconds East, a distance of 1500.17 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner, on the South line of said 768.821 acre tract and the common North line of said 161.4193 acre tract;

THENCE South 89 degrees 56 minutes 06 seconds West, along the South line of said 768.821 acre tract, and the common North line of said 161.4193 acre tract, a distance of 50.00 feet to the POINT OF BEGINNING and containing 365.311 acres of land.

ANY PROVISION HEREON WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS HEREBY AND LEGALLY DEEMED UNLAWFUL AND VOID UNDER FEDERAL LAW
COUNTY OF COLLIN TEXAS
I hereby certify that this instrument is a true and correct copy of the original and the same was duly RECORDED in the Official Public Records of Collin County, Texas on

MAY 05 2005

Filed for Record in:
Collin County, McKinney TX
Honorable Brenda Taylor
Collin County Clerk

On May 05 2005
At 9:54am

Doc/Num : 2005- 0058908

Recording/Type: PR 22.00
Receipt #: 18452

PARTIAL RELEASE DEED - Page 5

Brenda Taylor



d

Exhibit B-1
 Depiction of the East Commercial Property

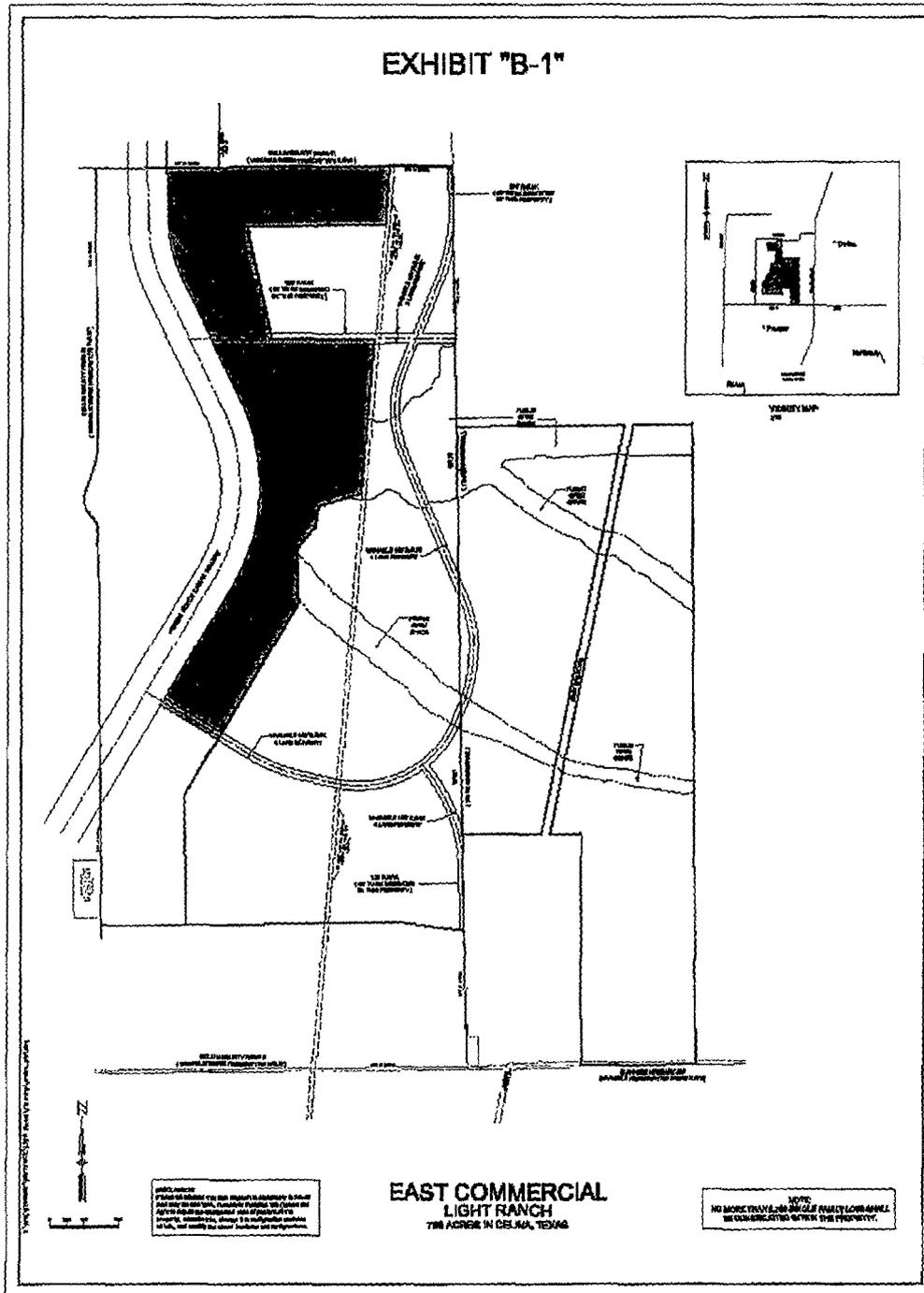


Exhibit C
Legal Description of the West Commercial Property

Continuation of Schedule A

G.F. No. 065701-COJS

THENCE through the interior of said WD Celina/Tollway tract, and along the west proposed right-of-way line of said Dallas North Tollway, the following Bearings and distance;

South 08° 36' 27" East, a distance of 1224.25 feet to a 1/2 inch iron rod set for corner, said point being in a curve to the left having a radius of 5744.58 feet, and a delta angle of 03° 23' 08";

along the said curve to the left, an arc distance of 339.45 feet, and a chord bearing and distance of South 10° 18' 01" East, 339.40 feet to a 1/2 inch iron rod set for corner, said point being in a curve to the right having a radius of 5714.58 feet, and a delta angle of 03° 23' 08";

along the said curve to the right, an arc distance of 337.68 feet, and a chord bearing and distance of South 10° 18' 01" East, 337.63 feet to a 1/2 inch iron rod set for corner;

South 08° 36' 27" East, a distance of 1881.48 feet to a 1/2 inch iron rod set for corner, said point being in a curve to the right having a radius of 2684.79 feet, and a delta angle of 37° 07' 00";

along the said curve to the right, an arc distance of 1739.23 feet, and a chord bearing and distance of South 09° 57' 03" West, 1708.98 feet to a 1/2 inch iron rod set for corner;

South 28° 30' 33" West, a distance of 524.25 feet to a 1/2 inch iron rod set for corner, said point being in the north line of the remaining called 66.179 acre tract of land conveyed to D.W. Light, William M. Light, and Jack H. Light, by deed recorded in Volume 1044, Page 203, of the Land Records of Collin County, Texas;

THENCE North 59° 00' 21" West, along the common line of said WD Celina/Tollway tract, and said called 66.179 acre tract, a distance of 37.14 feet to a 1/2 inch iron rod set for corner, said point being in a curve to the left having a radius of 430.00 feet, and a delta angle of 31° 36' 15";

THENCE continuing along the common line of said WD Celina/Tollway tract, and said called 66.179 acre tract, and along said curve to the left, an arc distance of 237.19 feet, and a chord bearing and distance of North 74° 48' 29" West, 234.19 feet to a 5/8 inch iron rod found for corner;

THENCE South 89° 23' 23" West, continuing along the common line of said WD Celina/Tollway tract, and said called 66.179 acre tract, a distance of 171.49 feet to a 1/2 inch iron rod found for corner, said point being the southwest corner of said WD Celina/Tollway tract, and being in the east line of a tract of land conveyed to James Darrell Neal and Deborah Ann Neal, by deed recorded in County Clerk's File No. 96-0106278, of the Land Records of Collin County, Texas;

THENCE North 00° 36' 37" West, along the common line of said WD Celina/Tollway tract, and said Neal tract, and a tract of land conveyed to Jeffrey A. Watters, by deed recorded in County Clerk's File No. 2000-0086536, of the Land Records of Collin County, Texas, a tract of land conveyed to David and wife, Gina Whetsel, by deed recorded in County Clerk's File No. 94-0094058, and 97-0005826, of the Land Records of Collin County, Texas, and a tract of land conveyed to Ruth B. Settle, by deed recorded in Volume 2794, Page 530, of the Land Records of Collin County, Texas, and a tract of land conveyed to Florence G. Jackson, Julie Jackson Gray & Florence Galloway Jackson, by deed recorded in Volume 1338, Page 432, of the Land Records of Collin County, Texas, and said Stearman tract, a distance of 5798.82 feet to the POINT OF BEGINNING and containing 4,513,256 square feet or 103.61 acres of computed land, more or less.

The Company is prohibited from insuring the area or quantity of the land described herein. Therefore, the Company does not represent that the acreage or square footage calculations are correct. References to quantity are for informational purposes only.

Exhibit C-1
Depiction of the West Commercial Property

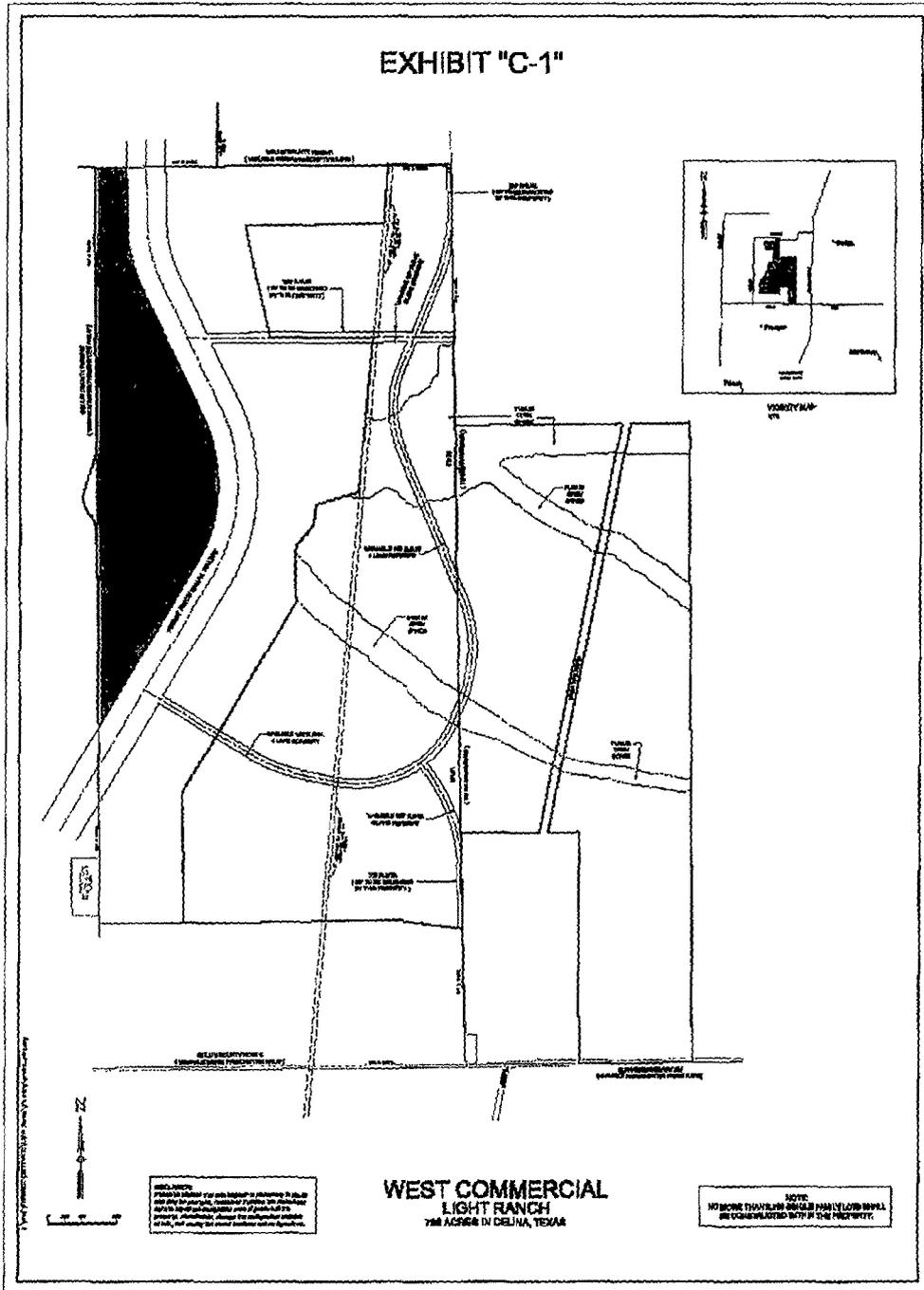


Exhibit D
Legal Description of the Trust Property

LEGAL DESCRIPTION
66.179 ACRES

BEING A 66.179 ACRE TRACT OF LAND SITUATED IN THE JOHN RAGSDALE SURVEY, ABSTRACT NO. 734, COLLIN COUNTY, TEXAS, AND BEING PART OF A CALLED 958.00 ACRE TRACT OF LAND, CONVEYED TO D. W. LIGHT, WILLIAM M. LIGHT, AND JACK H. LIGHT BY DEED RECORDED IN VOLUME 1044, PAGE 203, LAND RECORDS, COLLIN COUNTY, TEXAS, SAID 66.179 ACRE TRACT, WITH BEARING BASIS OF GRID NORTH, TEXAS STATE PLANE COORDINATES, NORTH CENTRAL ZONE, NAD 83 DATUM, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2 INCH IRON ROD FOUND FOR THE NORTHWEST CORNER OF A CALLED 161.4193 ACRE TRACT OF LAND, CONVEYED TO THE BOARD OF REGENTS OF THE TEXAS A&M UNIVERSITY SYSTEM BY DEED RECORDED IN VOLUME 2513, PAGE 274, LAND RECORDS COLLIN COUNTY, TEXAS AND BEING ON THE WEST LINE OF AFORESAID 958.00 ACRE TRACT AND BEING ON THE WEST LINE OF AFORESAID JOHN RAGSDALE SURVEY, AND BEING ON THE EAST LINE OF THE F. D. GARY SURVEY, ABSTRACT NO. 361;

THENCE NORTH 00 DEGREES 36 MINUTES 37 SECONDS WEST, ALONG THE WEST LINE OF AFORESAID 958.00 ACRE TRACT AND THE WEST LINE OF AFORESAID JOHN RAGSDALE SURVEY, AND THE COMMON EAST LINE OF AFORESAID F. D. GARY SURVEY AND THE SPENCER RICE SURVEY, ABSTRACT NO. 788, A DISTANCE OF 2927.41 FEET TO A 5/8 INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

THENCE, OVER AND ACROSS SIDE LIGHT TRACT, THE FOLLOWING COURSES AND DISTANCES:

NORTH 89 DEGREES 23 MINUTES 23 SECONDS EAST, A DISTANCE OF 171.47 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER, AND THE BEGINNING OF A TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 31 DEGREES 36 MINUTES 16 SECONDS, A RADIUS OF 430.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 74 DEGREES 48 MINUTES 29 SECONDS EAST, A DISTANCE OF 234.19 FEET;

ALONG SAID TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 237.19 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 59 DEGREES 00 MINUTES 21 SECONDS EAST, A DISTANCE OF 1183.24 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 30 DEGREES 59 MINUTES 39 SECONDS WEST, A DISTANCE OF 867.40 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 00 DEGREES 36 MINUTES 37 SECONDS EAST, A DISTANCE OF 1513.85 FEET TO A POINT FOR CORNER IN THE NORTH LINE OF AFORESAID BOARD OF REGENTS OF THE TEXAS A&M UNIVERSITY SYSTEM TRACT;

THENCE, SOUTH 89 DEGREES 56 MINUTES 06 SECONDS WEST, ALONG SAID NORTH LINE, A DISTANCE OF 950.04 FEET TO A TO THE **POINT OF BEGINNING** AND CONTAINING 66.179 ACRES OF LAND, MORE OR LESS.

Exhibit D-1
 Depiction of the Trust Property

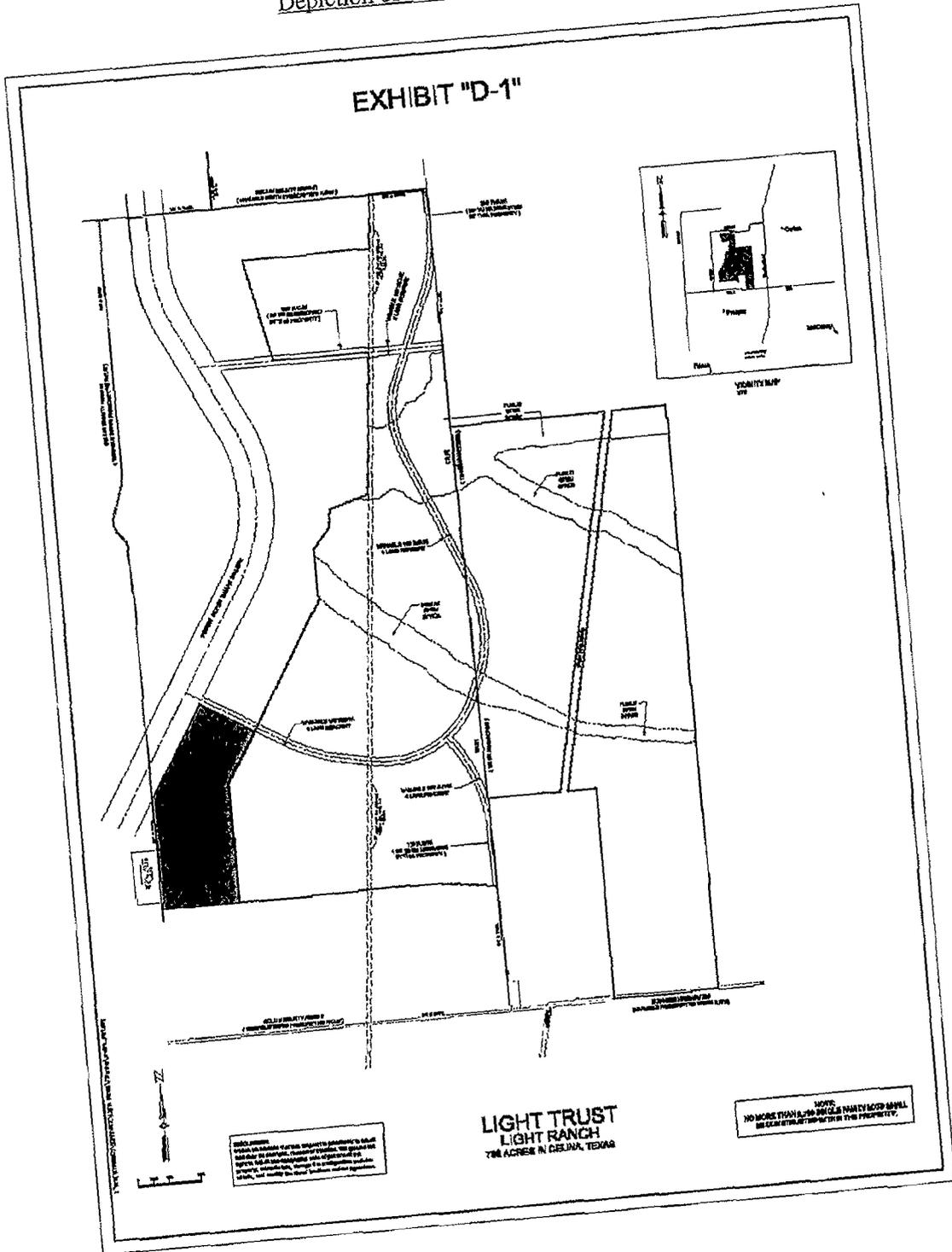


Exhibit E
Land Plan

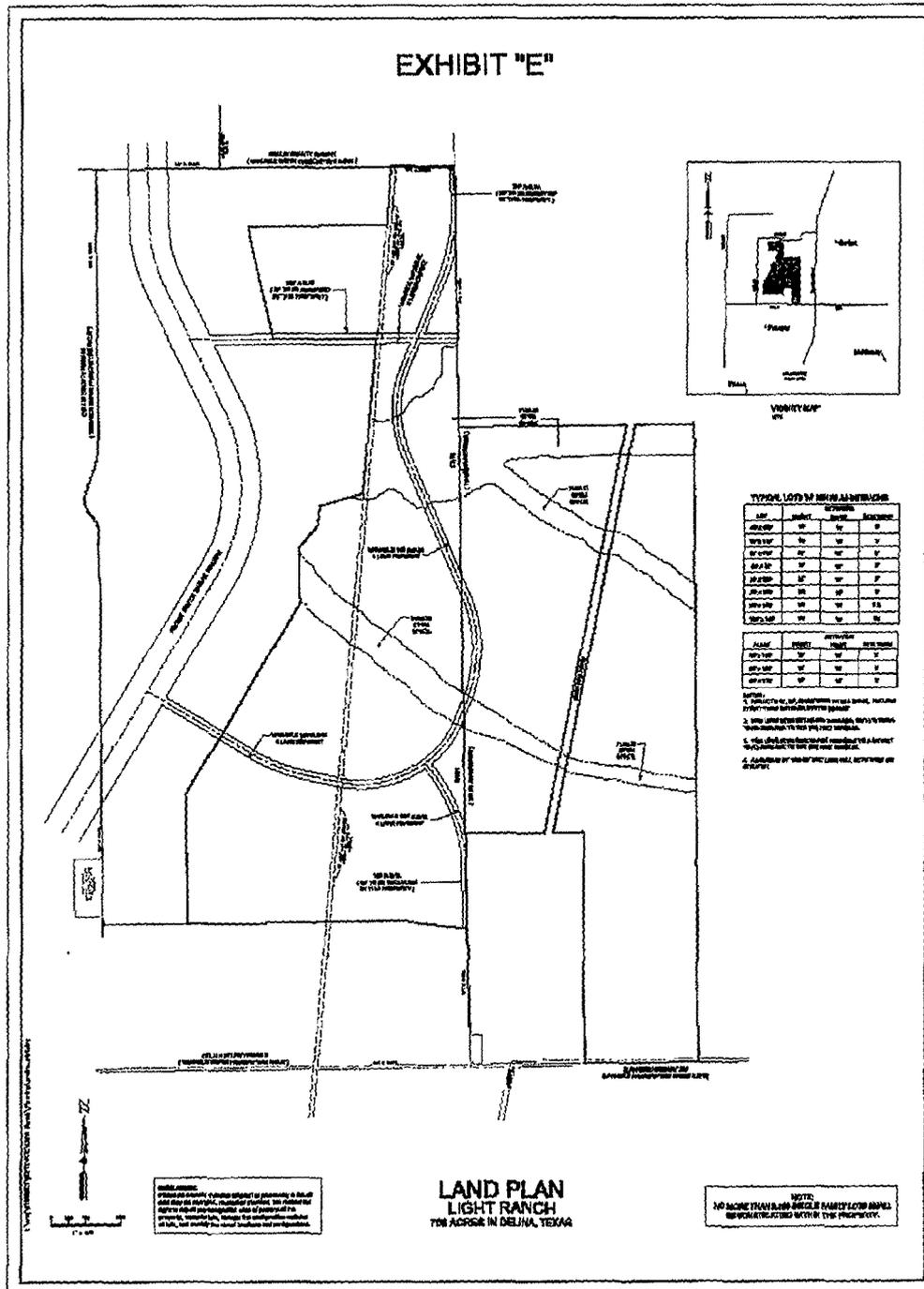


Exhibit F
Water Distribution Plan

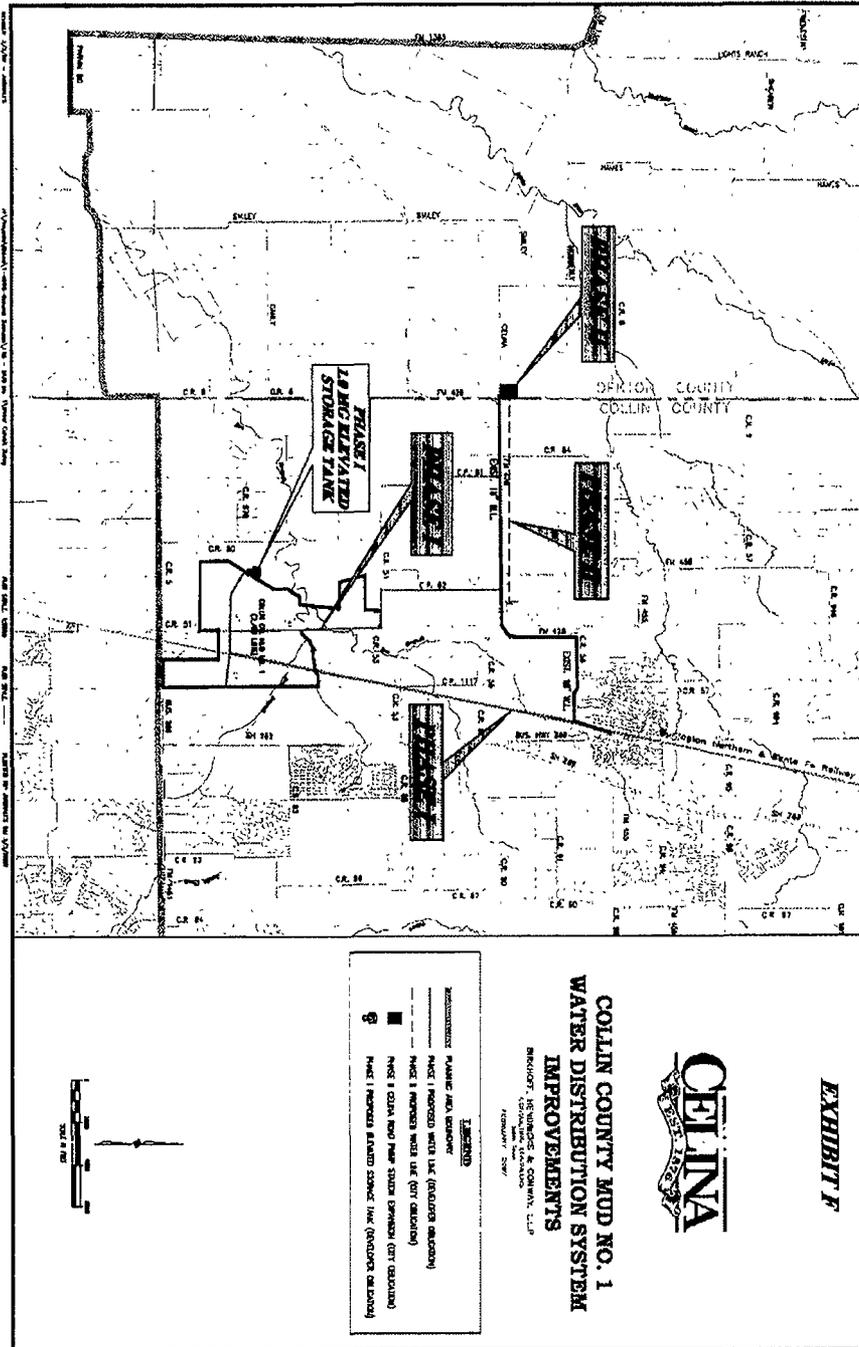


Exhibit G
Wastewater Master Plan

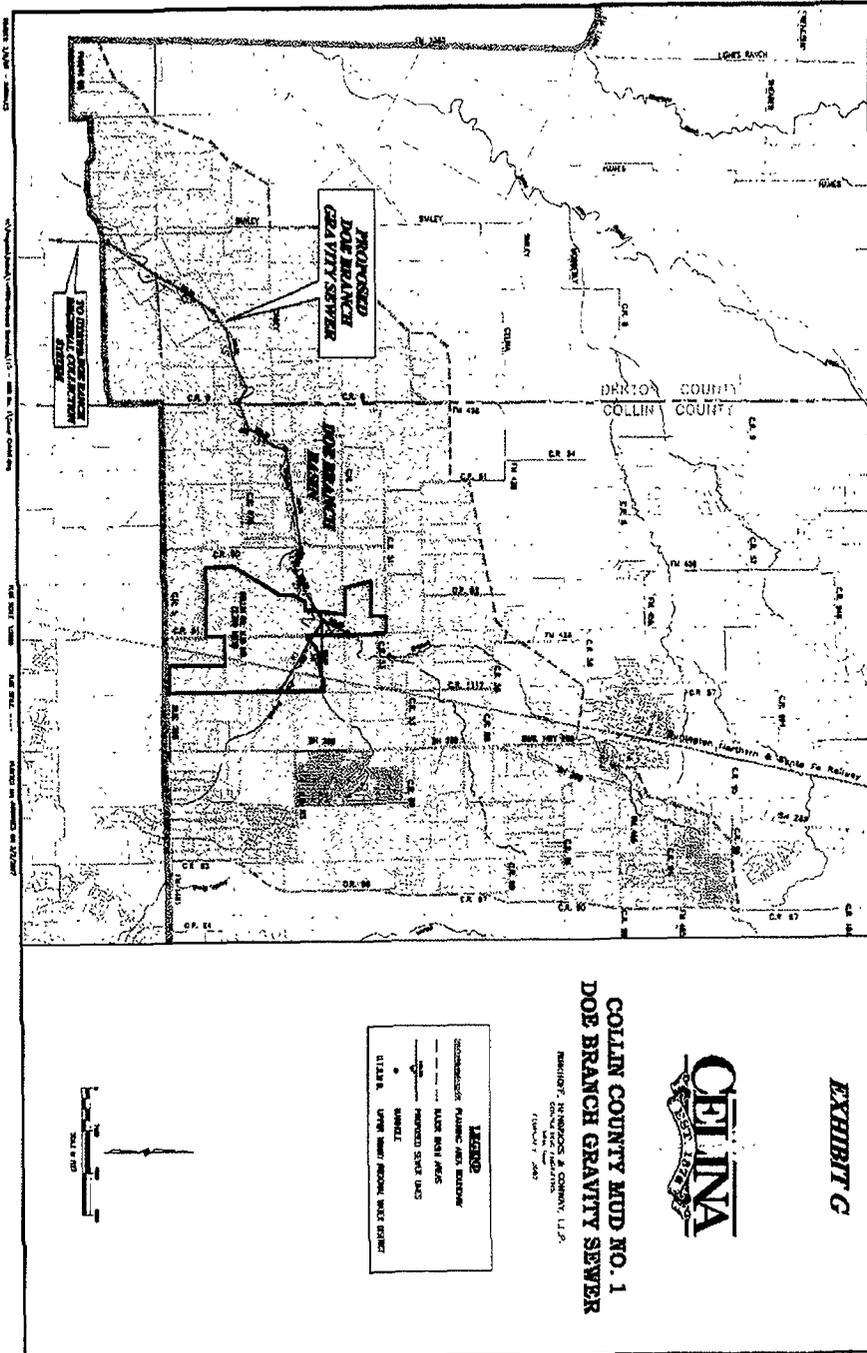
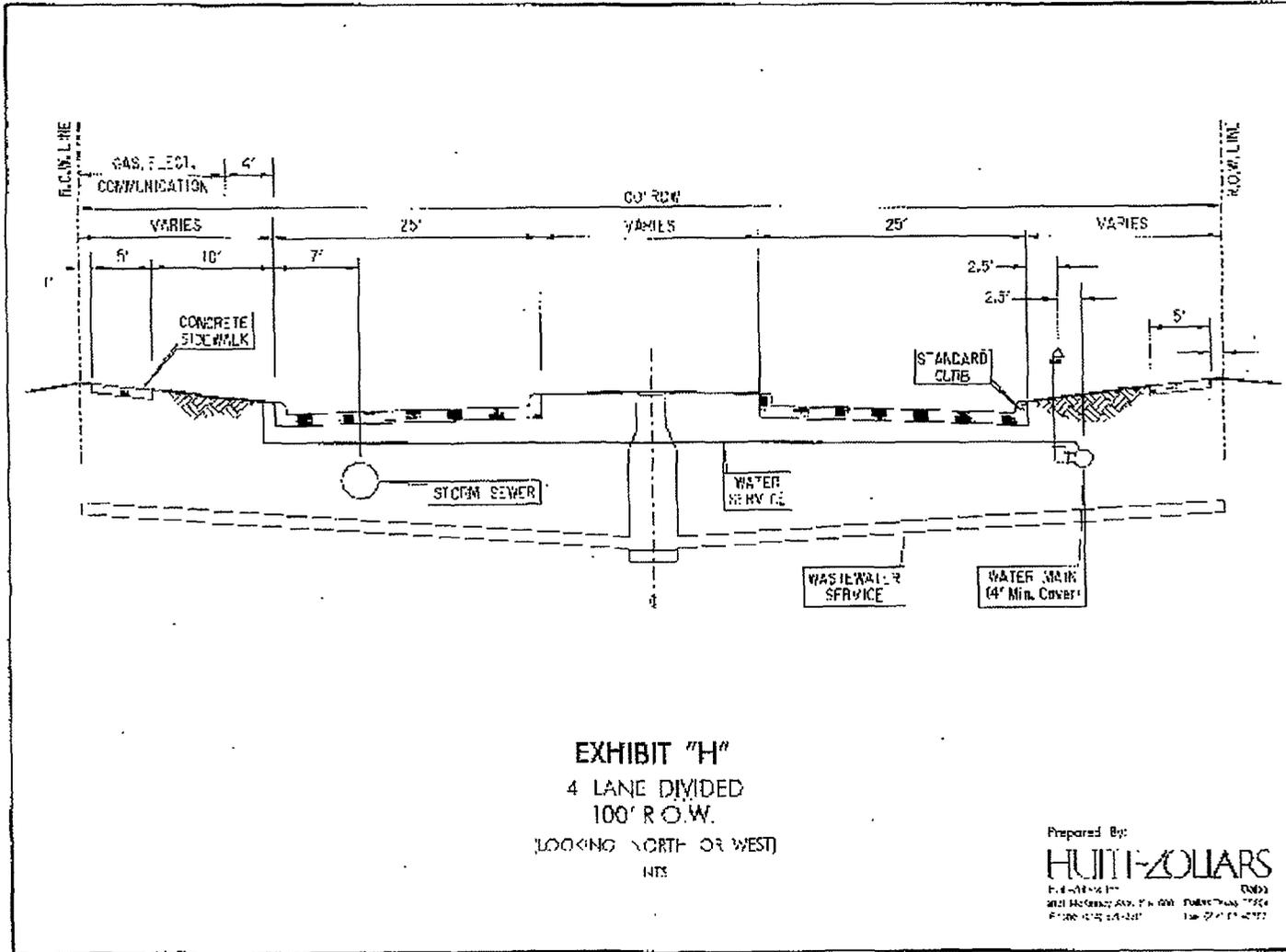


Exhibit H
Interpretations of Collin County Subdivision Ordinance

1. Section I, (E) Change “Pre and Post construction contour intervals” to “**Pre construction contour intervals and post construction grade elevations at all intersections, high points and low points**”. Change channel easement requirement from “top width plus 25 feet” to “**top width plus 15 feet**”.
2. Section II, (F) “Buildings and set back lines...” shall be as shown on the Land Plan.
3. Section III, (D) “Cul-de-sacs shall be provided with an outside property line radius of **50 feet** and a street paving surface of **40 feet**”. Add the following sentence, “**The maximum length of a cul-de-sac shall be 600 feet.**”
4. Section III, (E) – **Delete**
5. Section III – Add a section called Drainage Standards that includes the following. All curb and gutter streets shall have drainage systems designed so that water shall not be greater than curb deep for a 25-year frequency rainfall and shall contain the flows from a 100-year frequency rainfall within the right-of-way. Computations for the design of the storm drainage system shall be based upon the rational method, using the rainfall intensity curves developed from the National Weather Service Rainfall Frequency Data presented in Technical Memorandum NWS Hydro-35, dated June, 1977 and Technical Paper No. 40, dated May, 1961.
6. Exhibit A – The standard paving section for residential streets with lots less than 0.5 acres shall have a **5” crown**.
7. Utility placement within public rights-of-way shall be in general conformance with the depiction on the second page of this Exhibit H.
8. Roll back curbs will be allowed within the RPG Property.



016231.00010:1014072.015

Exhibit H to Development Agreement - Page 2

24650

24650

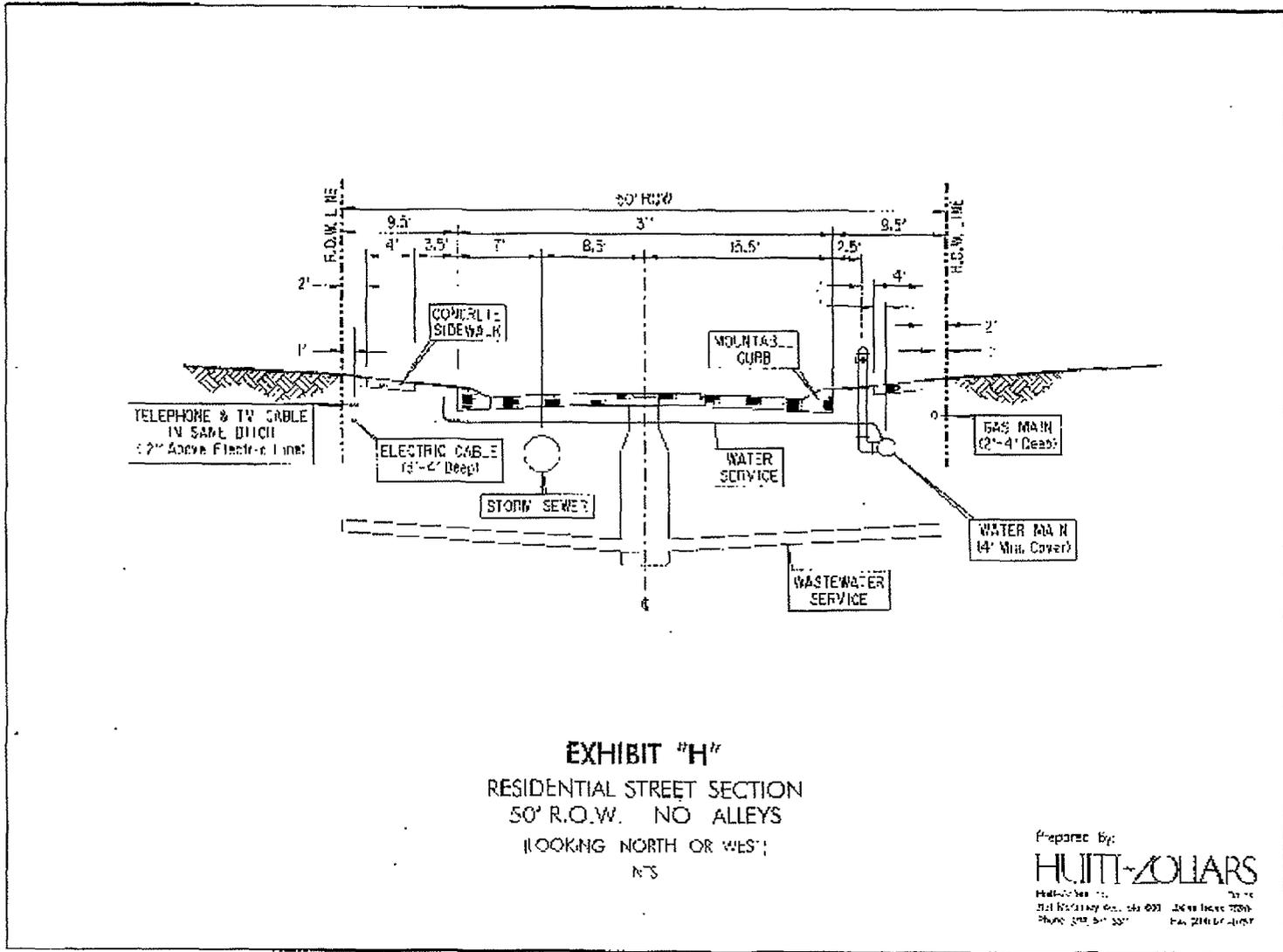
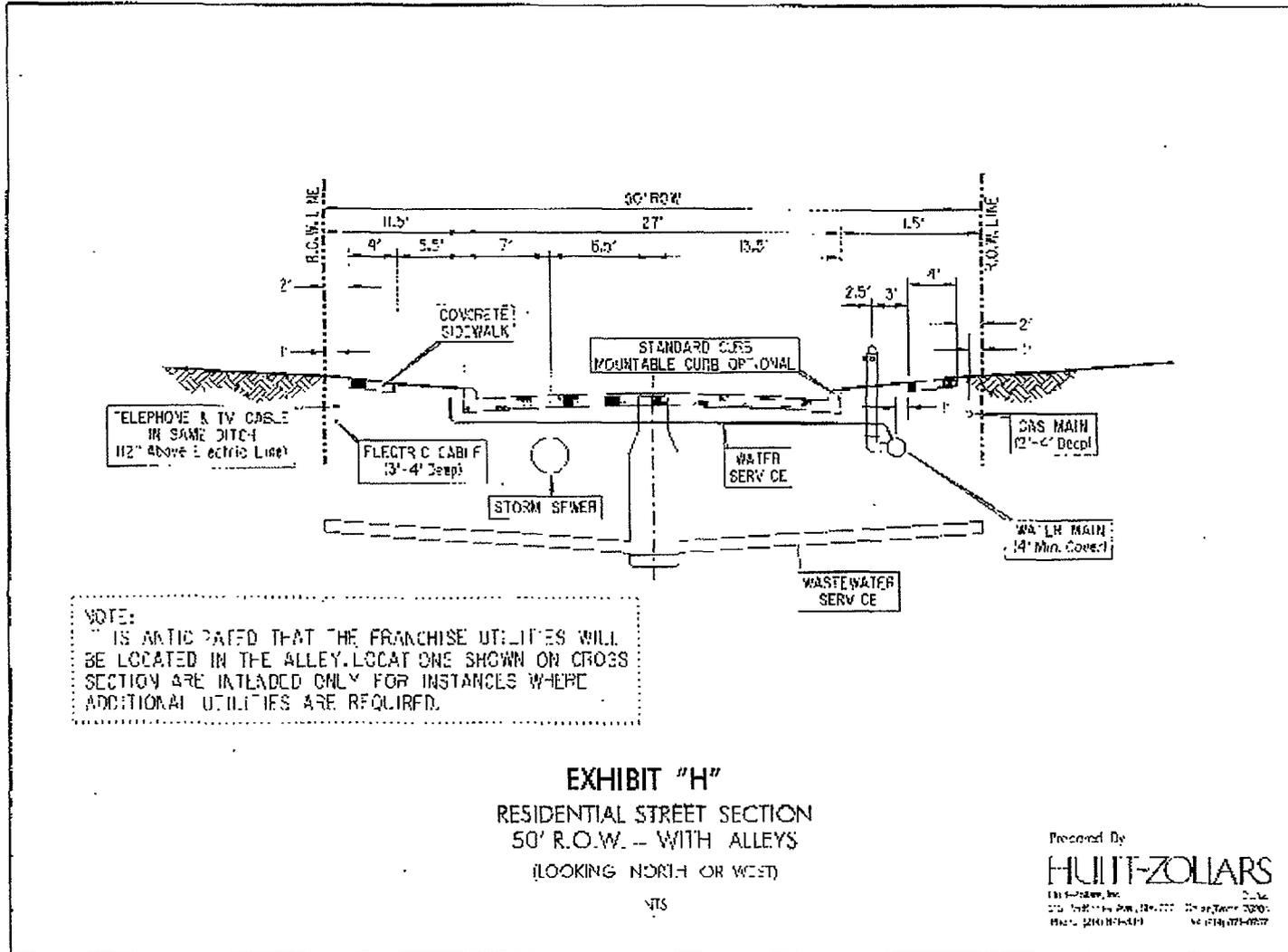


EXHIBIT "H"
 RESIDENTIAL STREET SECTION
 50' R.O.W. NO ALLEYS
 (LOOKING NORTH OR WEST)
 N/S

Prepared By:
HUITT-ZOLLARS
 HUITT-ZOLLARS, INC.
 201 West 10th Street, Suite 200, Denver, Colorado 80202
 Phone: 303.555.1000 Fax: 303.555.1001



016231.00010:1014072.015

Exhibit H to Development Agreement - Page 4

24652

24652

Exhibit I
Interpretations of Celina Subdivision Ordinance

1. 3.02, 8 – Progress Benchmark for the Concept Plan shall be **submittal** of a construction plat. Construction Plat Progress Benchmark – Insert **“Development related fees shall consist of the first payment of ½ of the 3% Facility Plan and Plan Review Fee as described in Article 4.7 of the Development Agreement”**.
2. 3.03 (2) – The procedures for City review and approval of a concept plan shall be the same as that of the Land Plan as described in Section 3.03 (2-7) of the City of Celina Subdivision Regulations prior to amendment by Ordinance 02-38.
3. Exhibit A – The standard paving section for residential streets with lots less than 1.0 acres shall be 31 feet measured from back of curb and have a **5” crown**.
4. Add to Section 4.05 (8)(e) – Water service connections are permitted on all water lines 16” diameter and smaller.

Exhibit J
Sign Standards

Light Ranch Sign Ordinance

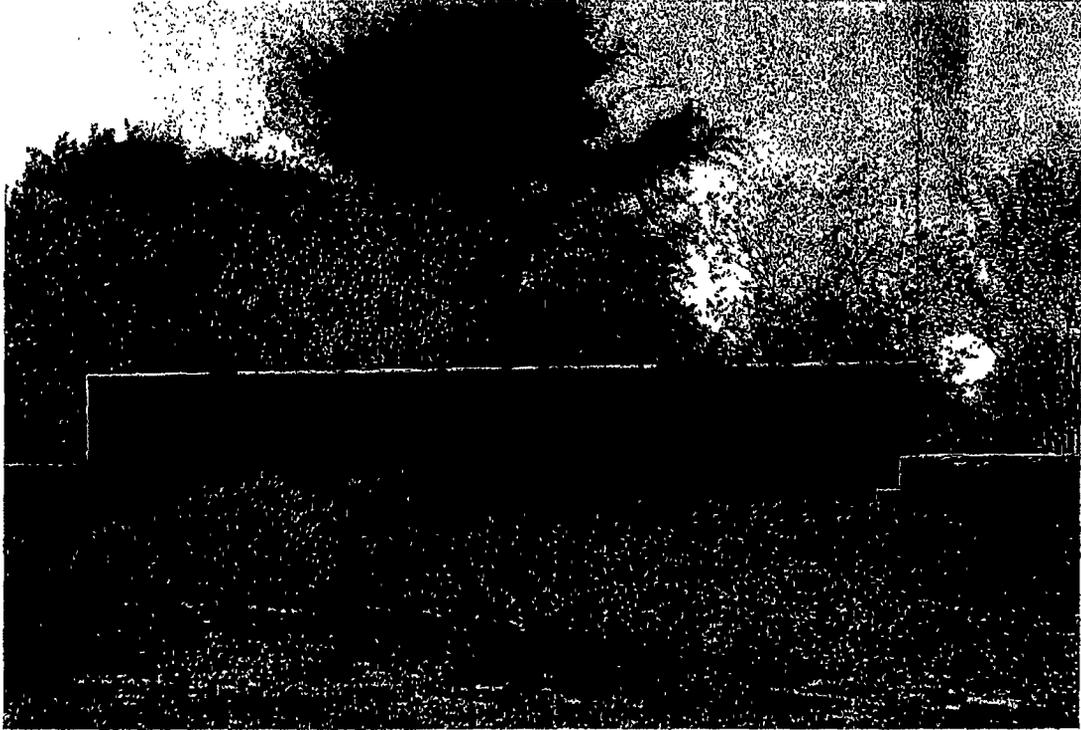
Sign Description	Sign Design	Number of Signs	Size	Location of Signs
Development Main ID Sign	Colors and style will be community colors and font	Number depends on number of Main Community entries	11' x 17'	Location will be determined by Land plan
Off - Colors and style will be community colors and font Site Directional	Colors and style will be community colors and font	Number based on location of available lease or purchase locations	To be determined by location and local ordinances	To be determined
On-Site Directional Signage. Signage will direct buyers to neighborhoods, price points and community areas.	Colors and style will be community colors and font	Number will be based on Community size and access to neighborhoods	Size Range: 8' x 12' 4' x 8' 4' x 6.8' 4' x 4'	To be determined by Land Plan
Model Home Signs Community Center Signage	Colors and style will be individual to builder. Builders own logo and colors may be used here.	1 per Model Home or Community facility	4' x 6' for builder To be determined for facility signage	In front yard of model home or in front of facility
Permanent Monument Signage. Neighborhood names.	Colors and style will be community colors and font	1 per neighborhood and 1 per each entry into community	3' x 16'	Location will be at the entry to each neighborhood and the community
Temp Neighborhood builder and price sign. Will showcase the builders name and price point of that particular neighborhood	Colors and style will be community colors and font	1 per neighborhood	4' x 8'	Location will be at the entry of each neighborhood
Builder Lot for sale sign	Colors and style will be community colors. Builder logo will be used	1 per lot	2' x 3'	

1

24654

Light Ranch Sign Ordinance

	but in the community colors			
Construction sign	Colors and style will be community colors. Builder logo will be used but in the community colors	1 per trailer and wash out area	2' x 3'	
Week- end directional	Colors and style will be community colors. Builder logo will be used but in the community colors	100 estimate	2' x 3'	Based on route. No weekend directional may be used within the community.
Community Promotional signage. Model open signs. Neighborhood closeouts.	Colors and style will be community colors and font	To be determined	2' x 3'	Based on route
Weekend Realtor open house signs	Colors and style are determined by individual		2' x 3'	Based on route – must be put out no earlier than 7:00 PM on Friday and must be remove no later than 7:00 PM Sunday's.
Banners for special promotions or events.	Colors and style will be community colors and font	To be determined		



LANTANA: SIGN SPECIFICATIONS
 10'W x 16'6"H MAIN ID MONUMENT SIGN

SAMPLE SIGN

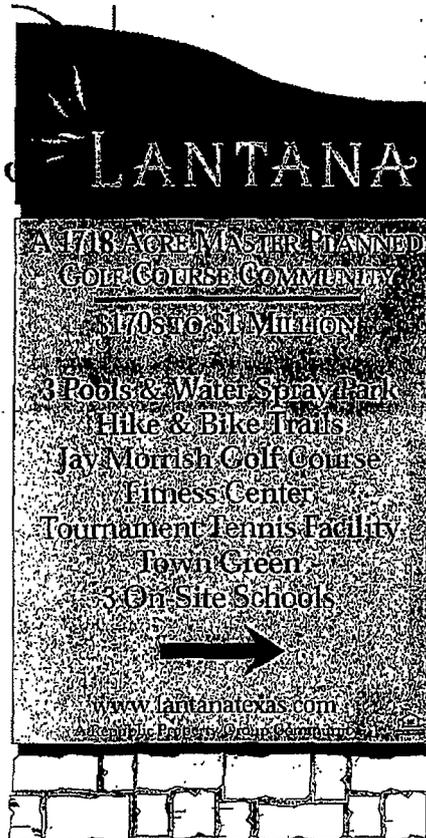
Curved Top:
 PMS 167 Rust

Butterfly (in rust top):
 PMS 465 Tan

Lantana logo type
 (in rust top):
 PMS 468 Cream

Rule: PMS 167 Rust

Bottom Sign
 Background:
 PMS 468 Cream



Type:
 PMS 5405 Blue
 Palatino Bold

A 1718 Acre...
 Golf Course
 Community
 \$170s to \$1 Million:
 Size: 624 pt.
 Caps and small caps

Amenities (3 Pools &...):
 Size: 624 pt.
 Caps and lower case

www.lantanatexas.com:
 Size: 504 pt.

A Republic Property
 Group Community:
 Size: 336 pt.

Arrow:
 PMS 167 Rust

Equal Housing Logo:
 PMS 167 Rust

Materials:

Sign Face:
 All aluminum

Letters:
 Cut out acrylic

Base: Brick

Rust top: 11'W x 4'6"H
 Dark brown band between
 rust top & cream center: 4.5"H
 Cream bottom: 10'W x 12'H

LANTANA: SIGN SPECIFICATIONS
4'W x 6'6"H NEIGHBORHOOD MONUMENT SIGN
1-BULDER

SAMPLE SIGN

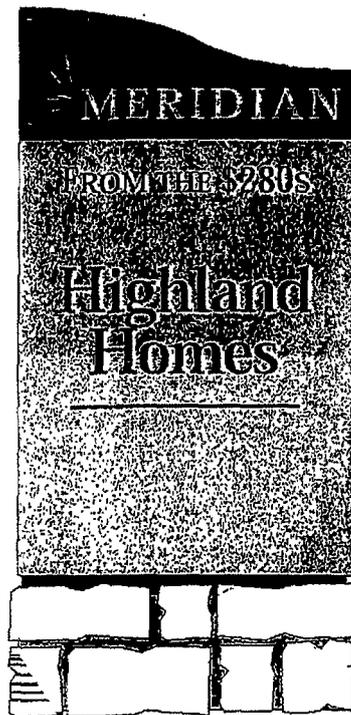
Curved Top:
PMS 167 Rust

Butterfly (in rust top):
PMS 465 Tan

Community:
(i.e. Meridian - in rust top):
PMS 468 Cream

Rule: PMS 167 Rust

Bottom Sign Background:
PMS 468 Cream



Type in rust top
(i.e. Meridian):
PMS 468 Cream

Palatino Bold
Size: 423 pt. at
97% horizontal scale
All caps

Type (in cream
background):
PMS 5405 Blue
Palatino Bold

Price range:
(i.e. From the \$280s)
Size: 360 pt.
Caps and small caps .

Builder name:
(i.e. Highland Homes)
Size: 643 pt. at
97% horizontal scale
Caps and lower case

Sign Face: 4'W x 6'6"H

Materials:

Sign Face:
All aluminum

Letters:
Cut out acrylic

Base: Brick, 16" H

LANTANA: SIGN SPECIFICATIONS
 7'W x 12'H DIRECTIONAL
 MULTIPLE COMMUNITIES (UP TO 9)

SAMPLE SIGN

Curved Top:
 PMS 167 Rust

Butterfly (in rust top):
 PMS 465 Tan

Type (in rust background)
 The Neighborhoods of
 PMS 468 Cream
 Font: Baker Signet
 Size: 364 pt.
 All caps

Lantana logo type:
 PMS 468 Cream

Bottom Sign Background:
 PMS 468 Cream

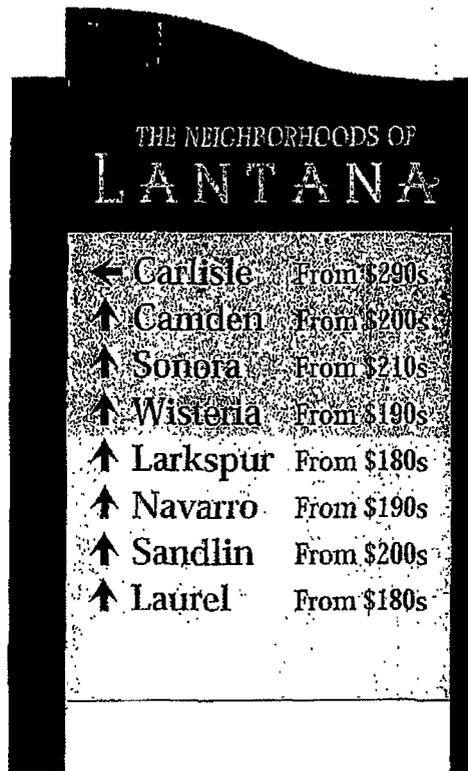
Materials:

Sign Face:
 Aluminum luster board
 with plywood center

Lantana and butterfly
 (in rust background):
 Cut out acrylic

Letters (in cream background):
 Vinyl (changeable)

Poles; Materials: PVC Tubes
 Size: Left - 12" tube,
 Right - 8" tube
 Color: 4c (Dark brown)



Sign Face: 7'W x 12'H

Type (in cream
 background):
 PMS 5405 Blue
 Font: Palatino Bold

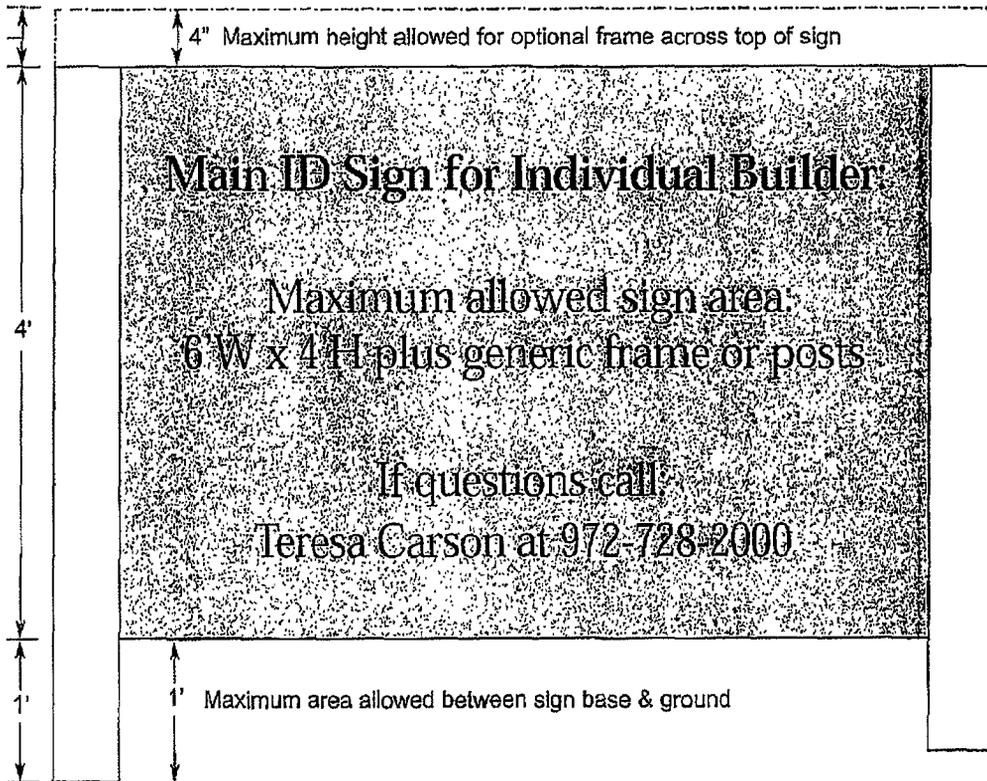
Community names:
 (i.e. Carlisle, etc.)
 Size: 552 pt.
 Caps and lower case

Price ranges:
 (i.e. From \$290s, etc.)
 Size: 438 pt. at
 95% horizontal scale
 Caps and lower case

Coming Soon (if needed):
 Size: 360 pt. at
 95% horizontal scale
 Caps and lower case

Arrows: PMS 167 Rust

LANTANA: BUILDER MODEL SIGN SPECIFICATIONS
6' x 4'



Additional signage allowed:

18" x 24" model/plan ID
& office hours signs in
individual builder colors

Sign: 6'W x 4'H
Scale: 1" = 1'

Exhibit K
Impact Fees

TABLE NO. 20
Adopted Fee per Living Unit Equivalent

Adopted Water Impact Fee per Living Unit Equivalent..... \$1,300.00
Adopted Wastewater Impact Fee per Living Unit Equivalent..... \$1,500.00

Typical Land Use	Meter Style	Meter Size	Living Unit Equivalent	Maximum Impact Fee		Total
				Water	Sewer	
Single Family Residential	Simple	3/4" / 5/8"	1.0	\$ 1,300.00	\$ 1,500.00	\$ 2,800.00
Single Family Residential	Simple	1"	1.7	\$ 2,210.00	\$ 2,550.00	\$ 4,760.00
Single Family Residential	Simple	1 1/2"	3.3	\$ 4,290.00	\$ 4,950.00	\$ 9,240.00
Single Family Residential	Simple	2"	5.3	\$ 6,890.00	\$ 7,950.00	\$ 14,840.00