City Council Regular Called Meeting Agenda

COUNCIL CHAMBERS - 1209 FIORELLA STREET

Tuesday, January 27, 2026

5:00 PM

The City Council of the City of Castroville will meet in the Regular Called Meeting beginning at 5:00 p.m. or 6:00 p.m. in the Council Chambers at City Hall on the following items listed on the agenda.

I. Call to Order

II. Executive Session

The City Council will convene in closed session pursuant to the Texas Open Meetings Act, Chapter 551 of the Texas Government Code for one or more of the following authorized reasons:

a. The City council will meet in closed session pursuant to the Texas Open Meetings Act, Chapter 551.074, Personnel Matters, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the following public officers or employees:

a. City Administrator R. Scott Dixon

III. Reconvene in open session

IV. Roll Call

V. Pledge of Allegiance

VI. Invocation

VII. Citizen Comments

The City Council will hear comments from any citizen or visitor. Speakers must address their comments to the presiding officer rather than individual council members or staff; stand at the podium, speak clearly into the microphone and state your name residential address before speaking. Speakers will be allowed a maximum of 3 minutes for testimony. In accordance with the State Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. Action can only be taken at a future meeting.

VIII. Consent Agenda:

a. Minutes for January 13, 2026 Regular Called Meeting

b. Approve First Quarter Financial Report ending December 2025.

c. Approve First Quarter Investment Report ending December 2025.

d. Approve the amendment updating the Lions Park section of the Parks & Recreation Master Plan

e. Approve the amendment updating the Parks & Recreation Master Plan with the miscellaneous updates.

IX. Presentations

a. Presentation and Discussion on the City of Castroville Building Permit Process

b. Presentation and Discussion on Code Compliance Goals and Enforcement Procedures

X. City Council Liaison Report

Airport - January 6th - Martinez

Historic Landmark Commission - January 20th - King

Library - January 8th - Lee

Parks and Recreation - January 21st - Merz

Planning and Zoning Commission - January 14th - Marchman

XI. Consider possible action(s) resulting from items posted and legally discussed in Executive Session.

XII. Discussion and Action Items

a. Discussion and possible action on upgrades to the city council audio/video equipment.

b. Discussion and possible action on a proposal for service from Seven Seas, a desalination plant operator.

c. Discussion & appropriate action on the Interlocal Agreement between Bexar-Medina-Atascosa(BMA) and the City of Castroville for the use of BMA Property for a public trail system

d. Discussion and possible action on Flat Creek Collector - Final Plat.

e. Discussion and possible action on Flat Creek Unit 1 - Final Plat.

f. Discussion and possible action on Flat Creek Unit 2 - Final Plat.

XIII. City Administrator Report

a. Drainage Projects

b. BMA Trail Access

c. Streets, Maintenance and Paving Plan

d. WWTP Ponds

e. CPS Energy Dispute

f. Community Center Construction

g. Lions Park Splash Pad

h. Facilitated Council Workshop

i. Hwy 90 TxDoT Construction Project

j. County Streets Plan

k. Multimodal Planning Effort

l. Medina County Public Utility Agency

J. Chamber Contract

K. TPWD Grant Award

L. Warrant Roundup

M. Departmental Reports

a.

XIV. Discussion on Future Agenda Items

XV. Adjourn

Accessibility Statement

The City Hall is wheelchair accessible. The exit and parking ramps are located at the rear of the building.

Non-Discrimination Statement

The City of Castroville does not discriminate on the basis of race, color, national origin, sex, religion, or disability in the employment or the provision of services.

The City Council of the City of Castroville reserves the right to adjourn into closed session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Open Meetings Act.

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall, Castroville, Texas on January 21, 2026 before 5:00 p.m.

/s/ Debra Howe

City Secretary

CITY OF CASTROVILLE CITY COUNCIL
REGULAR CALLED COUNCIL MEETING
1209 Fiorella
City Council Chambers
January 13, 2026
Tuesday
6:00 P.M.
MINUTES

I. CALL TO ORDER

Mayor Bruce Alexander called the meeting to order at 6:00 p.m.

II. ROLL CALL

Present:

Mayor Bruce Alexander	Scott Dixon, City Administrator
Mayor Pro Tem Sheena Martinez	Debra Howe, City Secretary
Councilmember Houston Marchman	James, Kohler, Police Chief
Councilmember Phil King	Mike Haley, Airport Manager
Councilmember David Merz	
Councilmember Robert Lee	

Others in Attendance:
Daniel Jones, Denton, Navarro, Rodrigues, Santee, Benal & Zach

III. PLEDGE OF ALLEIGENCE

IV. INVOCATION

Pastor Doug Steinert of the Discover Church gave the invocation.

V. CITZENS COMMENTS

The City Council will hear comments from any citizen or visitor. Speakers must address their comments to the presiding officer rather than individual council members or staff; stand at the podium, speak clearly into the microphone, and state your name and residential address before speaking. Speakers will be allowed a maximum of 3 minutes for testimony. Speakers making personal, impertinent, profane, or slanderous remarks will be given one warning before losing the privilege to speak or may be removed from the room. In accordance with the State Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. Action can only be taken at a future meeting.

Priscilla Garrett, 702 Florence, spoke in favor of the trees removal in front of city hall item. Ms. Garrett said as one of the former members of the Garden Club that maintained the trees she felt the trees should be removed. Ms. Garrett said the trees had been trimmed back years ago but with the ongoing irrigation system issues and lack of rain the trees were not thriving and needed to be removed. Ms. Garrett felt an alternative could be pavers and benches in the front area for easier maintenance.

Arnie Dollase, 109 River Bluff, announced the GoMedina meeting would be held at the Hillside Hotel on January 27th at 9am with guest speaker from Rowan Data on the misconceptions regarding data centers.

Mr. Dollase said the Chamber of Commerce would be hosting a similar discussion at a later meeting. Mayor Alexander said the meeting was being hosted by the City and hoped other members of the City Council could attend. A possible quorum notice would be posted.

VI. CONSENT AGENDA

- **a.** Minutes for December 16, 2025 Special Called Meeting
- **b.** Accept Library Advisory Board Chairman Crystal Stutes resignation; approval of application from Marcia Izaguirre for open full board position #5 (term ending 2026) on the Library Advisory Board and request from P & Z Alternate Bryan Griffin to be moved to open position #2 (term ending 2026) on the Planning and Zoning Commission
- **c.** Authorize a Resolution Approving Criminal Justice Vehicle Grant
- **d.** Authorize a Resolution approving Rifle Body Armor Grant
- **e.** Authorize a Resolution approving Breach tool and shield

A motion was made by Councilmember King and duly seconded by Councilmember Marchman to approve the consent agenda as presented. A vote was taken (5:0 all ayes) the motion carried by all present.

VII. MAYOR'S REPORT:

a. Employee Recognition
b. Live Stream Policies and Procedures
c. Forecast for 2026

Mayor Alexander spoke on a letter he had received from former citizen and City Councilmember Herb Dyer on the excellent service provided by the City Electric crew at his rental property. Mr. Dyer wrote the electrical issues at the home were during the Christmas holidays and he wished to thank City Administrator Scott Dixon and the Public Works Department for their quick response. Mayor Alexander reported on preparing a Livestream Policy and Procedures. Mayor Alexander said there had been an incident with the Livestream recording a conversation between staff members after a Zoning Board of Adjustment Meeting and this was not something the City condoned and he was working with the City Administrator on preparing the policies and procedures for Livestreaming. Mayor Alexander stated he hoped the City Boards not using Livestream would consider meeting at the City Hall to use the service. Mayor Alexander reported on the forecast for 2026 saying the City should follow the established rules and he requested the Boards and Commissions review the ordinances within their purview for updates and work through the City Administration for the City Council to review. Mayor Alexander was looking to work more closely with the Chamber of Commerce to start promoting tourism better. Mayor Alexander said the City Council would be holding a Capital Improvement Projects (CIP) meeting at the end of the month to look at the goals of the City Council and determine what projects would be funded with CO's issued earlier in 2025. Mayor Alexander wanted the citizens to be involved and encouraged their participation to help the City Council make informed decisions on what they felt was the most important.

VIII. Discussion and Action Items

- **a.** Discussion and appropriate action to authorize a ground lease with Brask T-4 Ranch, LLC at the Castroville Municipal Airport

(Cont.)

A motion was made by Councilmember Martinez and duly seconded by Councilmember Marchman to authorize a ground lease with the terms and rates as presented with Brask T-4 Ranch at the Castroville Municipal Airport. Discussion followed.

Councilmember Lee briefed the City Council on his review of the new proposed lease agreement. Mr. Lee said the document looked almost the same and was unsure if the Airport Board had any other leases to compare the proposed document. Mr. Lee said he had contacted the New Braunfels Airport and received an example of that entity's hangar agreement. Mr. Lee said he was against the 24 cents per sq. ft. per year for the structure and 14 cents per sq. ft. for ramp space, tie downs and parking. Mr. Lee said other airports in the area charged 25 cents per sq. ft. Mr. Lee said the CPI rates should be per year, not as shown every 5 years with the CPI percentage for the fifth year to be applied to first five years and that percentage would be for the next five. Mr. Lee felt the lease agreement should have a FAA compliant evaluation with airport property appraisal for any extensions after the 40 year term, with yearly CPI increases. Mr. Lee gave an example of the loss of revenue if the CPI was 3% every five years for a 30 year lease on a starting ground lease at $5000 per year. The difference was approximately $84,000 between yearly and every five years. Mr. Lee noted the current proposed document did not address inoperable vehicles or parking trailers outside of the hangar; paying a flowage fee if providing own fuel; separate lease agreement if fuel truck or tank was used; should remove real estate taxes clause; add cleanup costs clause of any hazardous spills/storage. Mr. Lee thought there could be a drainage issues on the property and wanted the owner/tenant to be responsibility for costs associated with drainage issues caused by structure placement to be included in the document. Mr. Lee wanted to see more details on what the Brask hangar would look like, the size and location on the designated property, before he would vote. Mr. Lee said he felt the City Council should look at the lease increase terms, the issues he had pointed out and have legal comparison of the proposed lease and the New Braunfels lease to make sure the City was covered. Councilmember Merz agreed on the CPI should be increased yearly, not every five years. Councilmember King thought this was a standard practice for commercial properties of yearly CPI increase. Mr. King agreed he thought there was to be a diagram submitted of the hangar location. Councilmember Martinez said the same and thought it was to come back with FAA review before the City Council was to approve. Mayor Alexander said they were not doing a full scale design without a ground lease agreement with the City first. Mayor Alexander said this lease was similar to the first agreement and the Airport Board recommended approval. Mike Haley, Airport Manager spoke on he and City Administrator Dixon being tasked at the last meeting to meet with Brask management to negotiate an agreement. Mr. Haley said this were the numbers they agreed on, the Airport Board agreed on the five year CPI increase, but requested the arbitration clause be removed. Mr. Haley said the Airport Board approved agreement before the City Council. Mayor Alexander clarified all current ground leases were the same as this proposed with a five year CPI increase. Mr. Haley said the change will be from 30 years to 40 years. Mr. Haley said the City was not set up on a tier system. Councilmember Lee recommended the City prepare a rate structure for the future. Councilmember King asked Mr. Haley if he knew where the hangar would be located. Mr. Haley said he knew it would be on the parcel they wished to lease. Mr. Haley said they also wanted an exclusive ramp area with that being a separate lease agreement. Mayor Alexander said this was the first step with discussion and agreeing on a ground lease with more details and approval of the structure later. There was some confusion on if the agenda item was to approve the document as a whole as presented or to approve the agreement amounts (.24 cents per sq. ft. for structure, .12 cents per sq. ft. ramp space) and details of the CPI increases. Councilmember King clarified this meeting was just to approve the cost per sq. ft. and CPI increases.

(Cont.)

Mr. King felt that would be easier or they could come back with an addendum. He was not comfortable in approving the full agreement presented. Councilmember Lee said the previous presentation had shown some of the City's property being used and was unsure if this was still the case without drawings of location.

A motion was made by Councilmember Martinez and duly seconded by Councilmember Marchman to amend the original motion. A vote was taken (3 ayes: 2 nays (Lee, Merz) the motion carried by all majority vote.

A motion was made by Councilmember Martinez and duly seconded by Councilmember Marchman to approve .24 cents per square foot for the structure per year and .12 cents per square foot for ramp, parking, and tie-down space per year with a five year CPI increase on a 40 year term. A vote was taken (3 ayes: 2 nays (Lee, Merz) the motion carried by a majority vote.

b. Discussion and appropriate action to authorize staff to enter into a contract for professional services for aviation engineering

Mayor Alexander briefed the City Council on the City receiving three proposals for professional services for aviation engineering. Airport Manager Mike Haley said a committee was formed and the recommendation after evaluation was Pape-Dawson. City Administrator Dixon said if the City Council approved the recommendation the first task would be to review the Master Plan for the Airport.

A motion was made by Councilmember Marchman and duly seconded by Councilmember King to authorize staff to enter into a contract with Pape-Dawson for professional services for aviation engineering. Discussion followed.

Councilmember Lee asked about the criteria the committee used to grade the proposals. Mr. Lee said the City Council had not been given the information used. Mr. Lee said the City had many projects in the past and had used local vendors to complete. Mr. Lee said the City had never kept an aviation engineer on contract. Councilmember Merz had reservations on hiring Pape-Dawson due to having commercial dealings with developers and the City. Mr. Merz was unsure if they would provide good advice on the Airport and surrounding development. Councilmember King was in favor of Pape-Dawson and said they were very professional and saw no issues with working with the City. Councilmember Marchman asked Airport Manager Haley what his recommendation was. Mr. Haley said he had spoken with the Airport's TxDOT Advisor, who had no issues and the Airport Board approved the committee recommendation. Councilmember Martinez pointed out they would be on a project by project basis. Mayor Alexander said they would not be on retainer, but as needed.

A vote was taken (3ayes: 2 nays(Merz, Lee) the motion carried by a majority vote.

c. Discuss and take appropriate action to authorize the use of boxed culverts in the Geneva Street drainage channel

Mayor Alexander spoke briefly on this project coming before the City Council and was approved and he was requesting staff and the City Engineers to provide a review on the project. Mayor Alexander recognized property owner Megan Dybowski to speak on the item. Megan Dybowski, 1306 Gentilz, spoke on them having one lot with a home and one undeveloped lot which they needed access to. Ms. Dybowski said during the planning phase there was to be a 12-14 ft. street to be able to have access to their property, but this had not been done.

(Cont.)

Ms. Dybowski said the road at the narrowest point was 6-8 ft. wide and this would not allow them to access their back lot. Ms. Dybowski said citizens were driving on to their private property to turn around due to no access. Ms. Dybowski said they had a survey with an access shown and without this it devalued their property. Ms. Dybowski urged the City Council to put in culverts and fill in the ditch for safety purposes. Councilmember Lee provided photos of the ditch project with the depth and width of the road. Mr. Lee provided photos of similar ditches but this ditch appeared to be 4 ft. deep with a 6 ft. slope and this was a safety issue. Mr. Lee was concerned with two vehicles trying to pass on the roadway. Mr. Lee provided photos of a drainage ditch on his property he maintained for last 25 years saying it had started out 3 ft. by 6 ft. deep and had widened with erosion over time but had not flooded his property. Mr. Lee asked for staff to get an estimate for a box culvert and fill in the ditch. Mr. Lee said with a culvert it would provide an area for utilities for the back lot. Councilmember Merz asked if the area on Geneva Street was drivable. City Administrator Dixon said no this portion of the street was a paper street only. Mr. Merz asked who requested the road. Mr. Dixon said the property owners had. The Dybowski said they had had 42 ft. before and were going to asphalt their access. Mayor Alexander asked after the property was divided and the drainage was ok then, why the project was being done. Councilmember King suggested looking at getting an easement or purchase 20 ft. from the owners to make a road and flatten one side. City Administrator Dixon said the City Council had spoken on paper street access in past meetings and the owner could navigate the drive currently but he would have staff look at the width again. Mr. Dixon said the City was to provide a 14 ft. wide surface and they would honor that. Mr. Dixon said the project had started before Councilmember Lee was back on the City Council after Mr. Lee had voiced concerns with drainage to area. Mr. Dixon said the project was engineered and the project was being paid from drainage funds not spent for Garcia Creek project. Mr. Dixon said after speaking with legal counsel once the project had started the City should have looked at vacating the street and making it a dedicated drainage ditch. Mr. Dixon said this was to have helped with some of the flooding on Athens Street. Mayor Alexander said the waters coming down this area were from Cross Hill not Athens Street. Mayor Alexander said the City allowed the re-plat then the City changed the drainage pattern and had to force the flow down that road. Mayor Alexander said he was not sure that the City knew how much this would be involved when the project started. Mr. Dixon said staff would look at a box culvert narrow the ditch or fill in. Councilmember King said the cost would be cost prohibited. Councilmember Merz said he had walked the area and it did narrow at the end. Mr. Dixon said the City had made an agreement and would go back and fix area. Mr. Dixon said there was signage option the City could install for “no outlet/no turn around”. Councilmember King said wider channel less erosion and box culvert was too costly. Ms. Dybowski said the City had agreed to allow access for their property originally and their plat showed access with a Geneva Street address. The Dybowski’s said they were going to sell the front house/property and would be on the back lot. Councilmember Lee said there were other areas where river lots fronted a paper street as on San Jacinto and other properties that were subdivided into lots facing paper street extensions. Councilmember King suggested creating a flag lot and asked what Ms. Dybowski suggestion would be to fix the problem. Ms. Dybowski said to fill back in and leave alone as she had concerns with the depth of the ditch.

A motion was made by Councilmember Merz and duly seconded by Councilmember King to continue with the open drainage ditch plan, waive the fees for possible replat and work with staff for a replat for access. A vote was taken (5:0 all ayes) the motion carried by all present.

(Cont.)

d. Discuss and take appropriate action to authorize the planning and design of a new city hall building at 703 Paris Street (current Public Works site)

Mayor Alexander spoke briefly on this item saying this had come to the City Council a few months back for remodeling project and the expenses so far was being paid out of interest on reserves. Councilmember Merz said this item had been discussed and the City Council had agreed to look at remodeling the building. Councilmember Lee wanted to have staff bring back what they felt were the needs to see if the current building would meet those needs. Mr. Lee felt the building would not meet the growth and wanted a cost estimate for a new building. Mr. Lee wanted this project to be discussed at the CIP workshop. City Council felt they had given direction on this item.
A motion was made by Councilmember King and duly seconded by Councilmember Martinez to bring to the CIP Meeting for discussion on a new city hall building. A vote was taken (2ayes: 3 nays (Marchman, Martinez, Merz) the motion failed.

e. Discuss and take appropriate action to authorize the installation of a soft start pump at the airport well

City Administrator Dixon briefed the City Council on the Airport Well and whether or not to look at installing a soft start pump as suggested by Councilmember Lee. Mr. Dixon said this well needed other repairs and the soft start pump was not a good option. Mr. Dixon said the long term idea was to tie into the water system in the future. Mr. Dixon said the pump was not economically viable. Councilmember Martinez suggested they discuss at the CIP meeting if the well needed extensive work. Councilmember King said he had spoken with the City Engineers and they felt it was not needed at this time. **No action was taken.**

f. Discuss and take appropriate action to authorize the removal of the trees in front of City Hall at 1209 Fiorella Street

Mayor Alexander thanked Priscilla Garrett for her comments on the removal of the trees. Mayor Alexander said they had looked good when smaller but now they were not healthy. Mayor Alexander felt the building would be enhanced with xeriscape areas. Councilmember Lee provided pictures of examples of before and after tree removal and he was in favor of removal.
A motion was made by Councilmember King and duly seconded by Councilmember Lee to authorize the removal of the trees in front of City Hall at 1209 Fiorella Street. Discussion followed. Councilmember Merz was not in favor of removing the trees saying they provided shade and he liked the trees. Councilmember Marchman liked the idea of xeriscape and using granite. Councilmember Martinez said she was in favor of xeriscape and possibly putting up canopies for shade during events.
A vote was taken (4ayes: 1nay (Merz) the motion carried by a majority vote.

g. Consider and take appropriate action on adopting an ordinance for a Municipal Election for Saturday, May 2, 2026, for the City of Castroville, establishing the procedure for the General Municipal Election, for the purpose of electing the positions of councilmembers for District 3, District 4, and District 5 for two-year terms; designating the location of the polling place; making provisions for the conduct of the election tract

(Cont.)

City Secretary Howe briefed the City Council on the upcoming election and adopting an Ordinance calling the General Election for District 3, 4 and 5. Ms. Howe said the County Contract would be on the next meeting for approval.

A motion was made by Councilmember Martinez and duly seconded by Councilmember Marchman to adopt an ordinance for a Municipal Election for Saturday, May 2, 2026, for the City of Castroville, establishing the procedure for the General Municipal Election, for the purpose of electing the positions of councilmembers for District 3, District 4, and District 5 for two-year terms; designating the location of the polling place; making provisions for the conduct of the election tract. A vote was taken (5:0 all ayes) the motion carried by all present.

IX. CITY ADMINISTRATOR'S REPORT

The following report topics may be discussed and acted upon:

a. Drainage Projects
b. BMA Trail Access
c. Streets, Maintenance and Paving Plan
d. WWTP Ponds
e. CPS Energy Dispute
f. Community Center Construction
g. Lions Park Splash Pad
h. Facilitated Council Workshop
i. Hwy 90 TxDOT Construction Project
j. County Streets Plan
k. Flat Creek Water Plan
l. Update on PID and Development Agreement Amendments and P3 Collaboration
m. CIP Workshop
n. Multimodal Planning Effort
o. Medina County Public Utility Agency
p. Five year milestone - looking back at accomplishments

City Administrator Dixon reported Garcia Creek Drainage Project would be brought back to approve construction. Mr. Dixon said the BMA contract had a few changes, one being for the City to pay their attorney fees. Mr. Dixon said the agenda and packets would need to be completed early the following week due to he and City Secretary Howe being out of town. The Community Center finish date had changed to first week in May. Mr. Dixon said it was confirmed the Splash Pad had a leak under the pad which caused the concrete pad to fail but should be back up and usable by summer. Mr. Dixon was coordinating with facilitator to hold the meeting on two consecutive days starting at 11 to 4 p.m. and 10 a.m. to 1p.m. on Saturday. Mr. Dixon said the Flat Creek Water Plan/Elevated Water Tank was the best options for that area and he was looking at funding options due to higher cost to that area with the possibility of a PID, TIRZ, or Tax payment. The CIP work session was scheduled for January 27th from 10a.m. to 4p.m. Light up Castroville was completed; a warrant roundup was coming in February; the City was closed on January 19th for Martin Luther King Day, the City Cowboy Breakfast was on Friday, January 23rd with the City Council invited. Mr. Dixon finished by congratulating Councilmember Merz for the new addition to his family. Mayor Alexander spoke briefly on being contacted by CPS to meet and discuss a resolution.

(Cont.)

Mayor Alexander reminded the City Council the GoMedina Meeting hosted by the City was January 27th at 9a.m. and recommended a possible quorum notice be posted.

X. DISCUSSION ON FUTURE AGENDA ITEMS

Mayor Alexander requested presentations on Code Enforcement Procedures and Missions and Procedures for Building Permits for the next meeting.

XI. ADJOURN

Mayor Alexander adjourned the meeting at 8:32 p.m.

_____
Mayor

ATTEST:

_____
City Secretary

CITY COUNCIL AGENDA REPORT

DATE: January 22, 2026

AGENDA OF: January 27, 2026

DEPARTMENT: Finance

SUBJECT: First Quarter Financial Report for the Period Ending December 31, 2025.

RECOMMENDATION:
Accept FY 2026 First Quarter Financial Reports

BACKGROUND:
In accordance with the City's financial reporting requirements and fiscal management policies, the Finance Department has prepared the 1st Quarter Financial Report, which represents the financial position of the City through the end of the first quarter for fiscal year 2025-2026 (ending December 31, 2025).

DISCUSSION:
This report provides an overview of revenues and expenditures for the General Fund, Enterprise (Utility) Fund, and Airport Fund, as well as key performance comparisons against the adopted budget and prior year actuals.

Highlights include:

- **General Fund**: Sales tax collections for December 2025 totaled $221,296, a 45.26% increase from December 2024.
    - Property tax collections are at 46.14% collected. Year-to-date collections total $643,998 compared to the original budget of $1,395,825. Property tax revenues are received unevenly throughout the fiscal year, with the majority of collections occurring in December and January. As a result, property tax revenues are typically lower in the first quarter and increase significantly later in the fiscal year.
- **Enterprise (Utility) Fund**: Year-to-date collections reached $2,337,168 ending December 2025, reflecting a 18.49% increase over FY 2024-2025. All departments are operating within budget excepeption of Refuse.
- **Airport Fund**: Year-to-date revenues total $201,383, a 27.12% decrease from FY 2025, primarily due to lower fuel sales.

This quarter's presentation supports fiscal transparency and helps the City Council monitor budget performance and operational trends ahead of the year-end close.

FISCAL IMPACT/SOURCE OF FUNDING:
N/A

Submitted and approved by:

Leroy Vidales Finance Director

ATTACHMENTS/ADDITIONAL INFORMATION:
FY 2026 1st Quarter Financial Report

CITY OF CASTROVILLE

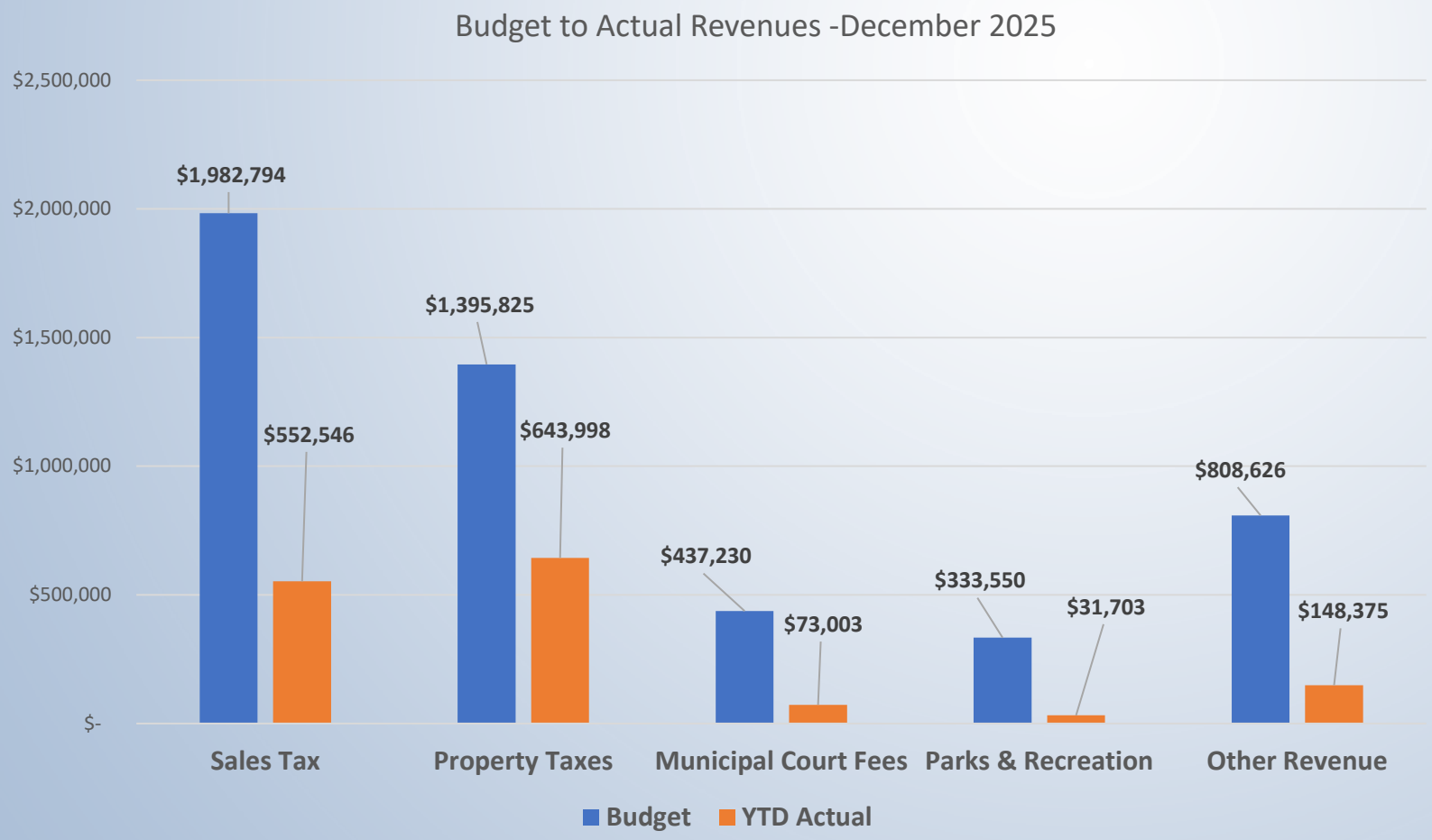
- QUARTER FINANCIAL REPORT #1
- (ENDING DECEMBER 31, 2025)

- General Fund
- Enterprise Fund
- Airport Fund



GENERAL FUND

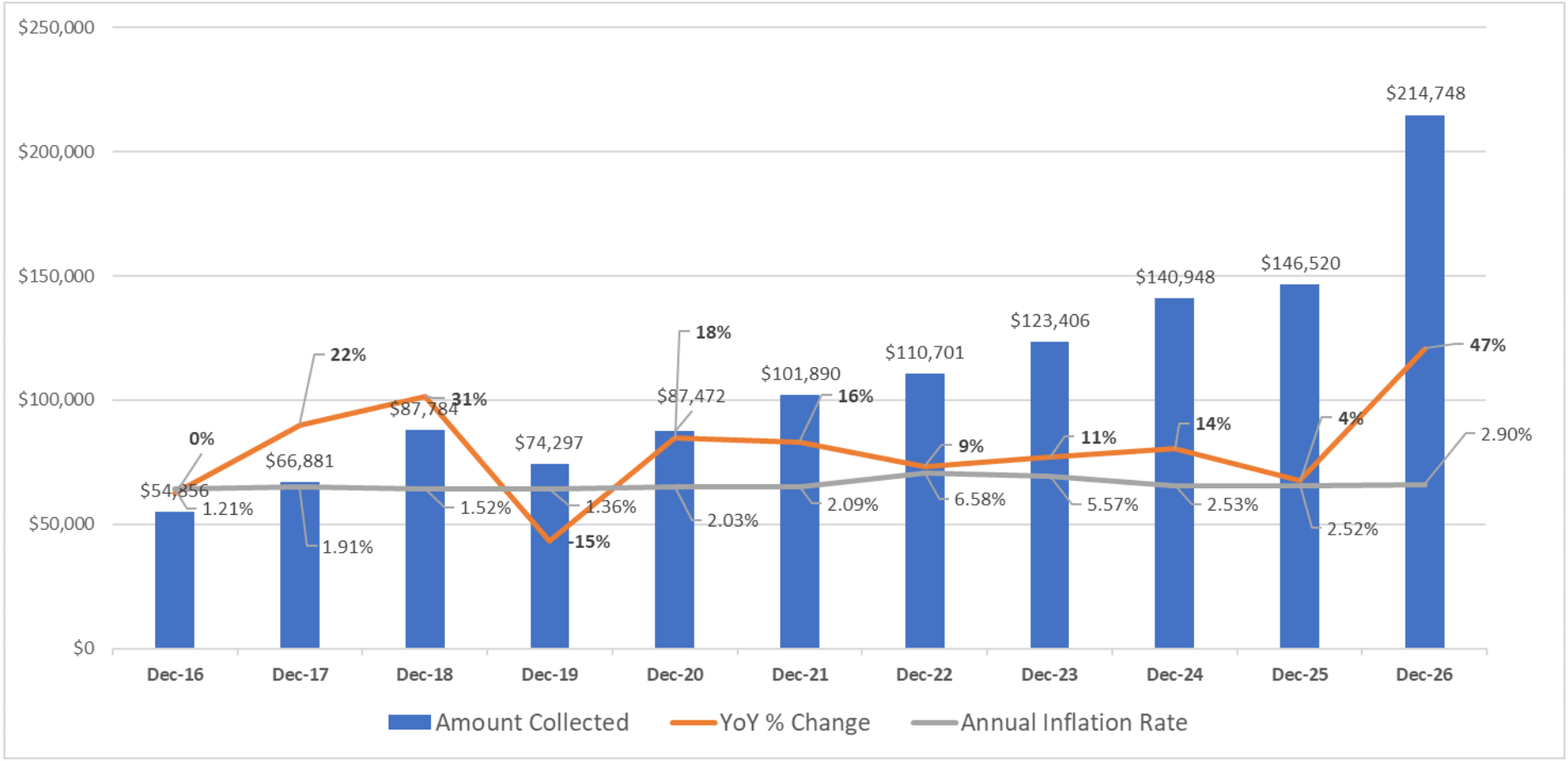
GENERAL FUND YTD COMPARISON



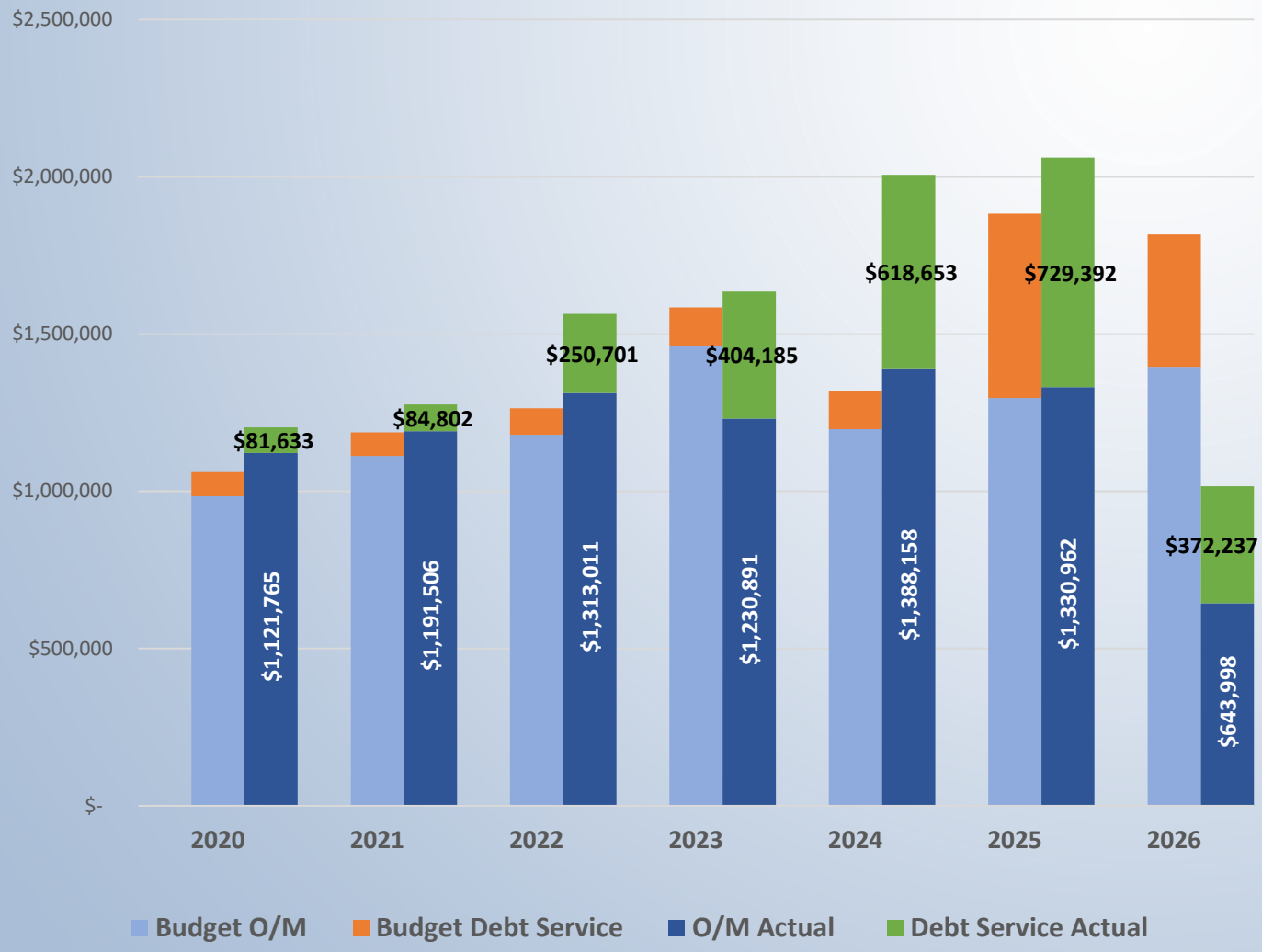
- Sales tax collections for the month of December totaled $221,296 (includes sales and liquor tax) compared to last year, total collected for the month of December 2024 was $152,340, an increase of 45.26%
- YTD Sales Tax Collections are $552,546 compared to last year's YTD sales tax collections at $476,196
- Property tax collections for the month of December totaled $625,410 compared to last December 2024, total collected was $539,497.
- Other Revenue includes municipal court, parks and recreation and other misc. revenue. Court Collection Fees for the month of December totaled $30,764 compared to last December 2024, total collected was $129,938.

Comparison of Annual Collections for the Month of December.
Fiscal Year 2025-2026

- Sales tax collection for the month of December totaled $221,296. This represents an increase of 45%, or $68,956 compared to last year.
- December 2026 ($214,748) represents sales tax collections only, does not include liquor tax.
- Collections for this month represent sales that took place in October.



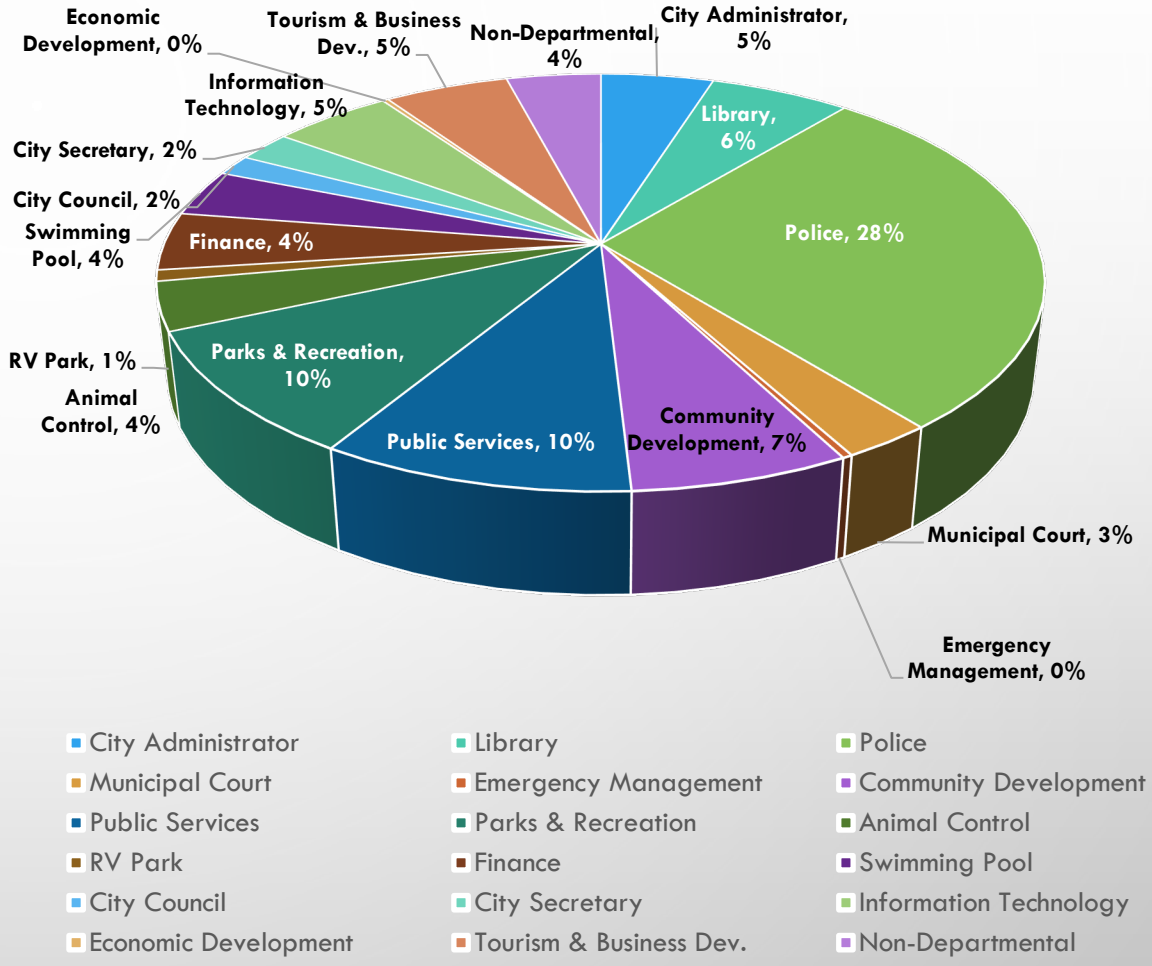
Property Tax Collections



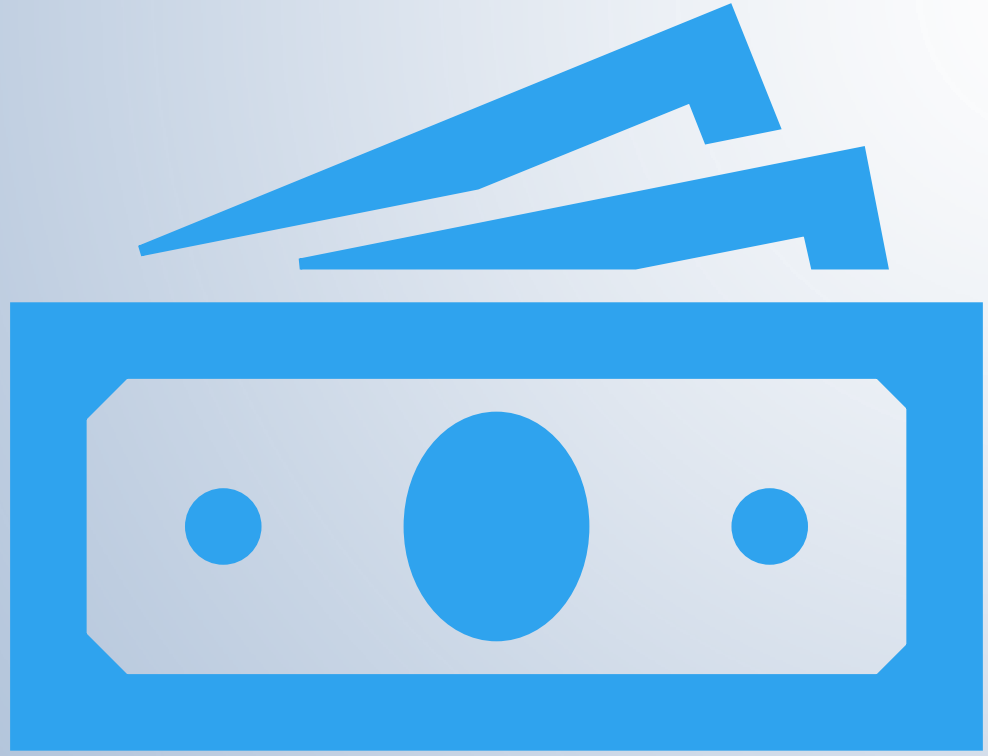
- Current property tax collections are 46.14% of the original budget at this point of the fiscal year. This includes ad valorem, delinquent and penalties and interest. We have collected 47.14% of the total tax levy.
- Taxes become delinquent on February 1st. January is the last month to pay without penalties.
- Delinquent property taxes represent collections on prior year levies. Penalty and interest are being collected on prior year taxes.
- Total property tax collections year to date including prior year collections, as well as penalties and interest for December are $643,998

General Fund by Department

Department	% of Budget	Adopted	Actual YTD
City Administrator	3%	$ 183,323	$ 83,314
Library	5%	$ 287,200	$ 64,991
Police	30%	$ 1,609,351	$ 553,086
Municipal Court	6%	$ 305,472	$ 106,119
Emergency Management	0%	$ 14,700	$ 1,914
Community Development	7%	$ 385,392	$ 106,616
Public Services	12%	$ 645,388	$ 89,419
Parks & Recreation	9%	$ 495,440	$ 481,940
Animal Control	4%	$ 238,475	$ 68,471
RV Park	1%	$ 43,400	$ 5,974
Finance	4%	$ 227,574	$ 82,040
Swimming Pool	3%	$ 167,708	$ 27,900
City Council	1%	$ 66,646	$ 11,577
City Secretary	2%	$ 115,767	$ 28,619
Information Technology	5%	$ 249,500	$ 104,720
Tourism & Business Dev.	3%	$ 179,489	$ 34,482
Non-Departmental	4%	$ 194,200	$ 55,031
	100%	**$ 5,409,025**	**$ 1,906,214**



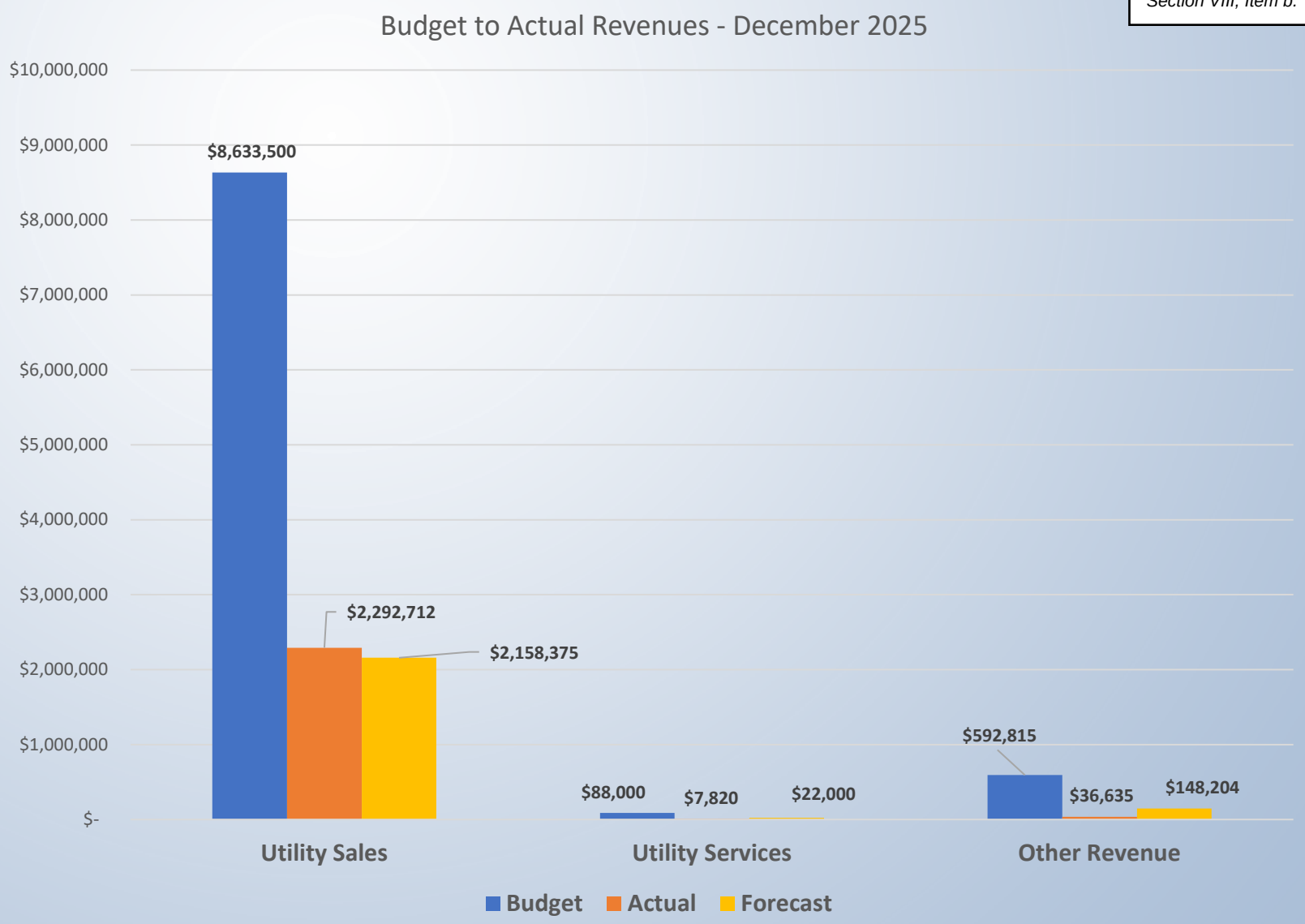
Parks and Recreation expenditures are higher in Quarter 1 due to **contracted services for the Community Center that were incurred early in the fiscal year.** These costs are **reimbursable,** with corresponding revenues being recognized, resulting in no net negative impact to the fund.



UTILITY FUND

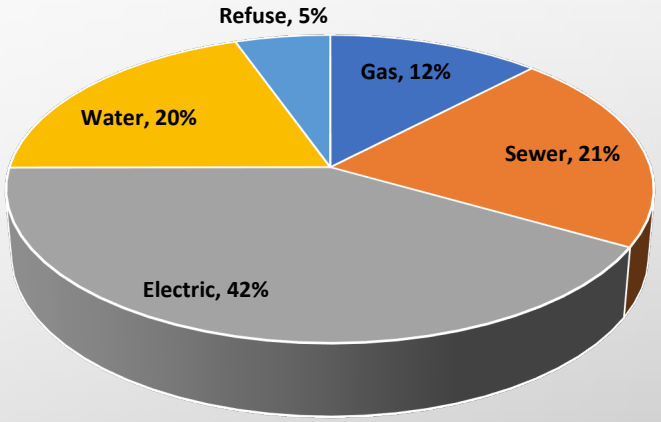
Utility Fund Revenues (December 2025)

- Currently collected $755,058 in utility revenues for the month of December 2025.
- Total YTD Collections are $2,337,168. This includes utility sales, utility services and other misc. revenue.
- Last year total collections during the month of December was $821,775. This is an 8.12% decrease compared to last year.



UTILITY FUND EXPENDITURES BY DEPARTMENT

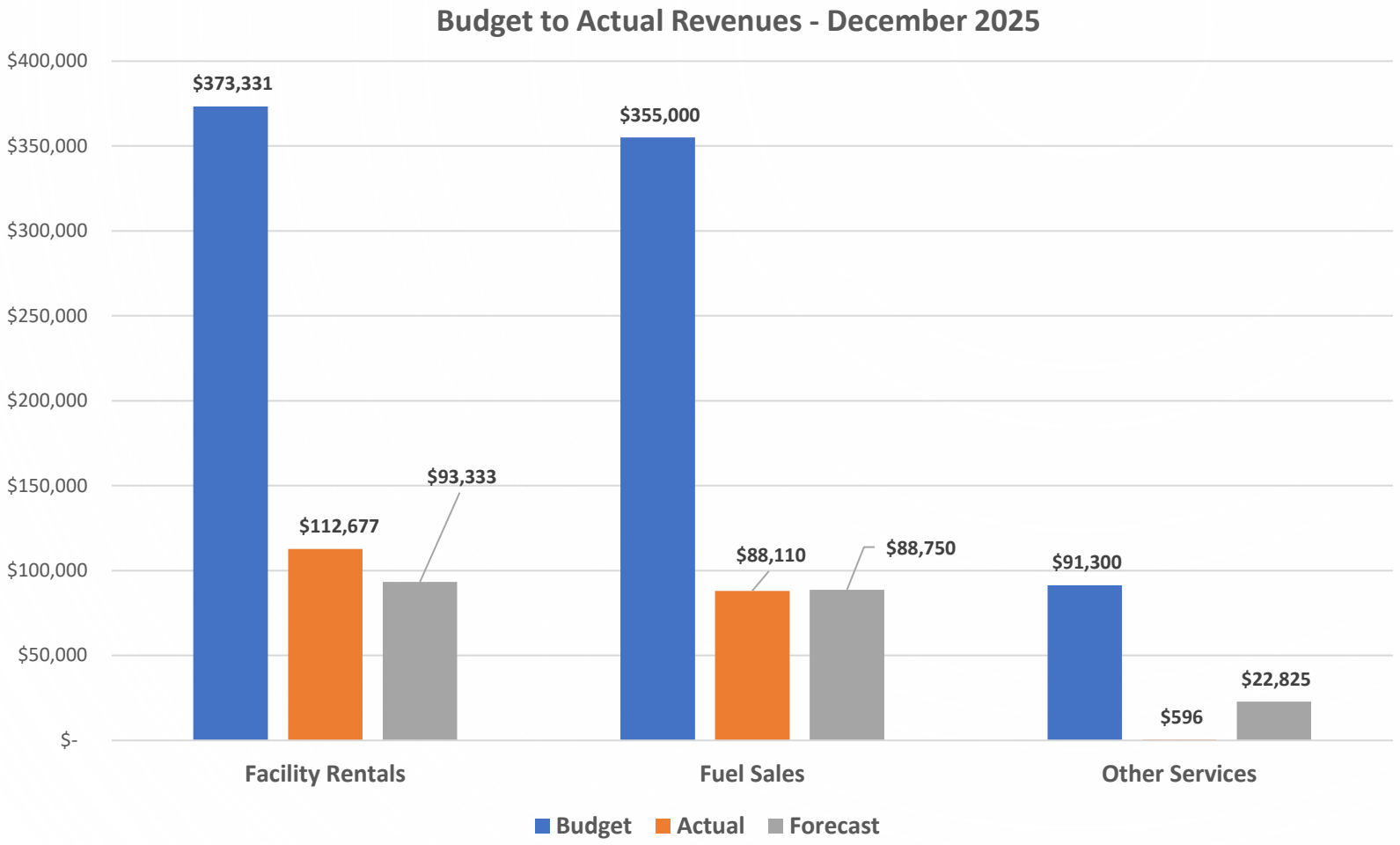
Department	% of Budget	Adopted	Actual YTD	Difference
Gas	12%	$ 1,133,529	$ 186,727	$ 946,802
Sewer	21%	$ 1,962,495	$ 315,802	$ 1,646,693
Electric	42%	$ 3,885,287	$ 735,490	$ 3,149,797
Water	20%	$ 1,826,895	$ 382,576	$ 1,444,319
Refuse	5%	$ 506,109	$ 254,942	$ 251,167
	100%	**$ 9,314,315**	**$ 1,875,538**	



- The above graph represents YTD actual expenditures by department.
- The Utility Fund is performing as expected – all departments are currently at or below 25% for Quarter 1 except for Refuse which is at 50% expended



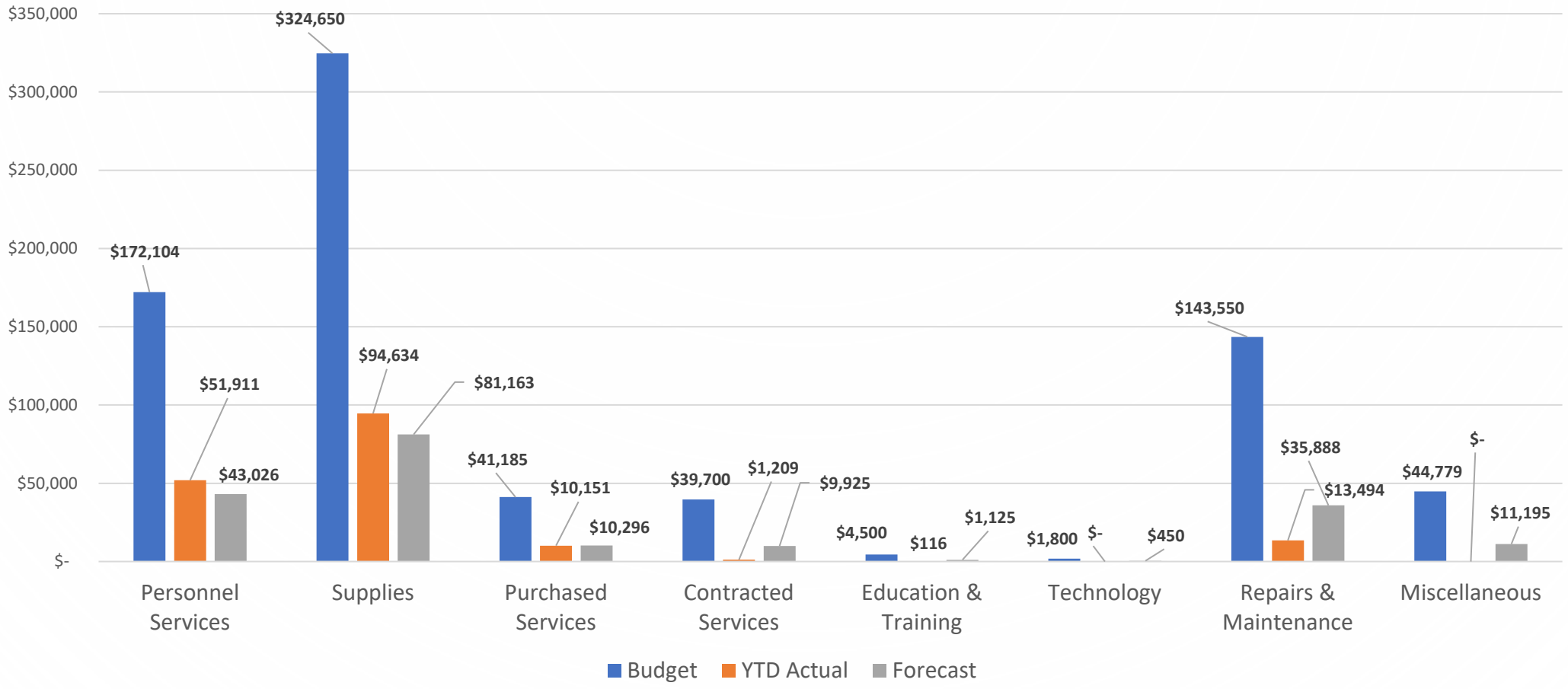
AIRPORT FUND



Airport Fund YTD Comparison

- Currently collected $26,772 in airport revenues for the month of December 2025.
- Total YTD Collections are $201,383 This includes facility rentals, fuel sales and other misc. revenue.
- Last year total collections during the month of December was $55,331. This is a 51.61% decrease compared to last year.

Airport Fund Expenditures
Budget vs. Actual
December 2025



CITY COUNCIL AGENDA REPORT

DATE: January 20, 2026

AGENDA OF: January 27, 2026

DEPARTMENT: Finance

SUBJECT:
Frist Quarter Investment Report for the period ending December 31, 2025

RECOMMENDATION:
Accept FY 2026 1st Quarter Investment Report.

BACKGROUND:
The Public Funds Investment Act requires the Investment Officer to prepare and submit to City Council a report on investment transactions for all funds on a quarterly basis.

DISCUSSION:
As reflected on the Schedule of Investments, the Texas Water Development Funds are invested in Money Market funds. These funds were disbursed to the City of Castroville and invested in money market funds with BOK. Staff will continue monitoring interest rate activity and act accordingly when opportunities arise and in keeping with our investment policy requirements of safety, liquidity yield, and diversity.

FISCAL IMPACT/SOURCE OF FUNDING: N/A

☐ Budgeted ☐ Requires Budget Amendment

ATTACHMENTS:

Urgency (0-5) = Low Urgency to High Urgency): 3
Impact (0-5) = Low Impact to High Impact): 3

Submitted and Approved by:

Leroy Vidales Finance Director

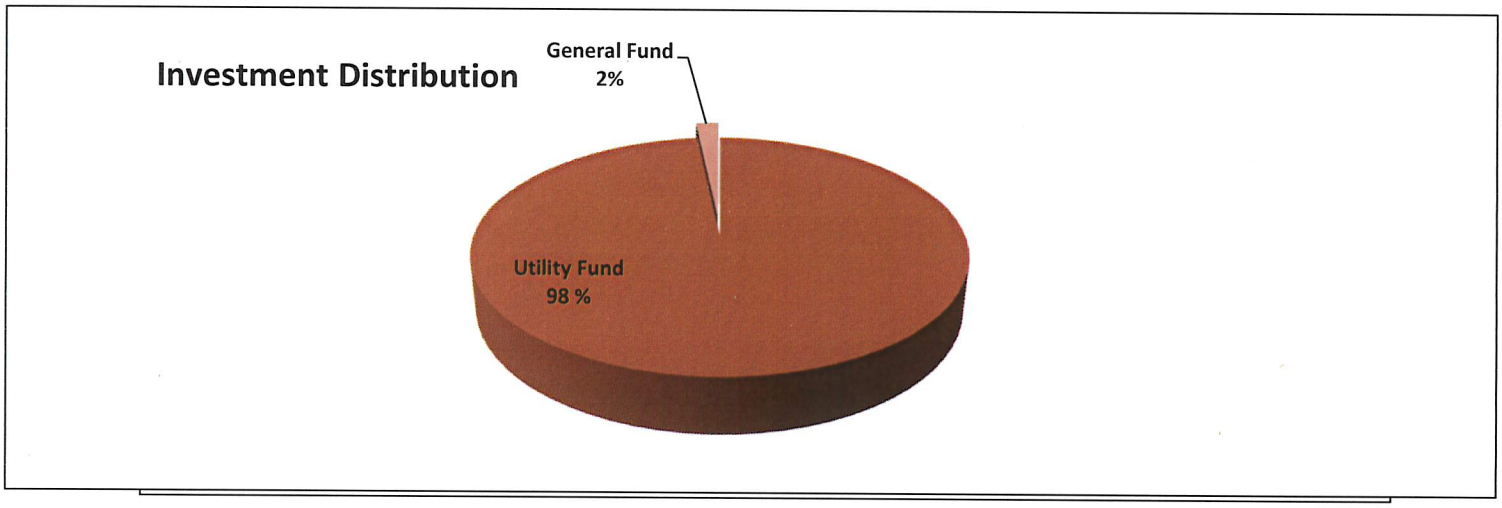
ATTACHMENTS/ADDITIONAL INFORMATION:
Investment Report

Schedule of Investment Activity - By Fund
For the quarter ending December 31, 2025

***Money Market-Dollar Value Distribution**

FUND	Financial Institution	Maturity Date	Book Value 9/30/2025	Value	Additions/ Deletions	Current Period Income	Book Value 9/30/2025	% of Total Investments
CWSRF Ser 2015 Escrow	BOK *013	n/a	849,433.41	-	-	8,099.65	857,533.06	83.57%
DWSRF Ser 2015A Escrow	BOK *021	n/a	110,540.29	-	-	1,054.02	111,594.31	10.88%
DWSRF Ser 2013 Escrow	BOK *017	n/a	56,405.45	-	-	537.85	56,943.30	5.55%
Yearly Weighted avg interest rate		**0.41%**	1,016,379.15	-	-	9,691.52	1,026,070.67	100.0%
Total Investments-All Types			**$ 1,016,379.15**	**$ -**	**$ -**	**$ 9,691.52**	**$ 1,026,070.67**	**$ 1.00**

CWSRF - Clean Water State Revolving Fund
DWSRF - Drinking Water State Revolving Fund
**These instruments are short-term cash equivalents: book value and market value are equal unless otherwise noted.*



This quarterly investment report complies with the investment strategy as enumerated in the City of Castroville Investment Policy and all provisions of the Public Funds Investment Act (GC § 2256.023).
We hereby certify, the above Investment Report is a true and correct representation of the investment position of the City of Castroville, Texas as of December 31, 2025.

Signed this 20th day of January 2026

Leroy Vidales 1.20.26

Leroy Vidales
Investment Officer
Fiance Director

1.20.26

Scott Dixon
Investment Officer
City Administrator

Agenda Report

Agenda of: January 27th, 2026

Department: Parks & Recreation

Subject: Parks Master plan- Lions Park Update

Recommended Motion:

CONSENT: Approve the amendment updating the Lions Park section of the Parks & Recreation Master Plan

Background:

The Parks and Recreation Department with the approval of the Parks & Recreation Advisory Board is presenting a proposed update to the Parks Master Plan, reflecting the City's ongoing commitment to expanding and improving public recreation spaces and meeting the community's needs.

Lions Sports Complex Master Plan Update:

- Recent Improvements: The 11.4-acre sports park has seen recent additions, including irrigation, a sports field, a splashpad, trees, stone benches, parking, some lighting, and a new restroom in 2023. New lights were installed over the sports field in 2024.
- Needs/Gaps: While the park meets the standard for equity in park distribution, it does not fully meet the standard for equity in accessibility, specifically lacking universally accessible features for children.
- Top Priorities: A community survey conducted in August 2024 identified an inclusive playground and shade as top priorities, with 46% of participants prioritizing the playground.
- Overall Recommendations: The key additions recommended are an inclusive playground (including climbing structure and swings), multiple shade pavilions, a multi-sport hard surface court, and a water reuse system for the splashpad.
- Specific Recommendations (Capital Improvement Plan Focus):
    - Inclusive playscape including swings and climbing structure: $365,000 (Grant)
    - Shade cover - Install one a year for 3 years: $13,000 (Operating Budget)
    - Pavilion: $50,000 (Bond Election)
    - Water reuse system at splashpad: $40,000 (Operating Budget)
    - Multi-sport hard surface court (Install court, Fencing, Lights): $65,000 total (Bond Election)

Fiscal Impact:

There may be a cost associated with this implementation & revision. We have not contacted the document creator to see what these edits may cost.

☒ Budgeted ☐ Requires Budget Amendment

Source of Funding: Account Code 10-50904-413

Attachments:

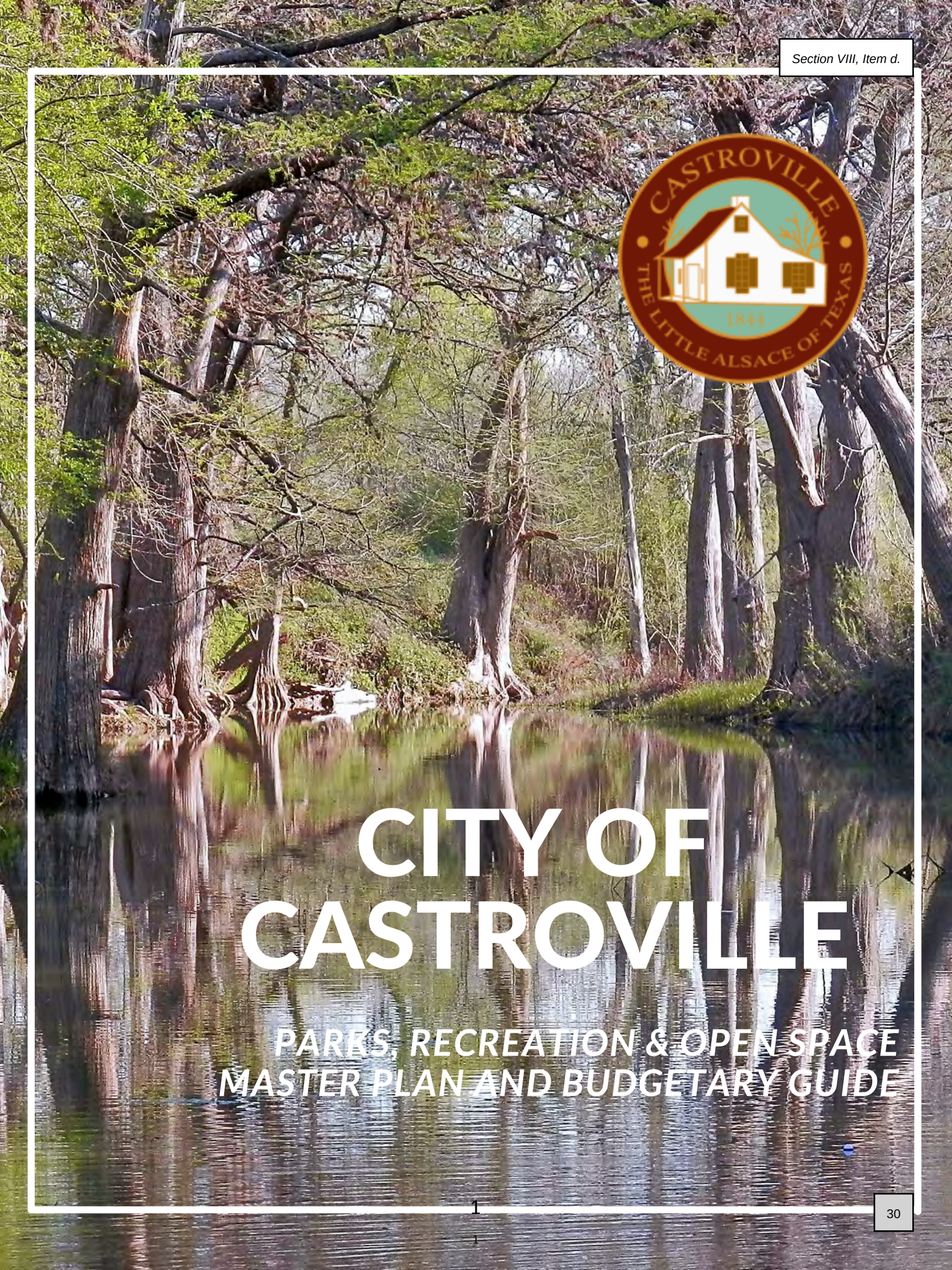
City of Castroville Parks & Recreation Master Plan- Lions Park Excert

Master Plan- Lions Park Update

Urgency (0-5 = Low Urgency to High Urgency): 3

Impact (0-5 = Low Impact to High Impact): 5

Submitted by: Jonah Chang, Director of Parks & Recreation



CITY OF CASTROVILLE

PARKS, RECREATION & OPEN SPACE MASTER PLAN AND BUDGETARY GUIDE

Table of Contents

1. Acknowledgements. 4
2. Council Resolution. 5
3. Executive Summary 7
4. Introduction & Community Profile. 11
5. Overall Public & Private Park Recommendations. 17
    - A. Overall Park System. 18
        - i. Overall Park Recommendations 23
        - ii. Park Design & Development Guidelines 25
    - B. Sports Parks. 37
        - i. Castroville Regional Park. 37
        - ii. Lion's Sports Complex. 55
        - iii. Medina Valley Youth Baseball Fields 61
    - C. Castroville's Historic Parks. 63
        - i. Steinbach Hus. 66
        - ii. September Square. 69
        - iii. Landmark Inn. 72
        - iv. Houston Square 74
        - v. Castro Colonies Living History Center 77
        - vi. Moye Retreat Center 78
        - vii. Overall Historic Park System Recommendations. 80
6. Underutilized City-Owned Open Spaces. 82

B. ii. Lion's Sports Complex



The Castroville Lion's Club donated two and a half city blocks to the City of Castroville in 1957. The Lion's Sports Complex was previously used as a football field for the St. Louis Catholic High School. The land was given to the city with the stipulation it be used in perpetuity for sporting activities and events.

This "L"-shaped 11.4-acre park is 2.5 city blocks located at the intersections of Houston St., Vienna St., Constantinople St., and Athens St.. Parking for the park is along these streets consisting of gravel surfacing without curbs or parking control striping.

Castroville Elementary School is adjacent to this park, just across Houston St. to the south. The school has several playscapes and play areas, but they are not available to the public.

This is the only sports park north of US Highway 90. This major thoroughfare splits Castroville and is difficult to cross due to the limited number of lighted pedestrian crossings. This limits safe foot and bike traffic to Castroville Regional Park.

The only mobile home housing development inside the Castroville limits is adjacent to the west of this park on Athens St. Within three blocks of this park, there is an apartment complex that participates in the Texas Department of Housing and Community Affairs (TDHCA), "Low Income Housing Tax Credit Program."

Most the families living around Lion's Sports Complex are at or below the Median Household Income of $59,600[1]. Many children live in this area.

1. https://www.census.gov/content/census/en/search-results.html?searchtype=web&stateGeo=none&q=castroville%20city%20tx%20castroville%20&disambFipsCode=4813312

This park has no trees, and there are only two park features, a baseball/softball field com walking trail with two benches.

The 2-acre baseball/softball field complex on the east side of the park is enclosed with a fence. It has lights, bleachers, restrooms, and gravel parking area. This baseball field provides a venue for city adult softball league play and youth baseball practice mostly on weekends and some weeknights.

The restrooms were built prior to 1957. Replacements are needed due to age and because the interior spaces are too small for a wheelchair to enter. This prevents retrofitting to meet ADA standards. The aluminum bleachers were installed in 2000 and there is no ground-level ADA seating that meets standards.

The remaining 9 acres of open field, has a rough soil surface and sparse native unimproved grass cover. This area is used for youth soccer practice during the season. This field is also used for pick-up open field sports. The Medina Valley Youth Soccer organization requested improving the area to increase practice fields.

In 2014, a 1,745-foot walking trail was installed, and trees planted on the west side of the park with a Texas Parks and Wildlife Department (TPWD) grant. Tree plantings all died due to a lack of an adequate irrigation system.



Aerial view of Lion's Sports Complex looking East toward the elementary school

Lion's Sports Complex Recommendations

The best thing about Lion's Sports Complex is its blank slate for total park development. The latest survey ranks improving this park very high. This park does not meet two of the three NRPA Park Equity Standards.

Equity in Park Distribution

This neighborhood park meets this standard. It is in a prime geographic location based on the demographics of the surrounding area.

Equity in Accessibility

This park does not meet this standard. No features meet ADA standards. The lack of general park features prohibits access to all patrons, especially children. They do not have access to this park because there are no playscapes or other features designed for children.

Equity in Functions

This park does not meet this standard. There is no balance between organized sports, passive recreation, and unstructured active recreation needs. Basic passive recreation features that define a "park" are totally missing – no landscaping, trees, or picnic tables. The baseball field addresses organized sports. Youth soccer makes the best out of the unimproved grass area since it is unstriped and only has limited use for practice. The walking trail minimally meets unstructured active recreation needs.

Overall Recommendations

- Develop a partnership between the City and Medina Valley Independent School District for public use of playscapes at the Castroville Elementary School after school hours.

- Request the Parks and Recreation Advisory Board to develop a Facilities Design Plan for this park.

Top 4 Priority CIP Ranking of Basic Items for the Lion's Park Facilities Design Plan

1. Irrigation for the entire park
2. Plant trees and other landscaping
3. ADA upgrades including: baseball area, demolish and replace restrooms, establish parking, and bleachers
4. Add playscapes and splashpad

Table 5. - Specific Recommendations				
Lion's Sports Complex	OB = Operating Budget BE = Bond Election VL = Volunteer			
Overall Park	**Cost**	**Funding Source**	**Department Lead**	**Year FY**
Facilities Design Plan- Park Board Develop	**$0**	**VL**	**Park Board**	**2022**
Irrigation - Install main line around Walking Trail connect Bubblers in sites for trees	**$20,000**	**BE**	**Parks Public Works**	**2022**
Playscapes - Install w/Shade	**$65,000**	**BE**	**Parks**	**2022**
Restroom - Demo and Replace with ADA	**$100,000**	**BE**	**Parks Public Works**	**2022**
Splashpad - Structure	**$130,000**	**BE**	**Parks Public Works**	**2022**
Install Shade, Table, Benches @ Splashpad	**$20,000**	**BE**	**Parks Public Works**	**2024**
Parking Lots - Head In, ADA Surfaces & Signs	**$45,000**	**BE**	**Parks**	**2024**
Fitness Stations	**$35,000**	**BE**	**Parks**	**2024**
'Blue Light' Emergency Phone - Restroom, Softball Field	**$5,000**	**BE**	**Parks Public Works**	**2026**
Pavilion - Install $50,000/yr.	**$150,000**	**BE**	**Parks**	**2024, 27,28**
Softball Field	**Cost**	**Funding Source**	**Department Lead**	**FY Year**
Irrigation - Design, Install Irrigation,	**$15,000**	**BE**	**Parks Public Works**	**FY 23**
Softball Field Improvements- Renovate Grass	**$3,000**	**BE**	**Parks**	**FY 23**
Lights - Replace and Add Dark Skies Lights.	**$20,000**	**BE**	**Parks Public Works**	**FY 23**
Fence - Replace, field, back stop, dugouts	**$30,000**	**BE**	**Parks**	**FY 23**

Table 5.b. - Specific Recommendations				
Lion's Sports Complex Park	BE= Bond Election, OB=Operating Budget, VL=Volunteer, GR=Grant			
Sports Field	**Cost**	**Funding Source**	**Department Lead**	**FY Year**
Irrigation - Design irrigation system, plow to smoothfield	**$5,000**	**BE**	**Parks**	**FY 25**
Sport Field Improvements - Plow to prep seedbed and Fertilize,Reseed, week control weeds	**$48,000**	**BE**	**Parks**	**FY 26**
Sport Field Fencing	**$100,000**	**BE**	**Parks**	**FY 28**
Annual Maintenance Items	**Annual Const**			
Walking Trail - Maintain width and add granite walkingsurface	**$5,000**	**OB**	**Parks**	**Every Year**
Softball Field - Fertilizer, Weed Control, Restriping	**$2,000**	**OB**	**Parks**	**Every Year**
Sports Field - Fertilizer, Weed Control, Restriping	**$2,000**	**OB**	**Parks**	**Every Year**
Irrigation - Connect Bubblers to main line as needed	**$2,000**	**OB**	**Parks**	**Every Year**
Landscaping - Plant Trees and Shrubs	**$5,000**	**OB**	**Parks**	**Every Year**
Picnic Tables Shade, Benches, over 4 years	**$3,000**	**OB**	**Parks**	**4 Years**
Drinking Fountains - Add over 4 years for People and Pet Friendly, Walking Trail, Bottle Fill in Softball Field & Restroom	**$2,000**	**OB**	**Parks Public Works**	**4 Years**
Total Annual Maintenance	**21,000**			**Every Year**

Lion's Sports Complex Ballpark Bleachers





Lion’s Sports Complex Ballpark Dugout



Lion’s Sports Complex gateway entrance on Athens Street

Lions Sports Complex - Master Plan Update Page 55 and 56 – May 2025

B. ii. Lions Sports Complex

The Castroville Lion's Club donated two and a half city blocks to the City of Castroville in 1957. The Lion's Sports Complex was previously used as a football field for the St. Louis Catholic High School. The land was given to the city with the stipulation it be used in perpetuity for sporting activities and events.

This "L"-shaped 11.4-acre park is 2.5 city blocks located at the intersections of Houston St., Vienna St., Constantinople St., and Athens St. Parking for the park is along these streets consisting of gravel surfacing without curbs or parking control striping.

Castroville Elementary School is adjacent to this park, just across Houston St. to the south. The school has several playscapes and play areas, but they are not available to the public.

This is the only sports park north of US Highway 90 in the original part of the city. US Highway 90 is the major thoroughfare which splits Castroville and is difficult to cross due to the limited number of lighted pedestrian crossings. This limits safe foot and bike traffic to Castroville Regional Park from the north-side of the highway.

The only mobile home housing development inside the Castroville limits is adjacent to the west of this park on Athens St. Within three blocks of this park, there is an apartment complex that participates in the Texas Department of Housing and Community Affairs (TDHCA) “Low Income Housing Tax Credit Program” as listed by the hellosection8.com website. From personal observation many children live in this area.

https://hellosection8.com/narrow-down-section-8-rental-castroville-tx-1.html

The 4-acre baseball/softball field complex on the east side of the park is enclosed with a fence with bleachers in one corner. This baseball field provides a venue for city adult softball league play and youth baseball practice, mostly on weekends and some weeknights. Other sports groups use the outfield for practice and bring their own rented lights.

In 2023, irrigation, a sports field, splashpad, trees, stone benches, parking, some lighting, and a new restroom were added. In 2024, new lights over the sports field to the north side of the complex were installed. The sports field is mainly used by a very active youth soccer club.



Lions Park in 2023 facing west with parking on the left, splashpad and bathroom in the center, and sports field on the right. (The softball field is partially shown.)

Lion's Sports Complex Recommendations

There is still ample space to give this neighborhood an excellent place to be active. The Parks and Recreation Advisory Board along with the Parks Director ran a survey about the park 2024 to provide maximum community impact.

Lions Park Mission Statement

To provide our community with well-maintained, multi-purpose sports fields and playscapes where residents of all ages and abilities can participate in recreational activities, develop athletic skills, and build lasting community connections, honoring our donor's commitment to accessible and inclusive neighborhood sports and play.

Equity in Park Distribution

This neighborhood park meets this standard. It is in a prime geographic location based on the demographics of the surrounding area.

Equity in Accessibility

This park does not meet this standard. The new splashpad and restroom are ADA compliant and inclusive, but there is still a noticeable lack of universally accessible park features, for children especially.

Equity in Functions

The recent additions have improved this aspect of the park bringing more balance among organized sports, passive and unstructured play. But the splashpad cannot operate the whole summer due to occasional droughts and is closed during the winter season. There is still room for improvement!

Top Priority Features to Be Considered for CIP

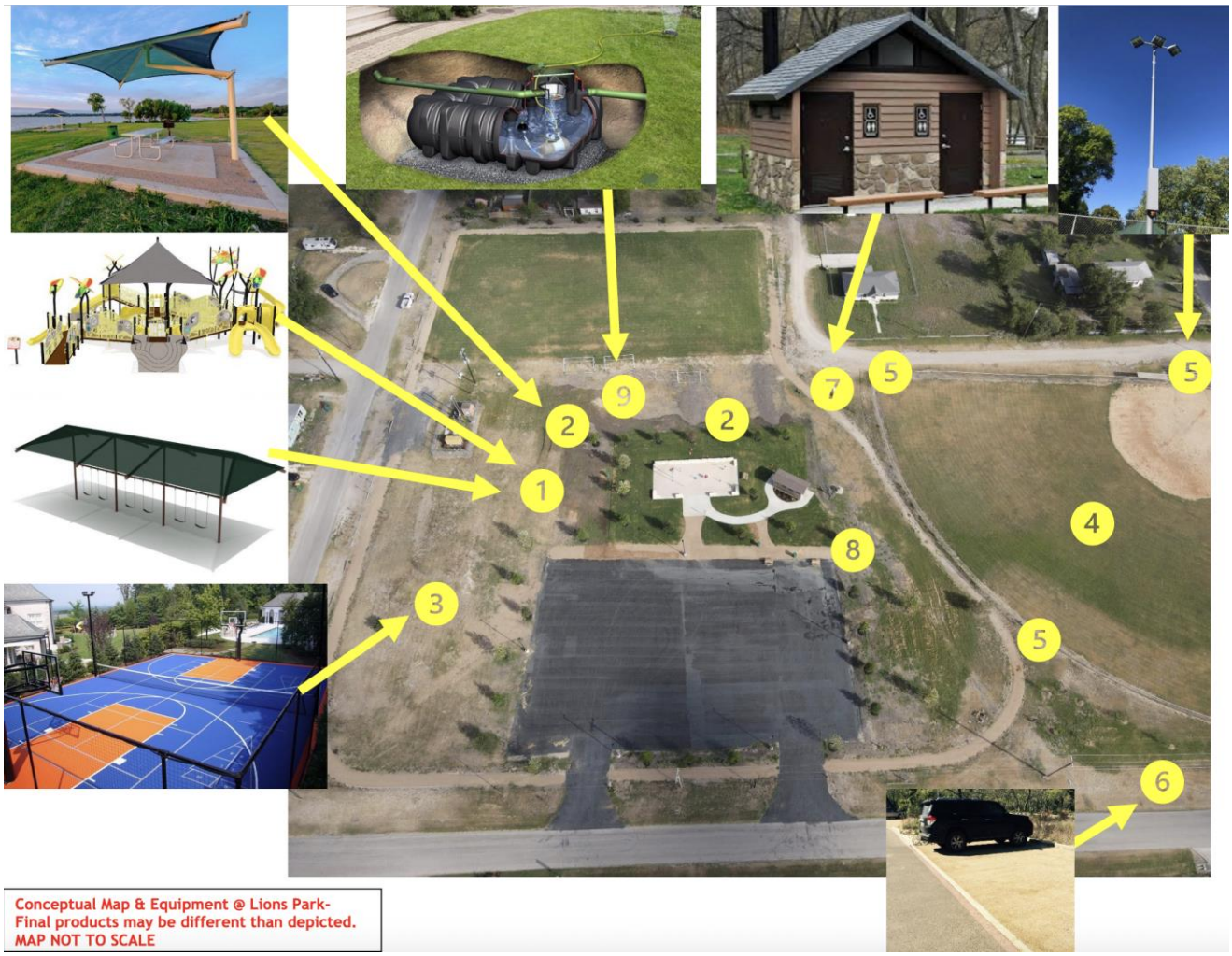
Parks Staff and the Parks and Recreation Advisory Board ran a survey in August 2024 (see appendix) to help determine that the inclusive playground and shade were top priorities for citizens at Lions Sport Complex: 171 out of 369 surveyed prioritized the playground which is 46% of the participants.

To be good stewards of our water usage, City Staff recommend installing a water reuse system connected to the splashpad. The water reuse system, which includes underground tanks, will take the water from the splashpad and use it for irrigation in the park. This will help offset the fresh water used in the splashpad, especially when the area experiences drought conditions.

Overall Recommendations

The list below refers to features in the following two diagrams.

1. Inclusive playground including climbing structure and swings
2. Multiple shade pavilions
3. Multi-sport hard surface court including basketball, pickleball, four-square, etc.
4. Updated sports field and softball field with irrigation and fencing
5. Sports field lighting
6. Parking along perimeter of property
7. Additional bathroom
8. Seating (stone benches), picnic tables, walking trails, landscaping
9. Water reuse system for the splashpad



Conceptual Map & Equipment @ Lions Park-
Final products may be different than depicted.
MAP NOT TO SCALE

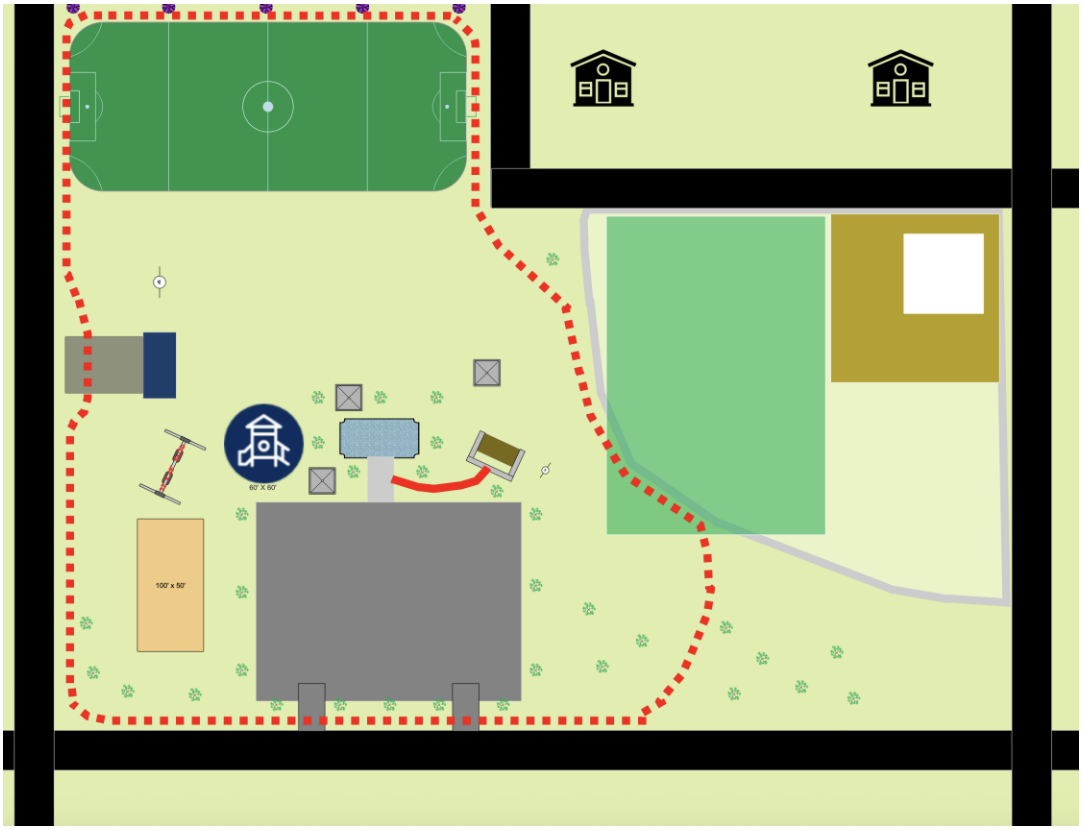


Table 5 – Specific Recommendations				
Lions Sports Complex Park	BE = Bond Election, OB = Operating Budget, GR = Grant			
Overall Park	Cost	Funding Source	Department Lead	Year FY
Inclusive playscape including swings and climbing structure	$365,000	Grant	Parks	
Shade cover – Install one a year for 3 years	$13,000	OB	Parks	2025
Pavilion	$50,000	BE	Parks	2025
Water reuse system at splashpad		OB	Contractor	
Benches	$4,000	OB	Parks	
Head-in parking surrounding property (500 sq ft section)	$2,000	OB	Parks & PW	
Softball Field	Cost	Funding Source	Department Lead	Year FY
Integrate sports field in the outfield; install grass		OB	Contractor	
Refurbish backstop fencing		OB	Contractor	
Move outfield fence to encompass sports field	$60,000	OB	Contractor	
Install irrigation	$40,000	OB	Contractor	

Install lighting	$85,000	GR	Contractor	
Move walking trail to match outfield fence	$4,000	OB	Parks & PW	
Multi-sport hard surface court	Cost	Funding Source	Department Lead	Year FY
Install court	$40,000	BE	Parks	
Fencing	$15,000	BE	Parks	
Lights	$10,000	BE	Parks	
Trails	$3,000	OB	Parks	
Annual Maintenance Items	Annual Cost	Funding Source	Department Lead	
Walking trail resurfacing	$5,000	OB	Parks & PW	
Softball field – Fertilizer, weed control	$7,000	OB	Parks	
Irrigation	$5,000	OB	Contractor	
Landscaping – Plant trees and shrubs	$2,000	OB	Parks	
Picnic tables	$3,000	OB	Parks	
Drinking fountains – On walking trail, bottle fill at restrooms	$2,000	OB	Parks	

Agenda Report

Agenda of: January 27th, 2026

Department: Parks & Recreation

Subject: Parks Master plan- Miscellaneous Updates

Recommended Motion:

CONSENT: Approve the amendment updating the Parks & Recreation Master Plan with the miscellaneous updates identified below.

Background:

The Parks and Recreation Department with the approval of the Parks & Recreation Advisory Board is presenting a proposed update to the Parks Master Plan, reflecting the City's ongoing commitment to expanding and improving public recreation spaces and meeting the community's needs.

- Miscellaneous Updates:
  - Page 1: Update the City of Castroville's Logo
  - Page 5: Add the Council Resolution
  - Pages 55-60: Lions Park update, requested.
  - Page 155: Remove the first bullet point since Lion's park has new public toilets.
  - Page 174: Update the write-up and map overlay with the current Community Center that is being built.
  - Pages 175 & 176: Do we remove these since there will not be a Community Center at Lion's Park?

The update to the Parks & Recreation Master Plan demonstrates the City's ongoing commitment to strategic planning, transparency, and community engagement. By actively reviewing and updating the Plan, the City shows residents, stakeholders, and partner agencies that it is a living document guiding decision-making, investments, and priorities—not a plan placed on a shelf. This update also strengthens the City's competitiveness for grant funding by clearly documenting current needs, community input, and the proactive involvement of City staff and volunteers in meeting the evolving needs of residents and park patrons.

Fiscal Impact:

There may be a cost associated with this implementation & revision. We have not contacted the document creator to see what these edits may cost.

☒ Budgeted ☐ Requires Budget Amendment

Source of Funding: Account Code 10-50904-413

Attachments:

City of Castroville Parks & Recreation Master Plan- MISC Updates

Urgency (0-5 = Low Urgency to High Urgency): 3

Impact (0-5 = Low Impact to High Impact): 5

Submitted by: Jonah Chang, Director of Parks & Recreation

UPDATE
City Logo



CITY OF CASTROVILLE

PARKS, RECREATION & OPEN SPACE MASTER PLAN AND BUDGETARY GUIDE

Table of Contents

1. Acknowledgements. 4
2. Council Resolution. 5
3. Executive Summary 7
4. Introduction & Community Profile. 11
5. Overall Public & Private Park Recommendations. 17
    - A. Overall Park System. 18
        - i. Overall Park Recommendations 23
        - ii. Park Design & Development Guidelines 25
    - B. Sports Parks. 37
        - i. Castroville Regional Park. 37
        - ii. Lion's Sports Complex. 55
        - iii. Medina Valley Youth Baseball Fields 61
    - C. Castroville's Historic Parks. 63
        - i. Steinbach Hus. 66
        - ii. September Square. 69
        - iii. Landmark Inn. 72
        - iv. Houston Square 74
        - v. Castro Colonies Living History Center 77
        - vi. Moye Retreat Center 78
        - vii. Overall Historic Park System Recommendations. 80
6. Underutilized City-Owned Open Spaces. 82

Appendices 86

A. Implementation & Budgetary Guide 88
B. Park Development, Facility, and Equipment Standards…. 99
C. Master Planning Process..... 106
D. NRPA Standards & Their Application..... 111
E. Demographics..... 118
F. Public Engagement Data..... 125
G. Review & Commentary of Past Reports & Surveys 149
H. September Square Deed 159

Maps and Aerials 163

A. Castroville City Limits & ETJ..... 164
B. City-Owned Property, Floodplain Overlay..... 166
C. Non-Park City-Owned Land..... 168
D. City-Owned Parks, Private Parkland, Alsatian Oaks..... 170
E. Castroville Historic Districts & Historic Walking Trail..... 173
F. Castroville Regional Park Community Center Concept.... 174
G. Lion's Park with Community Center Comparisons..... 176
H. Alsatian Oaks Parks & Open Space Plan..... 177
I. Prior Park Design Concepts..... 178
i. Castroville Regional Park TPWD Plan..... 179
ii Houston Square..... 181
iii. September Square..... 182
J. Castroville Floodplain Overlay..... 183
K. Conceptual 5-Mile Cycling 184
L. Tour de Castroville Cycling Existing Tour Routes..... 185

Acknowledgements

Mayor:
Darin Schroeder

City Council:

District 1: Sheena Martinez
District 2: Paul Carey
District 3: Phil King
District 4: Todd Tschirhart
District 5: Herb Dyer

Steering Committee:

Kenneth Rohrbach, Superintendent, Median Valley Independent School District
David Kirkpatrick, Manager, City of Castroville Airport
Breana Soto, Director, Community Development, City of Castroville
Devin Fredrickson, Director, Parks and Recreation, City of Castroville
Patrick Conner, Chair, Parks and Recreation Advisory Board, City of Castroville

Friends of Castroville Regional Park:

Helen Delavan, President
Teri Barrow, Vice President
Gary Irish, Treasurer
Kyle McVay, Secretary
Priscilla Garrett, Member
Patrick Conner, Member

The Friends of Castroville Regional Park express our sincere thanks to Microsoft Corporation’s Community Outreach Department for their generous grant to develop this City of Castroville Parks, Recreation & Open Space Master Plan and Bugetary Guide.

Council Resolution

ADD Council Resolution

B. ii. Lion's Sports Complex



UPDATE Requested

The Castroville Lion's Club donated two and a half city blocks to the City of Castroville in 1957. The Lion's Sports Complex was previously used as a football field for the St. Louis Catholic High School. The land was given to the city with the stipulation it be used in perpetuity for sporting activities and events.

This "L"-shaped 11.4-acre park is 2.5 city blocks located at the intersections of Houston St., Vienna St., Constantinople St., and Athens St.. Parking for the park is along these streets consisting of gravel surfacing without curbs or parking control striping.

Castroville Elementary School is adjacent to this park, just across Houston St. to the south. The school has several playscapes and play areas, but they are not available to the public.

This is the only sports park north of US Highway 90. This major thoroughfare splits Castroville and is difficult to cross due to the limited number of lighted pedestrian crossings. This limits safe foot and bike traffic to Castroville Regional Park.

The only mobile home housing development inside the Castroville limits is adjacent to the west of this park on Athens St. Within three blocks of this park, there is an apartment complex that participates in the Texas Department of Housing and Community Affairs (TDHCA), "Low Income Housing Tax Credit Program."

Most the families living around Lion's Sports Complex are at or below the Median Household Income of $59,600[1]. Many children live in this area.

1. https://www.census.gov/content/census/en/search-results.html?searchtype=web&stateGeo=none&q=castroville%20city%20tx%20castroville%20&disambFipsCode=4813312

This park has no trees, and there are only two park features, a baseball/softball field com walking trail with two benches.

The 2-acre baseball/softball field complex on the east side of the park is enclosed with a fence. It has lights, bleachers, restrooms, and gravel parking area. This baseball field provides a venue for city adult softball league play and youth baseball practice mostly on weekends and some weeknights.

The restrooms were built prior to 1957. Replacements are needed due to age and because the interior spaces are too small for a wheelchair to enter. This prevents retrofitting to meet ADA standards. The aluminum bleachers were installed in 2000 and there is no ground-level ADA seating that meets standards.

The remaining 9 acres of open field, has a rough soil surface and sparse native unimproved grass cover. This area is used for youth soccer practice during the season. This field is also used for pick-up open field sports. The Medina Valley Youth Soccer organization requested improving the area to increase practice fields.

In 2014, a 1,745-foot walking trail was installed, and trees planted on the west side of the park with a Texas Parks and Wildlife Department (TPWD) grant. Tree plantings a died due to a lack of an adequate irrigation system.

UPDATE Requested



Aerial view of Lion's Sports Complex looking East toward the elementary school

Lion's Sports Complex Recommendations

The best thing about Lion's Sports Complex is its blank slate for total park development. The latest survey ranks improving this park very high. This park does not meet two of the three NRPA Park Equity Standards.

Equity in Park Distribution

This neighborhood park meets this standard. It is in a prime geographic location based on the demographics of the surrounding area.

Equity in Accessibility

This park does not meet this standard. No features meet ADA standards. The lack of general park features prohibits access to all patrons, especially children. They do not have access to this park because there are no playscapes or other features designed for children.

Equity in Functions

This park does not meet this standard. There is no balance between organized sports, passive recreation, and unstructured active recreation needs. Basic passive recreation features that define a "park" are totally missing – no landscaping, trees, or picnic tables. The baseball field addresses organized sports. Youth soccer makes the best out of the unimproved grass area since it is unstriped and only has limited use for practice. The walking trail minimally meets unstructured active recreation needs.

UPDATE Requested

Overall Recommendations

- Develop a partnership between the City and Medina Valley Independent School District for public use of playscapes at the Castroville Elementary School after school hours.

- Request the Parks and Recreation Advisory Board to develop a Facilities Design Plan for this park.

Top 4 Priority CIP Ranking of Basic Items for the Lion's Park Facilities Design Plan

1. Irrigation for the entire park
2. Plant trees and other landscaping
3. ADA upgrades including: baseball area, demolish and replace restrooms, establish parking, and bleachers
4. Add playscapes and splashpad

Table 5. - Specific Recommendations				
Lion's Sports Complex	OB = Operating Budget BE = Bond Election VL = Volunteer			
Overall Park	**Cost**	**Funding Source**	**Department Lead**	**Year FY**
Facilities Design Plan- Park Board Develop	**$0**	**VL**	**Park Board**	**2022**
Irrigation - Install main line around Walking Trail connect Bubblers in sites for trees	**$20,000**	**BE**	**Parks Public Works**	**2022**
Playscapes - Install w/Shade	**$65,000**	**BE**	**Parks**	**2022**
Restroom - Demo and Replace with ADA	**$100,000**	**BE**	**Parks Public Works**	**2022**
Splashpad - Structure	**$130,000**	**BE**	**Parks Public Works**	**2022**
Install Shade, Table, Benches @ Splashpad	**$20,000**	**BE**	**Parks Public Works**	**2024**
Parking Lots - Head In, ADA Surfaces & Signs	**$45,000**	**BE**	**Parks**	**2024**
Fitness Stations	**$65,000**	**BE**	**Parks**	**2024**
'Blue Light' Emergency Phone - Restroom, Softball Field	**$5,000**	**BE**	**Parks Public Works**	**2026**
Pavilion - Install $50,000/yr.	**$150,000**	**BE**	**Parks**	**2024, 27,28**
Softball Field	**Cost**	**Funding Source**	**Department Lead**	**FY Year**
Irrigation - Design, Install Irrigation,	**$15,000**	**BE**	**Parks Public Works**	**FY 23**
Softball Field Improvements- Renovate Grass	**$3,000**	**BE**	**Parks**	**FY 23**
Lights - Replace and Add Dark Skies Lights.	**$20,000**	**BE**	**Parks Public Works**	**FY 23**
Fence - Replace, field, back stop, dugouts	**$30,000**	**BE**	**Parks**	**FY 23**

UPDATE Requested

Table 5.b. - Specific Recommendations				
Lion's Sports Complex Park	BE= Bond Election, OB=Operating Budget, VL=Volunteer, GR=Grant			
Sports Field	**Cost**	**Funding Source**	**Department Lead**	**FY Year**
Irrigation - Design irrigation system, plow to smoothfield	**$5,000**	**BE**	**Parks**	**FY 25**
Sport Field Improvements - Plow to prep seedbed and Fertilize,Reseed, week control weeds	**$48,000**	**BE**	**Parks**	**FY 26**
Sport Field Fencing	**$100,000**	**BE**	**Parks**	**FY 28**
Annual Maintenance Items	**Annual Const**			
Walking Trail - Maintain width and add granite walkingsurface	**$5,000**	**OB**	**Parks**	**Every Year**
Softball Field - Fertilizer, Weed Control, Restriping	**$2,000**	**OB**	**Parks**	**Every Year**
Sports Field - Fertilizer, Weed Control, Restriping	**$2,000**	**OB**	**Parks**	**Every Year**
Irrigation - Connect Bubblers to main line as needed	**$1,000**	**OB**	**Parks**	**Every Year**
Landscaping - Plant Trees and Shrubs	**$5,000**	**OB**	**Parks**	**Every Year**
Picnic Tables Shade, Benches, over 4 years	**$3,000**	**OB**	**Parks**	**4 Years**
Drinking Fountains - Add over 4 years for People and Pet Friendly, Walking Trail Bottle Fill in Softball Field & Restroom	**$2,000**	**OB**	**Parks Public Works**	**4 Years**
Total Annual Maintenance	**21,000**			**Every Year**

UPDATE Requested

Lion's Sports Complex Ballpark Bleachers





Lion’s Sports Complex Ballpark Dugout

UPDATE Requested



Lion’s Sports Complex gateway entrance on Athens Street

High Priority Needs



Lion's Park:

- New Public Toilets
- New Playscapes
- New Lighting
- New Seating

Pocket Parks:

- New pocket parks with small playscapes

Indoor Activity Spaces:

- A gymnasium or YMCA-type of facility New Parks:
- New parks in the new developments planning at the eastern portion of town

Medium Priorities

- Walking trails
- Adequate durable wayfinding signage
- Adequate well-researched interpretive signage
- Lighting at existing parks for safety purposes

Lower Priority/Future Needs May Include

- Fitness stations
- Additional outdoor music and art venue
- Additional neighborhood parks in the eastern portion of town and beyond

Online Survey Results

Vista's general commentary on online survey questions and results:

The first three questions on the online survey are with regard to the disposition of the current City H all building. It is Vista's understanding that at the time of this survey, this question was very much on the minds of many in Castroville therefore the importance of the question. This is especially so with the thought of the building being renovated for a community center, as one idea. Later in the document it was a stated desire to see the historic building converted into a boutique hotel. The overall result being a new City Hall and a historic building for some service to the community.

The city utility yard would make a great site for a municipal or public facility being in the center of town . Any new tract of land for a future sports complex could be large enough to accommodate the current use of that land and then moving the storage yard out of the city center.

Castroville Regional Park Community Center Concept

UPDATE
Write-up

The exhibit to the right shows the City of Pflugerville's parks and recreation HQ and Rec Center (Building only) overlayed at scale on the Castroville Regional Park HQ. This exercise is to show that investment in a significant community center is plausible at this location. Note that the building covers over the existing pool and a new pool would have to be developed. Given the analysis done by others regarding the pool, it has been determnined that a total reconstruction of the pool is required. Flood plain modifications may be able to accommodate this development. The map below is at the same scale and shows the concept on the flood plain map for comparison. These concepts are different in the location of the building.



UPDATE
Picture & Overlay

0' 100' 200' Scale is approximate





Lion's Park with Community Center Comparisons

These two graphics represent at scale the potential of two City's facilities compare in size to assist in further conversations regarding the prospects of a community recreation center being built in Castroville.

REMOVE?



Presidio, Texas; population 3,894 (2019)

Presidio Activity Center (PAC)

- Includes the city library
- Meeting rooms & offices
- Baskball court (which douples as a large meeting room)

Lion's Park with Community Center Comparisons

REMOVE?



Pflugerville, Texas; population 65,380 (2019)

- Two half-court basketball courts
- Weight room, cardio equipment
- Game room with video games, ping pong, pool tables
- Indoor walking and jogging track
- Meeting room
- Parks and Recreation Offices

Building Permits: Process & Expectations

Breana Soto

Community Development Director



Introduction & Purpose



WHAT BUILDING PERMITS ARE



WHY THEY MATTER



HOW THEY PROTECT PROPERTY OWNERS AND THE CITY

When a Building Permit Is Required



New construction



Additions and remodels



Structural changes



Electrical, plumbing, and mechanical work



Accessory structures, fences, and site work

Complete Applications Matter

Applications must be fully completed

Owner information and valuation required

Information must match City records





Building Permit Application Process

APPLICATION SUBMITTAL

PLAN REVIEW

PERMIT ISSUANCE

Contractor Registration Requirement

- All contractors must be registered with the City
- Licenses must be current
- Applies to general contractors and MEP trades



Plan Review & Review Timelines

Residential vs. commercial review

Third-party reviewers

Typical review: ~10 business days

Fees must be paid before review

Permit Fees & Invoicing



APPLICATION AND PLAN REVIEW FEES REQUIRED



FEES MUST BE PAID BEFORE REVIEW



INVOICES TIED TO PERMIT NUMBERS

Permit is sent to plan review and inspections

Construction must match approved plans

Issuance of Permits & Approved Plans

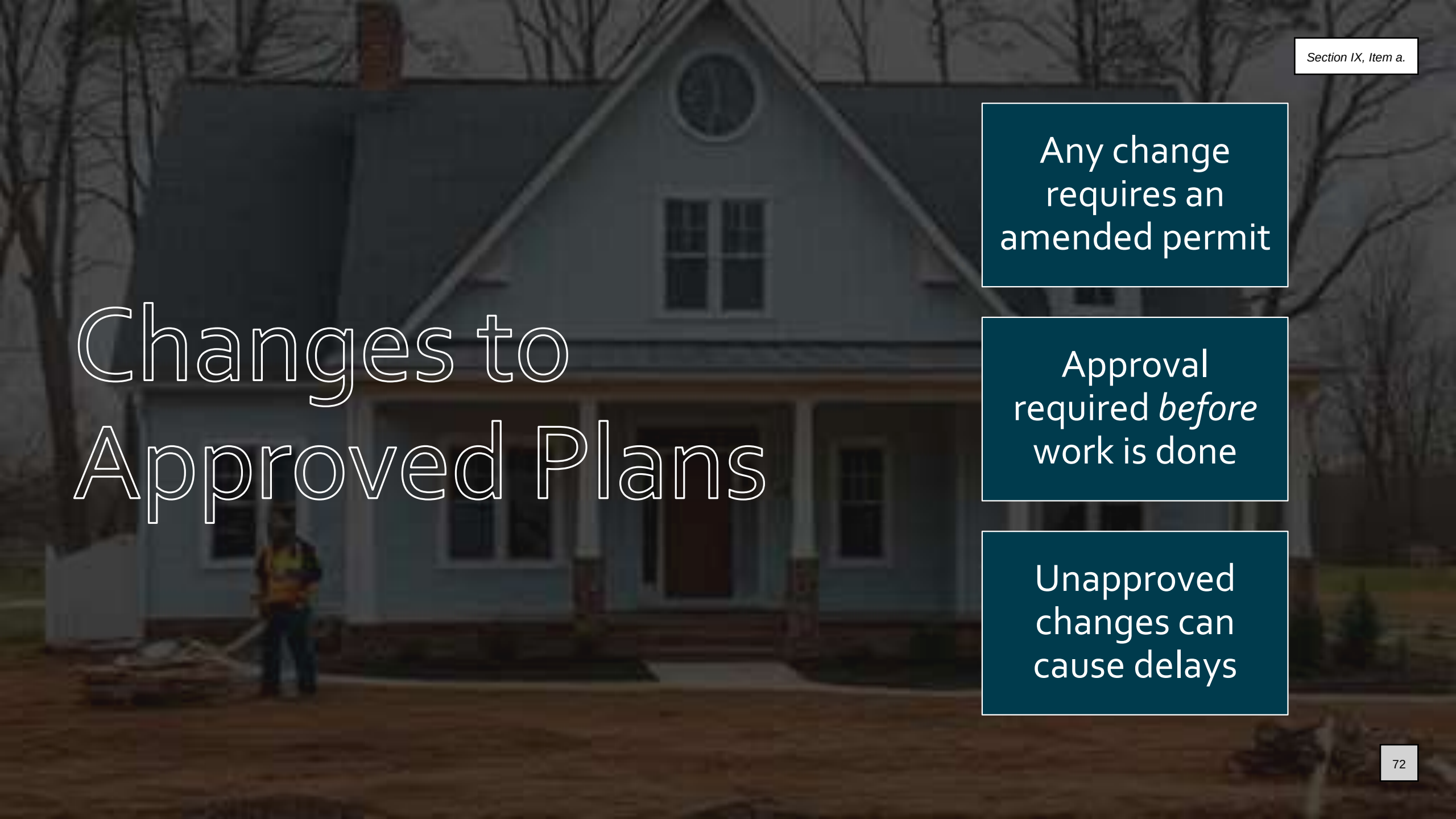
Inspections: Requirements & Process

Inspections are required throughout construction and are meant to ensure work is done safely and correctly. They must be scheduled in advance and completed before moving to the next phase of construction.

Inspection Scheduling Rules

Inspections can only be requested Monday through Friday, and there are no same-day inspections. If a request comes in on Friday, the earliest it can be scheduled is Monday. Inspections are typically handled by the same entity that reviewed the plans.





Changes to Approved Plans

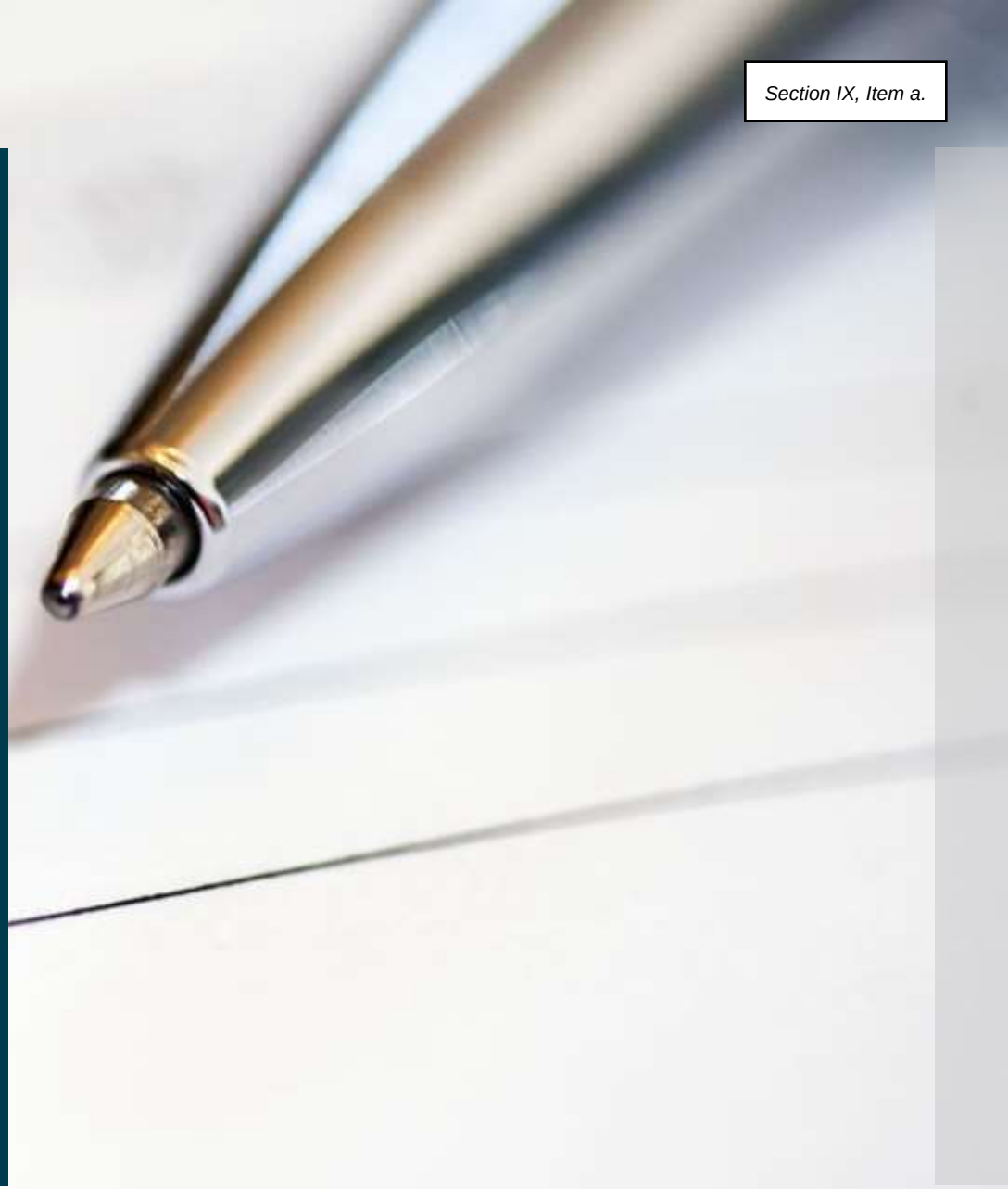
Any change requires an amended permit

Approval required *before* work is done

Unapproved changes can cause delays

Certificate of Occupancy (COO)

- Final approval before occupancy
- All inspections must pass
- All fees must be paid



Historic Landmark Commission (HLC) Properties

- COA required for historic properties
- COA does **not** replace a building permit
- Building code and zoning still apply

COA Fees & Timing



COA FEE REQUIRED BEFORE REVIEW



REQUIRED BEFORE AGENDA PLACEMENT



COORDINATE EARLY WITH PERMITTING

Key Takeaways & Best Practices

Start	Submit	Register	Build	Amend
Start early	Submit complete applications	Register contractors	Build to approved plans	Amend permits before changes

Thank you

Breana.soto@castrovilletx.gov

Agenda Report

Agenda of: January 27, 2026

Department: Community Development Director

Subject: Presentation and Discussion – City of Castroville Building Permit Process

RECOMMENDED ACTION

Receive a presentation and provide direction, if any.

ITEM SUMMARY

Staff will provide a brief presentation outlining the City of Castroville's building permit process, including when permits are required, the steps involved in obtaining a permit, inspection requirements, and the importance of compliance with approved plans, applicable building codes, and zoning regulations.

BACKGROUND

The building permit process is a core function of the City's development and regulatory responsibilities. Permitting ensures construction is performed safely, complies with adopted building codes and zoning standards, and protects both property owners and the City.

As development activity continues in Castroville, staff has identified the need to clearly communicate permitting expectations, common requirements, and areas that frequently cause delays or compliance issues. This presentation is intended to provide Council with an overview of the process and support consistent messaging to applicants, contractors, and the public.

PRESENTATION OVERVIEW

The presentation will cover the following key topics:

- When a building permit is required
- The building permit application and plan review process
- Contractor registration and licensing requirements
- Permit fees and review timelines
- Inspections and scheduling requirements
- The importance of constructing in accordance with approved plans
- Requirements for amended permits when plans change

- Certificate of Occupancy requirements
- Coordination with Historic Landmark Commission approvals for properties within the Historic Overlay District

The presentation emphasizes early coordination with staff, complete applications, and adherence to approved plans to reduce delays and enforcement issues.

STAFF ANALYSIS

Providing a clear and consistent explanation of the building permit process helps set expectations, improves compliance, and reduces delays associated with incomplete applications, unapproved construction changes, or missed inspections. Council input, if any, may help guide future public outreach or educational efforts related to permitting and development.

FISCAL IMPACT

There is no fiscal impact associated with this agenda item. The presentation is informational only.

PRESENTED BY

Breana Soto, Community Development Director

ATTACHMENTS

- Building Permit Process PowerPoint Presentation

CODE COMPLAINCE



WHAT IS CODE COMPLIANCE AND WHY IT EXISTS

- Code enforcement ensures compliance with local laws, ordinances and regulations related to health, safety, zoning, and property maintenance

- Focuses on protecting public health, safety, welfare, and quality of life

- Emphasizes correction and voluntary compliance before punishment

GOALS OF CODE ENFORCEMENT

- Protect public health and safety
- Prevent hazards, nuisances, and unsafe conditions
- Maintain community appearance and standards
- Ensure fair, consistent, and lawful enforcement
- Encourage education and voluntary compliance

LEGAL AUTHORITY

- Authority derived from state law and locally adopted ordinances
- Powers include inspections, notices of violation, citations, fines, and abatement
- Enforcement is limited by due process and property rights protections
- Purpose is lawful compliance, not arbitrary enforcement

*Texas Local Government Codes: § 51.001; 54.001; 54.032; 54.039; CHAPTER 214
*Texas transportation Code: Chapter 683

CASTROVILLE CODE ENFORCEMENT OFFICER ROLE

- Operates under direction of the Police Chief
- Enforces zoning, land use, nuisance housing, building, and safety codes
- Serves as a resource to residents, businesses, and City departments
- Balances enforcement with public education and problem-solving

ESSENTIAL FUNCTIONS OF THE POSITION

- Investigates complaints and observed violations
- Conducts field inspections and follow-up
- Issues notices, warnings, and orders to comply
- Maintains detailed documentation and case files
- Prepares reports, correspondence, and court-related documents

TYPICAL VIOLATION PROCESS

•Complaint received or violation observed (Example: weedy lot/ junk vehicle)

•Site visit and photo documentation

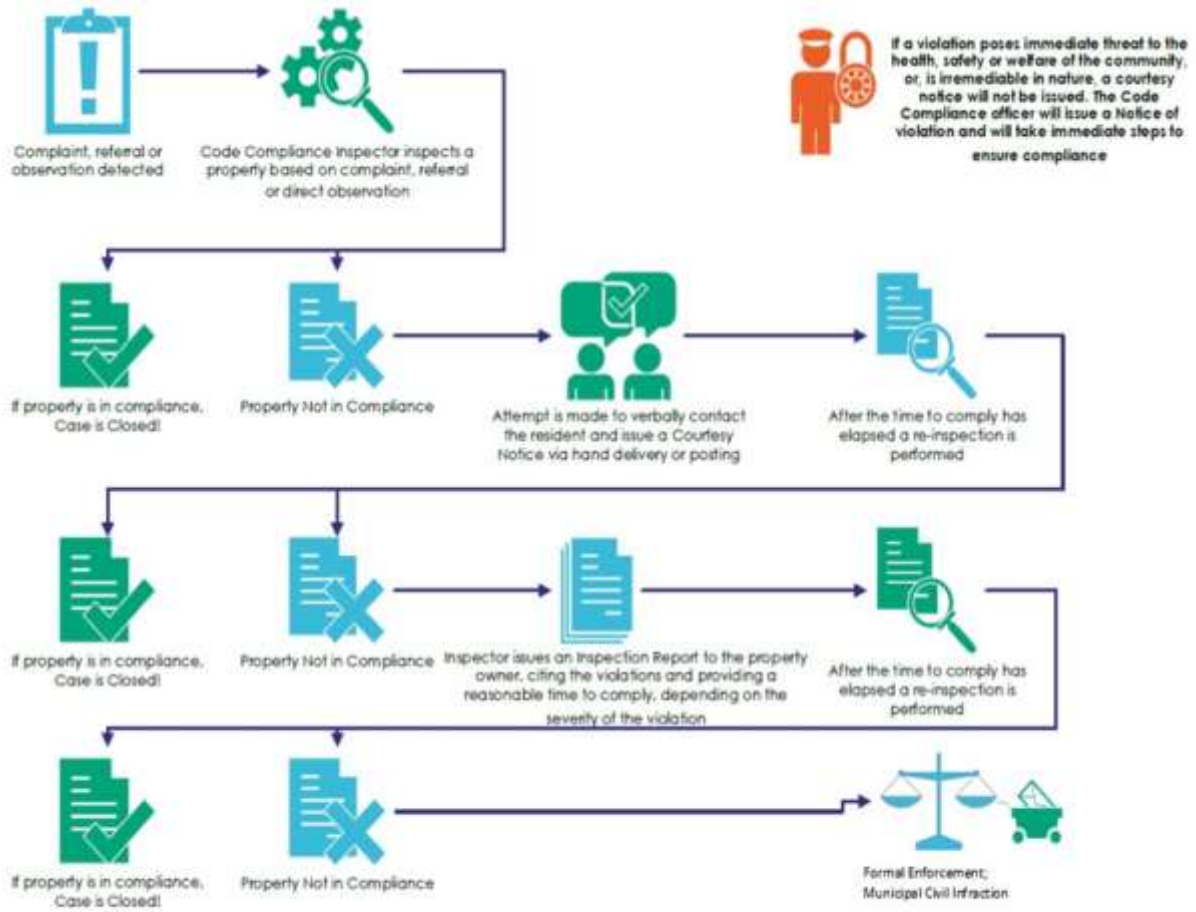
•Owner contact or door hanger issued allowing 10 days to contact code compliance. If violation is corrected the case is closed.

•If violation is not corrected a letter is mailed and hand delivered notice of violation letter issued.

•Follow-up inspection. If not resolved the case is elevated

•Citation issued only if non-compliance continues and referred to municipal court.

VIOLATION PROCESS



PREPARING A CASE FOR COURT

- Confirm applicable state law and city ordinance
- Verify violation and penalty authority
- Collect evidence: reports, photos, correspondence, notices
- Citations issued by licensed peace officers or registered code officers

PROSECUTOR REVIEW AND LEGAL COORDINATION

- Case reviewed by prosecutor
- Complaint filed with Municipal Court if warranted
- Coordination with City Attorney as needed
- Court action used when voluntary compliance fails

ABATEMENT OPTIONS AND CONSIDERATIONS

- Authorized by ordinance or statute
- Includes weeds, trash, junked vehicles, unsafe structures
- Requires hearings and due process
- Cost-benefit analysis compares abatement vs court action
- Liens and cost recovery considered

TRACKING AND PROGRAM ACCOUNTABILITY

- All cases tracked using iWorQ management software. Software captures date time and nature of the violation and tracks progress.
- Allows transparency, documentation, and progress tracking
- Primary goal is compliance, not punishment
- Enforcement supports a safer, healthier, more livable Castroville

QUESTIONS?



Agenda Report

Agenda of: January 27, 2025

Department: Administration

Subject: Discussion and possible action on upgrades to the city council audio/video equipment.

Recommended Motion:

TBD

Background:

In December, council directed staff to seek alternatives for the audio and video equipment in the council chambers. At the January 13th meeting, Councilman Lee demonstrated the use of a projector. In prior discussions, council has suggested a larger TV monitor. Prior to these discussions, council was presented with options for new microphones, and video screens at each council seat. Staff will seek council direction on which method to pursue.

STAFF RECOMMENDATION

N/A.

Fiscal Impact:

Unknown

☐ **Budgeted** ☒ **Requires Budget Amendment**

Source of Funding: TBD

Urgency (0-5 = Low Urgency to High Urgency): 2

Impact (0-5 = Low Impact to High Impact): 3

Submitted by: R. Scott Dixon

Attachments: None.

Agenda Report

Agenda of: January 27, 2025

Department: Administration

Subject: Discussion and possible action on a proposal for service from Seven Seas, a desalination plant operator.

Recommended Motion:

TBD

Background:

In October of 2025, Seven Seas gave a brief presentation to the City Council in executive session regarding plans for a proposed desalination well. Seven Seas committed to providing the city with a proposal following that meeting which has yet to be delivered. However, they have been pursuing a possible contract with East Medina which may provide the City of Castroville with an opportunity to seek a water service contract with East Medina. This will be outlined and discussed at the January 27th council meeting.

STAFF RECOMMENDATION

TBD.

Fiscal Impact:

Unknown

☐ **Budgeted** ☒ **Requires Budget Amendment**

Source of Funding: TBD

Urgency (0-5 = Low Urgency to High Urgency): 2

Impact (0-5 = Low Impact to High Impact): 3

Submitted by: R. Scott Dixon

Attachments: None.

Agenda Report

Agenda of: January 27th, 2026

Department: Parks & Recreation

Subject: Interlocal Agreement between Bexar-Medina-Atascosa(BMA) and the City of Castroville for the use of BMA Property for a public trail system

Recommended Motion:

I move to approve the Interlocal Agreement between Bexar-Medina-Atascosa (BMA) and the City of Castroville for the use of BMA property for a public trail system and authorize the City Administrator or designee to execute and administer the agreement in accordance with its terms.

Background:

The City of Castroville received formal notice from the Bexar-Medina-Atascosa (BMA) Board of Directors that they would not renew the Lease Agreement originally executed on October 1, 2005. Non-renewal of this agreement would result in the loss of public access to a key segment of the City's trail system located on BMA property. Upon review of the letter and the original agreement, staff determined that the agreement had remained largely unchanged for nearly 20 years and would benefit from modernization to better reflect current operations, expectations, and shared responsibilities.

To preserve public trail access and strengthen this long-standing partnership, City staff-initiated discussions with BMA leadership and Board members through multiple meetings, public comment opportunities, and a formal presentation at their January Board meetings. The Parks & Recreation Department presented a proactive plan focused on safety, stewardship, and improved coordination, including defined trail alignment and materials, enhanced signage to keep users away from the canal, shorter one-year agreement terms with automatic renewal, and improved communication regarding City maintenance activities. BMA expressed a willingness to continue the partnership contingent upon several conditions, including getting professionally installed automated gates, advance notification of City equipment use on canal property, installation of an interpretive panel recognizing BMA, and The City of Castroville absorbing legal costs associated with negotiating the updated agreement. Approval of the updated agreement is critical to maintaining public trail access and ensuring a cooperative and clearly defined framework for future operations.

Continuing the interlocal agreement with Bexar-Medina-Atascosa (BMA) is essential to preserving public access to a critical segment of the City's trail system and avoiding the loss of an established recreational corridor. The partnership allows the City to provide safe, cost-effective trail access on existing land while clearly defining responsibilities that protect both public users and BMA infrastructure. Maintaining this agreement also supports the Parks &

Recreation Master Plan goals and strengthens the City's competitiveness for future grant funding.

Fiscal Impact:

Gate Automation, Signage, Trail material, Interpretive Panel, BMA Attorney Fees

☐ **Budgeted** ☒ **Requires Budget Amendment**

Source of Funding: Account Code 10-50907-616

Attachments:

BMA Trail Presentation

20250115 Interlocal Agreement Castroville BMA

Urgency (0-5 = Low Urgency to High Urgency): 5

Impact (0-5 = Low Impact to High Impact): 3

Submitted by: Jonah Chang, Director of Parks & Recreation

Bexar Medina Atascosa W.C.I.D No. 1 & The City of Castroville

Trail Connectivity

City of Castroville Parks & Recreation

Why This Matters and The Benefits to BMA

- Ensures safe, designated public access.
- Prevents informal or unsafe routes.
- Maintains full trail system continuity.
- Reduces trespassing and unmanaged use.
- City maintains trail, signage, vegetation.
- No operational or cost impact to canal operations.

Community Impact

- Supports health, wellness, and tourism
- Accessible recreation for all ages
- Positive community partnership

Path Forward



CONTINUE EXISTING ACCESS AGREEMENT

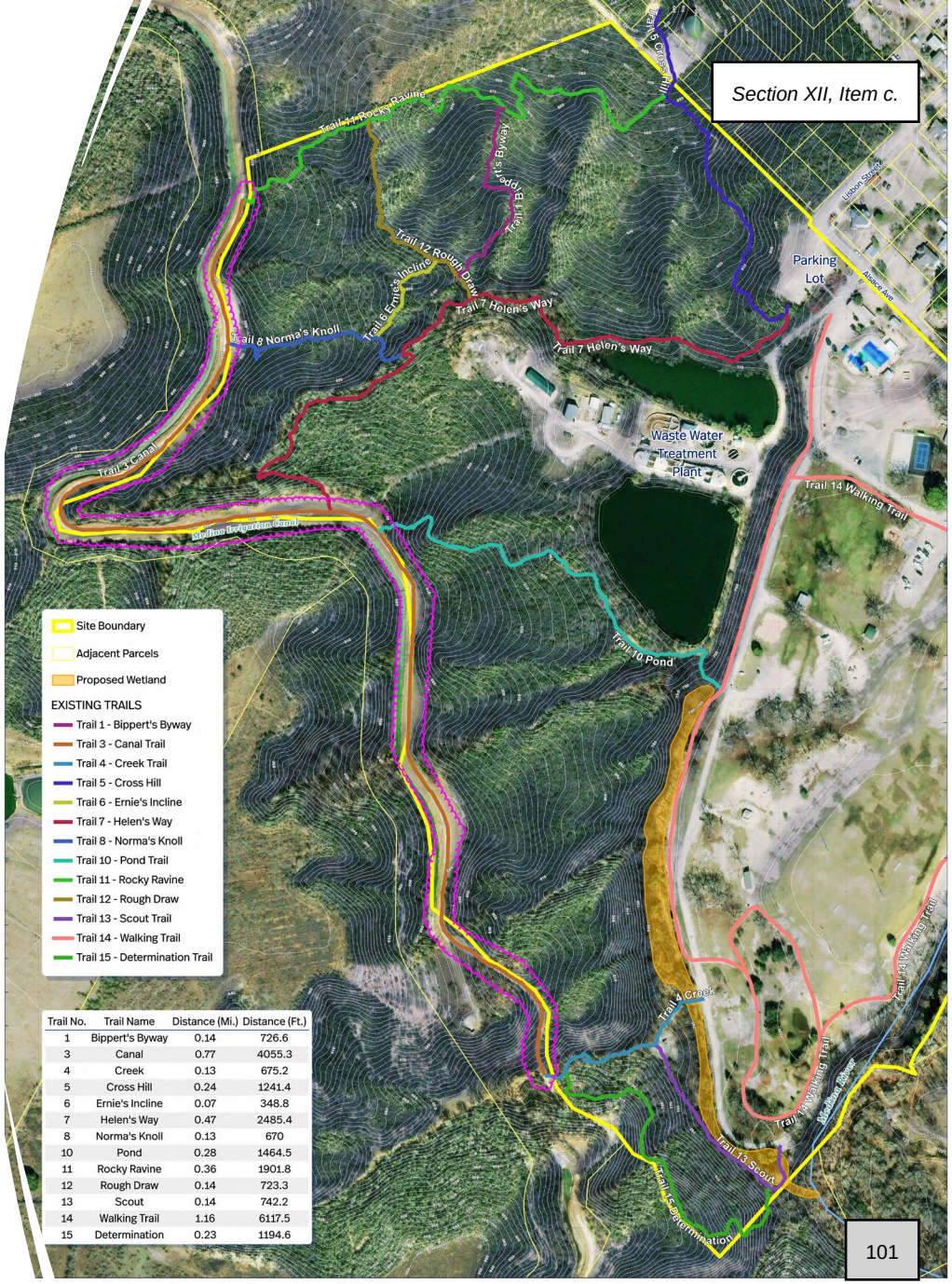


DEFINED BOUNDARIES AND SIGNAGE



ONGOING CITY–BMA COORDINATION

- The BMA Canal connects numerous trails(five) and spans approximately 0.8 miles.
- Canal Trail is outlined in brown and is on the East side, relative to this map.



Trail No.	Trail Name	Distance (Mi.)	Distance (Ft.)
1	Bippert's Byway	0.14	726.6
3	Canal	0.77	4055.3
4	Creek	0.13	675.2
5	Cross Hill	0.24	1241.4
6	Ernie's Incline	0.07	348.8
7	Helen's Way	0.47	2485.4
8	Norma's Knoll	0.13	670
10	Pond	0.28	1464.5
11	Rocky Ravine	0.36	1901.8
12	Rough Draw	0.14	723.3
13	Scout	0.14	742.2
14	Walking Trail	1.16	6117.5
15	Determination	0.23	1194.6

CASTROVILLE REGIONAL PARK • EXISTING TRAIL INVENTORY
Castroville, Texas
ate: 12/5/2024

Example of new walking trail with appropriate signage.



INTERLOCAL AGREEMENT

Pursuant to Texas Government Code Chapter 791, the City of Castroville and the Bexar-Medina-Atascosa Water Control and Improvement District No. 1 (BMA) enter into this Interlocal Agreement for the use of BMA Property at the Castroville Park for the Trail System.

I. PARTIES

This Interlocal Agreement ("Agreement") is made and entered into by and between the City of Castroville, Texas ("City"), and the Bexar-Medina-Atascosa Water Control and Improvement District No. 1 ("BMA"), collectively referred to as the "Parties."

II. PURPOSE

The purpose of this Agreement is to authorize the City continued use of portions of BMA-owned property located within or adjacent to Castroville Regional Park for the public trail system, consistent with the Parties' shared interest in public recreation, public safety, resource conservation, and responsible property management.

III. BACKGROUND

The BMA Board of Directors issued a letter notifying the City of its decision not to renew the existing trail-use agreement. In response, the City conducted a review of the agreement's history, use, and public impact.

Following this review, the Department formally requests that a new, updated Agreement be adopted to ensure continued use, access, and maintenance of the trail connections located on or crossing BMA property. This Agreement ensures clarity of responsibilities, communication, and liability protections for both Parties.

IV. TERM OF AGREEMENT

1. Initial Term: This Agreement shall take effect upon approval by both Parties and remain in effect for one (1) year.

2. Renewal: The Agreement may be renewed annually upon mutual written consent of the Parties.

Automatic Renewal: This Agreement shall automatically renew for successive one (1) year terms unless either Party provides written notice of termination to the other Party at least sixty (60) days prior.

Formatted: Highlight

3. Termination: Either Party may terminate this Agreement with sixty (60) days' written notice.

V. CITY RESPONSIBILITIES

The City shall undertake the following obligations in order to address property boundaries, public safety, and liability concerns:

A. Boundary Signage

- Install and maintain clear and visible boundary signage at connecting trail sections and trailheads.

- Signage shall explicitly state that adjoining property is not City property and that users must remain on the designated trail.

B. Physical Delineation of Trail Connection

- Install and maintain road millings or other mutually agreed-upon materials to physically delineate the section of trail crossing or adjoining BMA property.

C. Gate Installation and Access Control

Formatted: Highlight

- Any gates installed on or adjacent to BMA property under this Agreement shall be installed by qualified professionals.

Formatted: No bullets or numbering

- Gate access shall utilize keypad entry systems rather than remote-controlled devices, unless otherwise approved in writing by BMA.

The City shall install two (2) gates for entry into the property. BMA agrees to pay for the entire costs of the gates if BMA terminates this Agreement before five (5) years from the execution date of this Agreement.

D~~C~~. Additional Signage and Collaboration

- Collaborate with BMA staff to create, install, and maintain any additional signage requested by the Board, including safety warnings, informational panels, or interpretive markers.

E~~D~~. Contact Information

- Maintain up-to-date contact information for all relevant City staff and provide updates to BMA as needed.

1. The City shall notify BMA staff and/or the BMA Board in advance of any non-routine repairs or maintenance activities involving the canal that require the use of City equipment or vehicles on or near BMA property.
2. Routine observation, inspections, or minor maintenance activities that do not involve significant equipment use or disruption may be conducted without prior notice to BMA.
3. Emergency maintenance necessary to protect public safety or infrastructure may be performed immediately, with notice to BMA provided as soon as reasonably practicable thereafter.

Formatted: Highlight

VI. BMA RESPONSIBILITIES

1. Permit continued public access to the designated trail sections located on BMA property as outlined in this Agreement.

2. Notify the City promptly of any concerns, safety issues, or required actions related to the designated trail areas.

3. Participate in coordination efforts as reasonably necessary to facilitate safe and compliant trail use.

4. *[Permit the City vehicle access and use of the BMA Canal Service Road and allow the City to install a lock on the gate at Service Road entrance to Highway 90.*

This will facilitate maintenance of park infrastructure on BMA property as well as provide entrance for Emergency Medical Vehicles to the Hiking Trail area during emergency physical extractions of injured park patrons.]

Formatted: Highlight

Formatted: Indent: Left: 0.5"

VII. LIABILITY & INDEMNIFICATION

1. Users of the trail system shall do so at their own risk.

2. The City agrees to indemnify and hold harmless BMA from claims or damages directly arising from the City's failure to maintain signage or delineation as required under this Agreement.

3. Nothing in this Agreement waives any immunity or defense available to either Party under Texas law.

VIII. COMMUNICATION & COORDINATION

Both Parties shall maintain active communication regarding property concerns, maintenance needs, signage requirements, or public safety issues. Updated staff contact information will be exchanged upon any personnel changes.

IX. AMENDMENTS

This Agreement may be amended only by written instrument signed by both Parties.

X. AUTHORIZATION

By signing below, each Party certifies that it has the authority to enter into this Agreement and that all required approvals have been obtained.

City of Castroville, Texas

Name: _____

Title: _____

Date: _____

Bexar-Medina-Atascosa Water Control and Improvement District No. 1

Name: _____

Title: _____

Date: _____

CITY COUNCIL COMMISSION AGENDA REPORT

AGENDA OF: January 27, 2026

DEPARTMENT: Community Development

SUBJECT: Final Plat – Flat Creek Collector

RECOMMENDATION:

City Staff recommends approval of the final plat for the Flat Creek Commercial Collector.

BACKGROUND:

Engineer: KCI Technologies, Inc. – Lance T. Elling, P.E.

Surveyor: Gary B. Neill, RPLS #3964

Property Owner: Dickerson Tausch Properties, LLC

Description: Approximately 5.007 acres

Location: Generally located along US Highway 90 West, Castroville, Texas

Development Type: Public/Commercial Collector Road

Type of Subdivision Plat: Final Plat

The attached application is a request for approval of the Final Plat for the Flat Creek Commercial Collector, which establishes a collector roadway along with associated public right-of-way, drainage, utility, and access easements necessary to serve the Flat Creek development and surrounding properties.

The Planning and Zoning Commission recommended approval at the January 14, 2026 meeting.

DISCUSSION:

The Final Plat dedicates approximately 5.007 acres for roadway and related infrastructure and includes public right-of-way, drainage easements, utility easements, and floodplain information consistent with FEMA mapping. The plat was prepared by KCI Technologies, Inc. and includes the required surveyor and engineer certifications.

The City's consulting engineer, K Friese + Associates, completed its review of the Flat Creek Commercial Collector submittal and confirmed that all prior review comments have been addressed. The engineer determined that the proposed plat is in general conformance with the City of Castroville's ordinances and recommends approval.

Staff finds that the Final Plat complies with the requirements of Chapter 100 (Subdivision Ordinance) and is consistent with the approved Development Agreement for the Flat Creek project.

Public notice is not required for final plat approval.

ATTACHMENTS / ADDITIONAL INFORMATION:

- Planning and Zoning Commission Action
- Final Plat – Flat Creek Subdivision, Unit 1
- Approved PUD Plan
- Approved Site Plan – Per Development Agreement
- Subdivision Plat Application – Flat Creek Unit 1
- Performance Bond
- Pay Application
- Engineer Review Letter – K Friese + Associates
- TxDOT Email – Approving Drainage
- HOA Documents
- Maintenance Agreement
- Build Out Budget
- Approved Development Agreement

CITY OF CASTROVILLE

PLANNING AND ZONING COMMISSION ACTION

January 14, 2026

The City of Castroville Planning and Zoning Commission is considering the following:

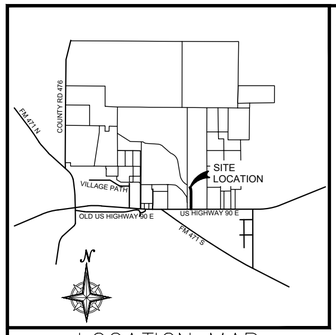
Discussion and possible action on Flat Creek Collector - Final Plat.

RECOMMENDATION:

Approved

Chairperson
Planning and Zoning Commission

14 Jan 26
Date



LOCATION MAP

NTS

LEGEND

1.	BUILDING SETBACK LINE	B.S.L.
2.	VEHICULAR NON-ACCESS EASEMENT	V.N.A.E.
3.	FINISHED FLOOR ELEVATION	F.F.E.
4.	GAS, ELECTRIC, TELEPHONE & CABLE TELEVISION EASEMENT	G.E.T.TV.E.
5.	UTILITY EASEMENT	U.E.
6.	OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, BEXAR COUNTY, TEXAS.	O.P.R.
7.	DEED AND PLAT RECORDS, BEXAR COUNTY, TEXAS.	D.P.R.
8.	COUNTY BLOCK	C.B.
9.	VARIABLE	VAR.
10.	VOLUME	VOL.
11.	PAGE	PG.
12.	EASEMENT	ESM'T
13.	RIGHT OF WAY	R.O.W.
14.	ACRES	AC
15.	LINEAR FEET	LF
16.	STREET CENTERLINE	℄
17.	EXISTING CONTOUR	980
18.	PROPOSED FINISHED CONTOUR	980
19.	EFFECTIVE FLOODPLAIN	
20.	1/2" IRON ROD FOUND W/ NO CAP, OR CAP SHOWN	
21.	1/2" IRON ROD FOUND W/ CEC CAP	
22.	1/2" IRON ROD SET W/ KCI CAP	

SURVEY NOTES:

1.) THE VALUE OF THE TWO SETS OF COORDINATES SHOWN HEREON WERE OBTAINED WITH GLOBAL POSITIONING RECEIVERS WITH REFERENCE TO DATUM NAD83 (2011) CONVERTED TO FEET. COORDINATES ARE TEXAS STATE PLANE COORDINATES - SOUTH CENTRAL ZONE AND ARE GRID. THE COMBINED SCALE FACTOR IS 1.00017.

2.) MONUMENTATION AS SHOWN HEREON. SET 1/2" REBAR WITH A "KCI" PLASTIC CAP AT ALL CORNERS (WHERE POSSIBLE) AT COMPLETION OF CONSTRUCTION.

3.) THE BASIS OF BEARING SHOWN HEREIN IS THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD83) BETWEEN END MONUMENT SHOWN HEREON CALLED N00°01'59"E.

4.) THE CONTOURS SHOWN HEREON WERE TAKEN FROM A FIELD SURVEY COMPLETED ON DECEMBER, 2023.

FLOODPLAIN VERIFICATION NOTE:

A PORTION OF THE FEMA 1% ANNUAL CHANCE (100-YEAR) FLOODPLAIN EXISTS WITHIN THIS PLAT AS VERIFIED BY FEMA MAP PANEL: 48325C0530D EFFECTIVE MAY 15, 2020. FLOODPLAIN INFORMATION IS SUBJECT TO CHANGE AS A RESULT OF FUTURE FEMA MAP REVISIONS AND/OR AMENDMENTS.

UTILITY EASEMENT:

UTILITIES, INCLUDING, WITHOUT LIMITATION, SEWER, WATER, GAS, ELECTRICITY, TELEPHONE, AND CABLE TELEVISION, WITH ALL NECESSARY AND/OR DESIRABLE LINES, LATERAL AND/OR APPURTENANCES THERETO (THE "UTILITIES")

TOGETHER WITH THE RIGHT OF INGRESS AND EGRESS OVER THE ADJACENT LAND TO OR FROM THE EASEMENT FOR THE PURPOSE OF CONSTRUCTION, RECONSTRUCTION, INSPECTING, PATROLLING, OPERATING, MAINTAINING, REPAIRING, AND REMOVING THE UTILITIES; THE RIGHT TO PLACE NEW OR ADDITIONAL UTILITIES IN THE EASEMENT AND TO CHANGE THE SIZE THEREOF; THE RIGHT TO RELOCATE ALONG THE SAME GENERAL DIRECTION OF THE UTILITIES; THE RIGHT TO REMOVE FROM THE EASEMENT ALL TREES AND PARTS THEREOF, OR OTHER OBSTRUCTIONS, WHICH REASONABLY ENDANGER OF MAY REASONABLY INTERFERE WITH THE EFFICIENCY OR OPERATION OF THE UTILITIES; AND THE RIGHT TO PLACE TEMPORARY STRUCTURES FOR USE IN CONSTRUCTING OR PREPARING THE UTILITIES.

1. THE PROPERTY OWNER RETAINS THE RIGHT TO USE ALL OR ANY PART OF THE EASEMENT FOR ANY PURPOSE WHICH DOES NOT DAMAGE, DESTROY, INJURE, AND/OR UNREASONABLY INTERFERE WITH THE USE OF THE EASEMENT. HOWEVER, THE EASEMENT SHALL BE KEPT CLEAR OF ALL STRUCTURE OR OTHER IMPROVEMENTS.

2. THE CITY SHALL MAKE COMMERCIALLY REASONABLE EFFORTS TO ENSURE THAT DAMAGE TO THE PROPERTY IS MINIMIZED AND THE CITY WILL AT ALL TIMES, AFTER DOING ANY WORK IN CONNECTION WITH THE SYSTEM, RESTORE THE PROPERTY TO THE CONDITION IN WHICH THE PROPERTY WAS FOUND BEFORE SUCH WORK WAS UNDERTAKEN TO THE EXTENT THAT SUCH RESTORATION IS REASONABLE IN ACCORDANCE WITH THE CITY'S USUAL AND CUSTOMARY PRACTICES.

STATE OF TEXAS
COUNTY OF MEDINA

I HEREBY CERTIFY THAT PROPER ENGINEERING CONSIDERATION HAS BEEN GIVEN IN THIS PLAT TO THE MATTERS OF STREETS, LOTS AND DRAINAGE LAYOUT. TO THE BEST OF MY KNOWLEDGE THIS PLAT CONFORMS TO ALL REQUIREMENTS OF THE SUBDIVISION ORDINANCE, EXCEPT FOR THOSE VARIANCES GRANTED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF CASTROVILLE.

_____
REGISTERED PROFESSIONAL ENGINEER
LANCE T. ELLING

SWORN TO AND SUBSCRIBED BEFORE ME THIS THE _____ DAY OF _____, 20__

_____
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

STATE OF TEXAS
COUNTY OF MEDINA

I HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECT AND WAS PREPARED FROM AN ACTUAL SURVEY OF THE PROPERTY MADE ON THE GROUND UNDER MY SUPERVISION.

_____
REGISTERED PUBLIC SURVEYOR
GARY B. NEILL, R.P.L.S. #3964

SWORN TO AND SUBSCRIBED BEFORE ME THIS THE _____ DAY OF _____, 20__

_____
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

DRAINAGE EASEMENT NOTE:

DRAINAGE, WATER DIVERSION, AND SANITARY CONTROL, INCLUDING WITHOUT LIMITATION, WALLS, BEDS, EMBANKMENTS, SPILLWAYS, APPURTENANCES, AND OTHER ENGINEERED DEVICES (THE DRAINAGE SYSTEM)

TOGETHER WITH THE RIGHT OF INGRESS AND EGRESS OVER THE ADJACENT LAND TO OR FROM THE EASEMENT FOR THE PURPOSE OF CONSTRUCTING, RECONSTRUCTING, INSPECTING, PATROLLING, OPERATING, MAINTAINING, REPAIRING, AND REMOVING THE DRAINAGE SYSTEM; THE RIGHT TO CHANGE THE SIZE THEREOF; THE RIGHT TO RELOCATE ALONG THE SAME GENERAL DIRECTION OF THE DRAINAGE SYSTEM; THE RIGHT TO CREATE AND/OR DREDGE A STREAM COURSE, REFILL, OR DIG OUT SUCH STREAM COURSE, ESTABLISH OR CHANGE STREAM EMBANKMENTS WITHIN THE EASEMENT, INSTALL STORM SEWER SYSTEMS, CULVERTS, WATER GAPS, AND PROTECTING RAILS; THE RIGHT TO REMOVE FROM THE EASEMENT ALL TREES AND PARTS THEREOF, OR OTHER OBSTRUCTIONS, WHICH REASONABLY ENDANGER OR MAY REASONABLY INTERFERE WITH THE EFFICIENCY OF THE THE DRAINAGE SYSTEM; AND THE RIGHT TO PLACE TEMPORARY STRUCTURES FOR USE IN CONSTRUCTING OR REPAIRING THE DRAINAGE SYSTEM.

WITH RESPECT OF THE DRAINAGE SYSTEM, IT IS EXPRESSLY AGREED AND UNDERSTOOD BY ALL PARTIES HERETO, THAT THE INTENTION IS TO IMPROVE CONDITIONS OF SANITATION AND WATER DRAINAGE CONTROL ON THE PROPERTY FOR THE BENEFIT OF THE PROPERTY, ADJACENT PROPERTY, AND THE COMMUNITY, BUT THE CITY DOES NOT GUARANTEE OR WARRANT THAT SUCH CONTROL WORK WILL BE EFFECTIVE, NOR DOES THE CITY ASSUME ANY ADDITIONAL LIABILITY WHATSOEVER FOR THE EFFECTS OF FLOOD, STANDING WATER, OR DRAINAGE ON OR TO THE PROPERTY, OR ANY PROPERTY OR PERSONS THAT MIGHT BE AFFECTED BY SAID STREAM, WASH, OR GULLY IN ITS NATURAL STATE OR AS CHANGED BY THE CITY.

CLEAR VISION:

CLEAR VISION AREAS MUST BE FREE OF VISUAL OBSTRUCTION IN ACCORDANCE WITH THE AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS (AASHTO) POLICY ON GEOMETRIC DESIGN OF HIGHWAYS AND STREETS, OR LATEST VERSION THEREOF.

CAPITAL RECOVERY FEE ASSESSMENT:

ASSESSMENT AND COLLECTION OF THE CITY OF CASTROVILLE WATER AND WASTEWATER UTILITIES' CAPITAL RECOVERY FEES SHALL BE THE AMOUNT PER LOT AS SET FORTH IN CITY ORDINANCE No. 239.

TAX CERTIFICATE:

TAX CERTIFICATE AFFIDAVIT FILED THIS DATE IN VOLUME _____, PAGE ____, MEDINA COUNTY OFFICIAL RECORDS.

SIDEWALK NOTES:

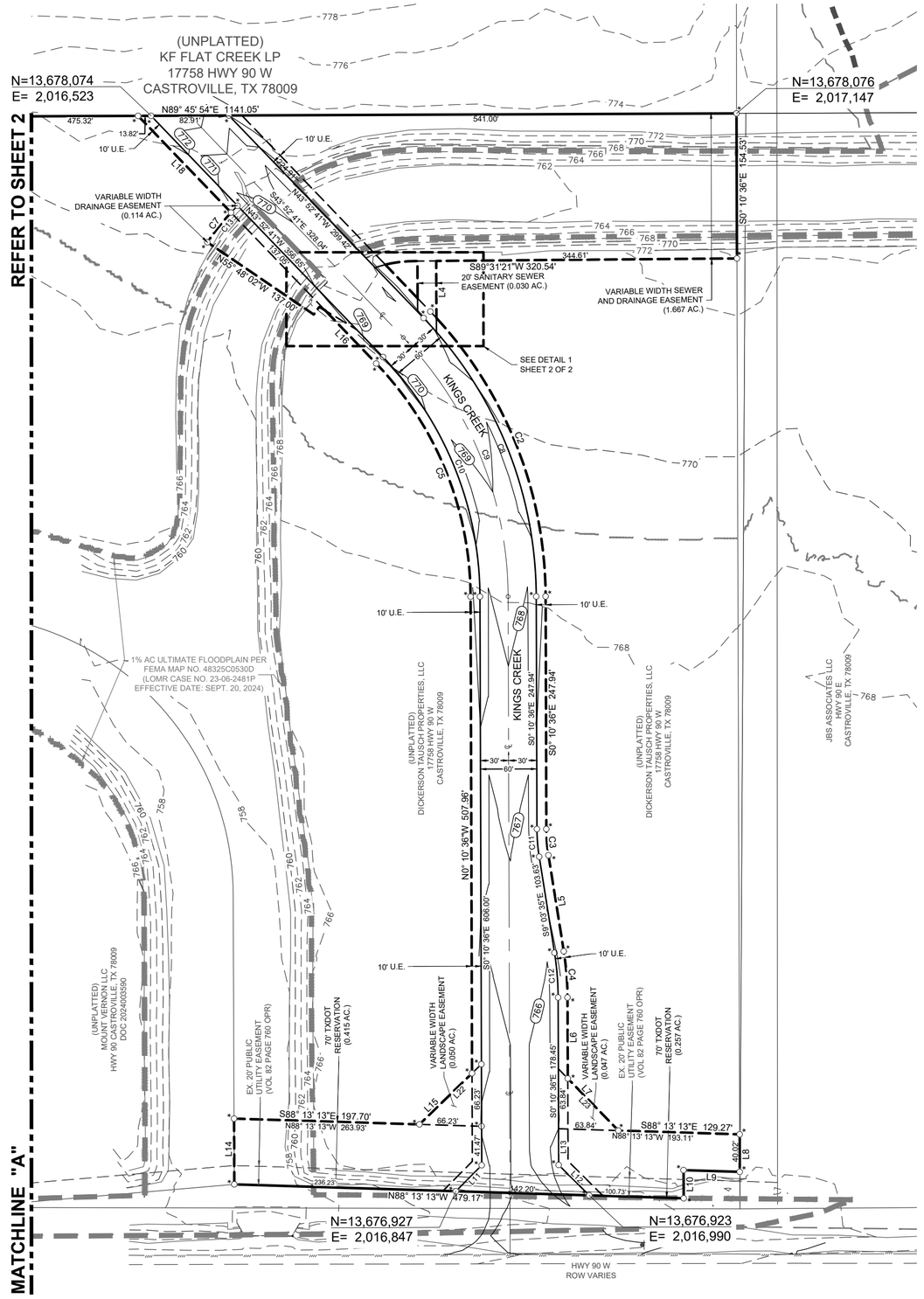
FIVE-FOOT WIDE REINFORCED CONCRETE SIDEWALKS SHALL BE INSTALLED ADJACENT TO ALL STREET FRONTAGE PROPERTY LINES OF EACH LOT FRONTING A STREET AT SUCH TIME AS THAT LOT IS DEVELOPED.

FENCE NOTES:

EASEMENT ACCESS AT FENCES: DOUBLE SWING GATES OR A REMOVABLE FENCE PANEL SHALL BE INSTALLED WHEREVER FENCES CROSS UTILITY EASEMENTS.

OBSTRUCTIONS OF DRAINAGE: ADEQUATE STRUCTURES SHALL BE PROVIDED TO ALLOW THE UNHINDERED PASSAGE OF ALL STORM AND DRAINAGE FLOWS WHEREVER FENCES CROSS DRAINAGE EASEMENTS

0 RESIDENTIAL LOTS	0.000 AC
GREEN / OPEN SPACE	0.000 AC
ROW	1.922 AC
EASEMENTS	3.085 AC
TOTAL ACREAGE	5.007



SEE LINE & CURVE TABLE ON SHEET 2 OF 2 OF THIS PLAT

PLAT NOTES APPLY TO EVERY PAGE OF THIS MULTIPLE PAGE PLAT

SUBDIVISION PLAT ESTABLISHING
FLAT CREEK COMMERCIAL COLLECTOR

BEING A TOTAL OF 5.007 ACRES OF LAND OUT OF THE CALLED 154.17 ACRES TRACT RECORDED IN DOCUMENT NO. 2018002306, DEED RECORDS OF MEDINA COUNTY, TEXAS, AND BEING OUT OF THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, MEDINA COUNTY, TEXAS.

GRAPHIC SCALE
100 0 50 100 200
(IN FEET)
1 inch = 100 ft.

KCI TECHNOLOGIES, INC.
2806 W. BITTERS RD, SUITE 218
SAN ANTONIO, TEXAS 78248
PHONE: (210) 641-9999
FAX: (210) 641-6440
REGISTRATION #F-10573 / #101943-65

DATE OF PREPARATION: 08/2024

STATE OF TEXAS
COUNTY OF MEDINA

THE OWNER OF LAND SHOWN ON THIS PLAT, IN PERSON OR THROUGH A DULY AUTHORIZED AGENT, DEDICATES TO THE USE OF THE PUBLIC FOREVER ALL STREETS, ALLEYS, PARKS, WATERCOURSES, DRAINS, EASEMENTS AND PUBLIC PLACES THEREON SHOWN FOR THE PURPOSE AND CONSIDERATION THEREIN EXPRESSED.

_____
OWNER: TERRY DICKERSON
DICKERSON TAUSCH PROPERTIES, LLC
PO BOX 7269
ABILENE, TX 79608

_____
DULY AUTHORIZED AGENT:

STATE OF TEXAS
COUNTY OF MEDINA
BEFORE ME, THE UNDERSIGNED AUTHORITY ON THIS DAY PERSONALLY APPEARED TERRY DICKERSON KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATIONS THEREIN EXPRESSED AND IN THE CAPACITY THEREIN STATED. GIVEN UNDER MY HAND & SEAL OF OFFICE

THIS _____ DAY OF _____ A.D., 20__

_____
NOTARY PUBLIC, MEDINA COUNTY, TEXAS

THIS PLAT OF FLAT CREEK COMMERCIAL COLLECTOR HAS BEEN SUBMITTED TO AND CONSIDERED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF CASTROVILLE, TEXAS, AND IS HEREBY APPROVED BY SUCH COMMISSION.

DATED THIS _____ DAY OF _____ A.D., 20__

BY:_____
CHAIRMAN

BY:_____
SECRETARY

THIS PLAT OF FLAT CREEK COMMERCIAL COLLECTOR HAS BEEN SUBMITTED TO AND CONSIDERED BY THE CITY COUNCIL OF THE CITY OF CASTROVILLE, TEXAS, AND IS HEREBY APPROVED BY SUCH COUNCIL.

DATED THIS _____ DAY OF _____ A.D. 20__

_____
MAYOR

_____
CITY SECRETARY

STATE OF TEXAS
COUNTY OF MEDINA

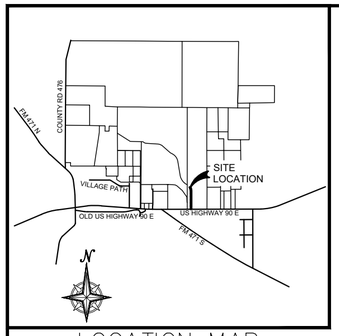
I, GINA CHAMPION, COUNTY CLERK OF SAID COUNTY, DO HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT IN WRITING WITH ITS CERTIFICATE OF AUTHENTICATION WAS FILED FOR RECORD IN MY OFFICE ON THE ____ DAY OF _____, 20__ A.D. AT _____ O'CLOCK __M AND DULY RECORDED THIS ____ DAY OF _____, 20__ A.D. AT _____ O'CLOCK __M, IN THE PLAT RECORDS OF SAID COUNTY IN CABINET _____, _____ TO CERTIFY WHICH, WITNESS MY HAND AND SEAL AT THE COUNTY COURT OF SAID COUNTY, AT MY OFFICE IN HONDO, TEXAS, THE DATE SHOWN ABOVE WRITTEN.

_____
GINA CHAMPION, COUNTY CLERK
MEDINA COUNTY, TEXAS

THIS DOCUMENT HAS BEEN PRODUCED FROM MATERIAL THAT WAS STORED AND/OR TRANSMITTED ELECTRONICALLY AND MAY HAVE BEEN INADVERTENTLY ALTERED. RELY ONLY ON FINAL HARD COPY MATERIALS BEARING THE CONSULTANT'S ORIGINAL SIGNATURE AND SEAL.

Dec 18, 2025, 2:00pm User ID: BradleyBrickson File: L:\Develop\Proj_2023_KCI\762308220_Flat_Creek_Subdivision-Collector_Offsite\cadd\762308220 000 PLAT.dwg

SHEET 1 OF 2



LOCATION MAP
NTS

LEGEND

1.	BUILDING SETBACK LINE	B.S.L.
2.	VEHICULAR NON-ACCESS EASEMENT	V.N.A.E.
3.	FINISHED FLOOR ELEVATION	F.F.E.
4.	GAS, ELECTRIC, TELEPHONE & CABLE TELEVISION EASEMENT	G.E.T.TV.E.
5.	UTILITY EASEMENT	U.E.
6.	OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, BEXAR COUNTY, TEXAS.	O.P.R.
7.	DEED AND PLAT RECORDS, BEXAR COUNTY, TEXAS.	D.P.R.
8.	COUNTY BLOCK	C.B.
9.	VARIABLE	VAR.
10.	VOLUME	VOL.
11.	PAGE	PG.
12.	EASEMENT	ESM'T
13.	RIGHT OF WAY	R.O.W.
14.	ACRES	AC
15.	LINEAR FEET	LF
16.	STREET CENTERLINE	℄
17.	EXISTING CONTOUR	980
18.	PROPOSED FINISHED CONTOUR	990
19.	EFFECTIVE FLOODPLAIN	
20.	1/2" IRON ROD FOUND W/ NO CAP, OR CAP SHOWN	
21.	1/2" IRON ROD FOUND W/ CEC CAP	
22.	1/2" IRON ROD SET W/ KCI CAP	

SURVEY NOTES:
1.) THE VALUE OF THE TWO SETS OF COORDINATES SHOWN HEREON WERE OBTAINED WITH GLOBAL POSITIONING RECEIVERS WITH REFERENCE TO DATUM NAD83 (2011) CONVERTED TO FEET. COORDINATES ARE TEXAS STATE PLANE COORDINATES - SOUTH CENTRAL ZONE AND ARE GRID. THE COMBINED SCALE FACTOR IS 1.00017.

2.) MONUMENTATION AS SHOWN HEREON. SET 1/2" REBAR WITH A "KCI" PLASTIC CAP AT ALL CORNERS (WHERE POSSIBLE) AT COMPLETION OF CONSTRUCTION.

3.) THE BASIS OF BEARING SHOWN HEREIN IS THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD83) BETWEEN END MONUMENT SHOWN HEREON CALLED N00°01'59"E.

4.) THE CONTOURS SHOWN HEREON WERE TAKEN FROM A FIELD SURVEY COMPLETED ON DECEMBER, 2023.

FLOODPLAIN VERIFICATION NOTE:
A PORTION OF THE FEMA 1% ANNUAL CHANCE (100-YEAR) FLOODPLAIN EXISTS WITHIN THIS PLAT AS VERIFIED BY FEMA MAP PANEL: 48325C0530D EFFECTIVE MAY 15, 2020. FLOODPLAIN INFORMATION IS SUBJECT TO CHANGE AS A RESULT OF FUTURE FEMA MAP REVISIONS AND/OR AMENDMENTS.

UTILITY EASEMENT:
UTILITIES, INCLUDING, WITHOUT LIMITATION, SEWER, WATER, GAS, ELECTRICITY, TELEPHONE, AND CABLE TELEVISION, WITH ALL NECESSARY AND/OR DESIRABLE LINES, LATERAL AND/OR APPURTENANCES THERETO (THE "UTILITIES")

TOGETHER WITH THE RIGHT OF INGRESS AND EGRESS OVER THE ADJACENT LAND TO OR FROM THE EASEMENT FOR THE PURPOSE OF CONSTRUCTION, RECONSTRUCTION, INSPECTING, PATROLLING, OPERATING, MAINTAINING, REPAIRING, AND REMOVING THE UTILITIES; THE RIGHT TO PLACE NEW OR ADDITIONAL UTILITIES IN THE EASEMENT AND TO CHANGE THE SIZE THEREOF; THE RIGHT TO RELOCATE ALONG THE SAME GENERAL DIRECTION OF THE UTILITIES; THE RIGHT TO REMOVE FROM THE EASEMENT ALL TREES AND PARTS THEREOF, OR OTHER OBSTRUCTIONS, WHICH REASONABLY ENDANGER OF MAY REASONABLY INTERFERE WITH THE EFFICIENCY OR OPERATION OF THE UTILITIES; AND THE RIGHT TO PLACE TEMPORARY STRUCTURES FOR USE IN CONSTRUCTING OR PREPARING THE UTILITIES.

1. THE PROPERTY OWNER RETAINS THE RIGHT TO USE ALL OR ANY PART OF THE EASEMENT FOR ANY PURPOSE WHICH DOES NOT DAMAGE, DESTROY, INJURE, AND/OR UNREASONABLY INTERFERE WITH THE USE OF THE EASEMENT. HOWEVER, THE EASEMENT SHALL BE KEPT CLEAR OF ALL STRUCTURE OR OTHER IMPROVEMENTS.

2. THE CITY SHALL MAKE COMMERCIALLY REASONABLE EFFORTS TO ENSURE THAT DAMAGE TO THE PROPERTY IS MINIMIZED AND THE CITY WILL AT ALL TIMES, AFTER DOING ANY WORK IN CONNECTION WITH THE SYSTEM, RESTORE THE PROPERTY TO THE CONDITION IN WHICH THE PROPERTY WAS FOUND BEFORE SUCH WORK WAS UNDERTAKEN TO THE EXTENT THAT SUCH RESTORATION IS REASONABLE IN ACCORDANCE WITH THE CITY'S USUAL AND CUSTOMARY PRACTICES.

STATE OF TEXAS
COUNTY OF MEDINA

I HEREBY CERTIFY THAT PROPER ENGINEERING CONSIDERATION HAS BEEN GIVEN IN THIS PLAT TO THE MATTERS OF STREETS, LOTS AND DRAINAGE LAYOUT. TO THE BEST OF MY KNOWLEDGE THIS PLAT CONFORMS TO ALL REQUIREMENTS OF THE SUBDIVISION ORDINANCE, EXCEPT FOR THOSE VARIANCES GRANTED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF CASTROVILLE.

_____
REGISTERED PROFESSIONAL ENGINEER
LANCE T. ELLING

SWORN TO AND SUBSCRIBED BEFORE ME THIS THE _____ DAY OF _____, 20__

_____
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

STATE OF TEXAS
COUNTY OF MEDINA

I HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECT AND WAS PREPARED FROM AN ACTUAL SURVEY OF THE PROPERTY MADE ON THE GROUND UNDER MY SUPERVISION.

_____
REGISTERED PUBLIC SURVEYOR
GARY B. NEILL, R.P.L.S. #3964

SWORN TO AND SUBSCRIBED BEFORE ME THIS THE _____ DAY OF _____, 20__

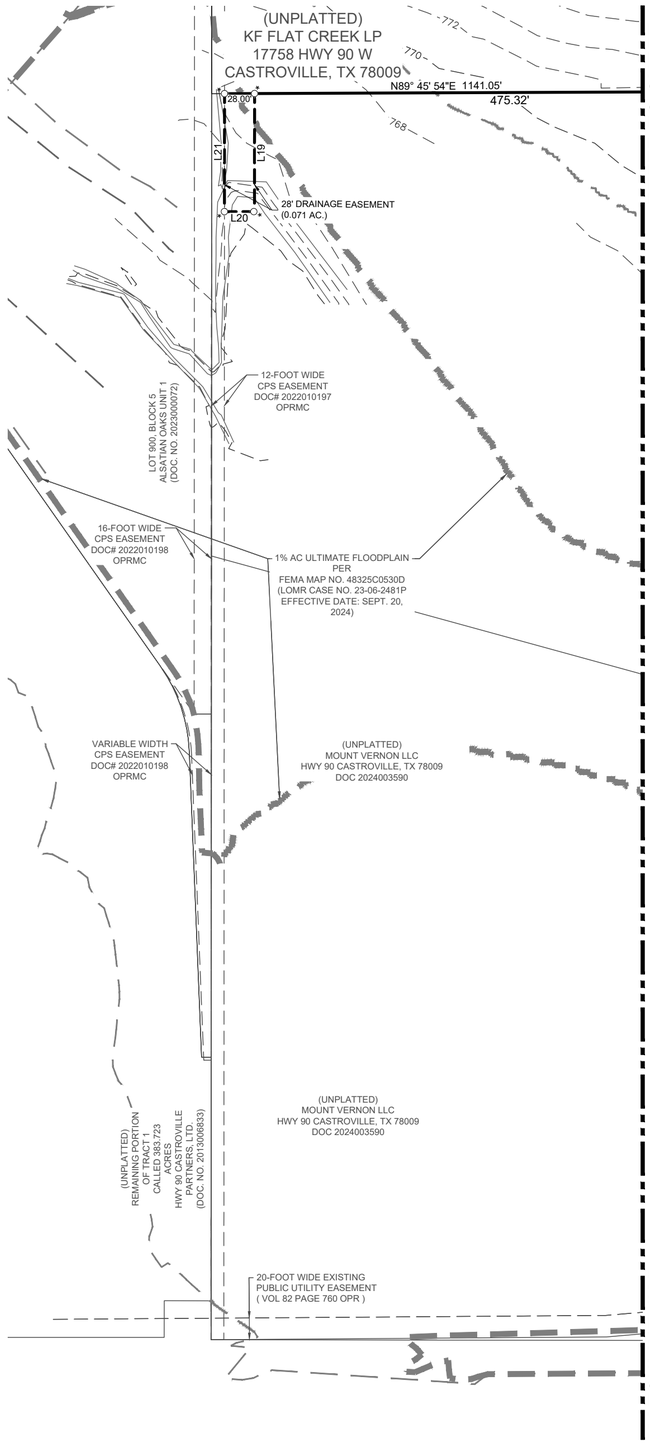
_____
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

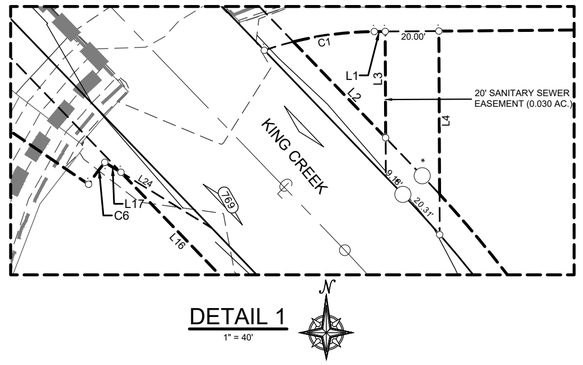
Line Table		
Line	Length	Direction
L1	4.07'	S89°31'48"W
L2	49.64'	S43°52'41"E
L3	39.62'	N00°14'06"W
L4	60.77'	S00°14'06"E
L5	103.63'	S09°03'35"E
L6	86.29'	S00°10'36"E
L7	77.43'	S44°11'55"E
L8	40.02'	S00°10'36"E
L9	59.93'	N88°13'08"W

Line Table		
Line	Length	Direction
L10	30.02'	S00°16'44"E
L11	39.08'	S44°49'24"W
L12	45.94'	S45°10'36"E
L13	38.66'	N00°10'36"W
L14	70.04'	S00°13'08"E
L15	78.15'	N45°48'05"E
L16	78.75'	N43°52'41"W
L17	7.08'	N58°28'39"W
L18	142.91'	N43°52'41"W

Line Table		
Line	Length	Direction
L19	110.00'	S00°01'59"W
L20	28.00'	N89°58'01"W
L21	109.87'	N00°01'59"E
L22	92.06'	S45°48'05"W
L23	91.81'	N44°11'55"W
L24	39.67'	S58°28'39"E

Curve Table					
Curve	Length	Radius	Chord Length	Chord Direction	Delta Angle
C1	30.48'	130.00'	30.41'	S82°48'49"W	13°25'58"
C2	326.19'	440.00'	318.77'	S21°24'52"E	42°28'31"
C3	28.06'	181.00'	28.03'	S04°37'06"E	8°52'59"
C4	49.46'	319.00'	49.41'	S04°37'06"E	8°52'59"
C5	274.58'	360.00'	267.98'	N22°01'39"W	43°42'05"
C6	10.17'	130.00'	10.17'	S36°26'27"W	4°28'57"
C7	40.50'	267.00'	40.46'	N38°32'43"E	8°41'29"
C8	327.97'	430.00'	320.08'	S22°01'39"E	43°42'05"
C9	305.09'	400.00'	297.75'	S22°01'39"E	43°42'05"
C10	282.21'	370.00'	275.42'	S22°01'39"E	43°42'05"
C11	29.61'	191.00'	29.58'	S04°37'06"E	8°52'59"
C12	47.91'	309.00'	47.86'	S04°37'06"E	8°52'59"
C13	50.51'	267.00'	50.43'	S39°37'08"W	10°50'20"





DETAIL 1
1" = 40'

SUBDIVISION PLAT
ESTABLISHING
FLAT CREEK COMMERCIAL COLLECTOR

BEING A TOTAL OF 5.007 ACRES OF LAND OUT OF THE CALLED 154.17 ACRES TRACT RECORDED IN DOCUMENT NO. 2018002306, DEED RECORDS OF MEDINA COUNTY, TEXAS, AND BEING OUT OF THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, MEDINA COUNTY, TEXAS.

GRAPHIC SCALE
100 0 50 100 200
(IN FEET)
1 inch = 100 ft.

KCI TECHNOLOGIES, INC.
2806 W. BITTERS RD, SUITE 218
SAN ANTONIO, TEXAS 78248
PHONE: (210) 641-9999
FAX: (210) 641-6440
REGISTRATION #F-10573 / #101943-65

DATE OF PREPARATION: 08/2024

STATE OF TEXAS
COUNTY OF MEDINA

THE OWNER OF LAND SHOWN ON THIS PLAT, IN PERSON OR THROUGH A DULY AUTHORIZED AGENT, DEDICATES TO THE USE OF THE PUBLIC FOREVER ALL STREETS, ALLEYS, PARKS, WATERCOURSES, DRAINS, EASEMENTS AND PUBLIC PLACES THEREON SHOWN FOR THE PURPOSE AND CONSIDERATION THEREIN EXPRESSED.

_____
OWNER: TERRY DICKERSON
DICKERSON TAUSCH PROPERTIES, LLC
PO BOX 7269
ABILENE, TX 79608

_____
DULY AUTHORIZED AGENT:

STATE OF TEXAS
COUNTY OF MEDINA
BEFORE ME, THE UNDERSIGNED AUTHORITY ON THIS DAY PERSONALLY APPEARED TERRY DICKERSON KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATIONS THEREIN EXPRESSED AND IN THE CAPACITY THEREIN STATED. GIVEN UNDER MY HAND & SEAL OF OFFICE

THIS _____ DAY OF _____ A.D., 20__

_____
NOTARY PUBLIC, MEDINA COUNTY, TEXAS

THIS PLAT OF FLAT CREEK COMMERCIAL COLLECTOR HAS BEEN SUBMITTED TO AND CONSIDERED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF CASTROVILLE, TEXAS, AND IS HEREBY APPROVED BY SUCH COMMISSION.

DATED THIS _____ DAY OF _____ A.D., 20__

BY:_____
CHAIRMAN

BY:_____
SECRETARY

THIS PLAT OF FLAT CREEK COMMERCIAL COLLECTOR HAS BEEN SUBMITTED TO AND CONSIDERED BY THE CITY COUNCIL OF THE CITY OF CASTROVILLE, TEXAS, AND IS HEREBY APPROVED BY SUCH COUNCIL.

DATED THIS _____ DAY OF _____ A.D. 20__

_____
MAYOR

_____
CITY SECRETARY

STATE OF TEXAS
COUNTY OF MEDINA

I, GINA CHAMPION, COUNTY CLERK OF SAID COUNTY, DO HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT IN WRITING WITH ITS CERTIFICATE OF AUTHENTICATION WAS FILED FOR RECORD IN MY OFFICE ON THE ____ DAY OF _____, 20__ A.D. AT _____ O'CLOCK __M AND DULY RECORDED THIS ____ DAY OF _____, 20__ A.D. AT _____ O'CLOCK __M, IN THE PLAT RECORDS OF SAID COUNTY IN CABINET _____ TO CERTIFY WHICH, WITNESS MY HAND AND SEAL AT THE COUNTY COURT OF SAID COUNTY, AT MY OFFICE IN HONDO, TEXAS, THE DATE SHOWN ABOVE WRITTEN.

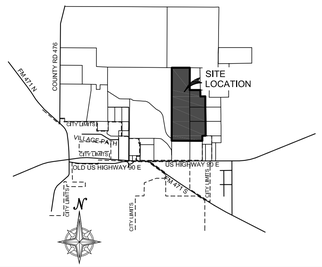
_____
GINA CHAMPION, COUNTY CLERK
MEDINA COUNTY, TEXAS

SEE LINE & CURVE TABLE ON SHEET 2 OF 2 OF THIS PLAT

PLAT NOTES APPLY TO EVERY PAGE OF THIS MULTIPLE PAGE PLAT

THIS DOCUMENT HAS BEEN PRODUCED FROM MATERIAL THAT WAS STORED AND/OR TRANSMITTED ELECTRONICALLY AND MAY HAVE BEEN INADVERTENTLY ALTERED. RELY ONLY ON FINAL HARD COPY MATERIALS BEARING THE CONSULTANT'S ORIGINAL SIGNATURE AND SEAL.

Dec 18, 2025, 2:00pm User ID: BradleyBrickson File: L:\devwsp\Proj_2023_KCI\762308220_Flat_Creek_Subdivision-Collector_Offsite\cad\762308220 000 PLAT.dwg



LOCATION MAP
N.T.S.

PARK DATA

BASED ON THE 254.69 ACRE TRACT THE REQUIRED PARK DEDICATION FOR THIS DEVELOPMENT IS 50.94 ACRES (20% OF TOTAL GROSS AREA BEING PLATTED).

THIS DEVELOPMENT IS PROPOSED IN PHASES AND HAS RESERVED 46.21 ACRES FOR PARK OR OPEN SPACE DEDICATION. THE REQUIRED DEDICATION WILL OCCUR AT A MINIMUM WITH SECTION 100-76 WHICH DEFINES TIMETABLE FOR TIMING OF IMPROVEMENTS AND DEDICATION.

PRIVATE PARK FACILITIES AND/OR OPEN SPACE RECREATIONAL IMPROVEMENTS WILL MEET THE REQUIREMENTS AND SHALL CONFORM TO THE ELEMENTS OF SECTION 100-76. THE HOMEOWNER ASSOCIATION WILL BE RESPONSIBLE FOR OPERATION AND MAINTENANCE OF THE DEDICATED PARKS.

ADDITIONAL PARKLAND REQUIREMENT HAS BEEN ADDRESSED IN THE DEVELOPERS AGREEMENT, EXHIBIT D AND WITHIN SECTION 3.12.

MINIMUM BUILDING SETBACKS

	REGULAR LOTS	IRREGULAR LOTS
FRONT SETBACK	20'	15
SIDE SETBACK	5'	
REAR SETBACK	20'	

*SEE "EXHIBIT I" IN DEVELOPERS AGREEMENT

NOTES

1. THIS PUD FOLLOWS THE DEVELOPMENT AGREEMENT BY AND AMONG THE CITY OF CASTROVILLE, TEXAS AND MKT 179 INVESTMENTS, LLC (FORMERLY DICKERSON TAUSCH PROPERTIES, LLC) AND CROWN MONEY, LLC AND MKT 179, LLC AND KF FLAT CREEK, LP.
2. ALL LAND USE IS DETACHED SINGLE FAMILY RESIDENTIAL UNLESS OTHERWISE NOTED.
3. INDIVIDUAL LOT DIMENSION WILL BE SHOWN ON SUBDIVISION PLATS.
4. ALL INTERNAL STREETS WITHIN THE P.U.D. LIMITS ARE LOCAL TYPE "A" WITH A 50' R.O.W, 30' PAVEMENT, AND 9' PARKWAYS UNLESS OTHERWISE NOTED. ALL STREET TO BE PUBLIC UNLESS OTHERWISE NOTED.
5. LOCAL "A" STREETS ARE SHOWN FOR INFORMATIONAL PURPOSE AND MAY CHANGE AT THE TIME OF PLATTING.
6. SIDEWALKS WILL BE INSTALLED IN THE PUBLIC RIGHT-OF-WAY PER UDC SECTION 100-120. THE MINIMUM WIDTH OF SIDEWALKS ADJOINING A PLANTING STRIP SHALL BE FIVE (5) FEET IN WIDTH. THE MINIMUM WIDTHS OF SIDEWALKS IN COLLECTOR (MINIMUM 60 FEET OF RIGHT-OF-WAY WIDTH) AND FIVE (5) FEET FOR RESIDENTIAL LOCAL TYPE A (MINIMUM 50 FEET RIGHT-OF-WAY WIDTH).
7. SEWER SERVICE TO BE PROVIDED BY CITY OF CASTROVILLE, WATER SERVICE TO BE PROVIDED BY CITY OF CASTROVILLE, & ELECTRIC AND GAS (IF AVAILABLE) SERVICE TO BE PROVIDED BY CITY PUBLIC SERVICE.
8. THIS DEVELOPMENT IS WITHIN THE MEDINA VALLEY INDEPENDENT SCHOOL DISTRICT.
9. DEVELOPER WILL COMPLY WITH SECTION 100-53 OF THE UDC REGARDING PARKS/OPEN SPACE REQUIREMENTS IN EFFECT AT THE TIME OF THE P.U.D, SUBMITTAL.
10. A VARIABLE SIGHT CLEARANCE EASEMENT WILL BE REQUIRED AT CORNER LOTS OF THE INTERSECTION DOES NOT MEET SIGHT DISTANCE REQUIREMENTS AS DEFINED IN LATEST EDITION OF AASHTO MANUAL.
11. DETAILED DRAINAGE ANALYSIS WILL BE COMPLETED WITH SUBDIVISION PLATS.
12. NO PORTION OF THIS PROPERTY IS WITHIN THE EDWARDS AQUIFER RECHARGE ZONE.
13. THE BASIS OF BEARING IS THE NORTHWEST LINE BETWEEN FOUND MONUMENTS SHOWN AND CALLED N 0° 01' 20" E AS OBTAINED BY GPS OBSERVATION BASED ON DATUM NAD83 (2011) - TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE.
14. PLATTED UNITS WILL FOLLOW THE APPROVED DEVELOPER AGREEMENT.
15. INTERNAL STREETS WILL MEET STREET INTERSECTION REQUIREMENTS PER UDC SECTION 100-113(f).
16. INTERNAL STREETS WILL MEET MAXIMUM STREET LENGTH REQUIREMENTS PER UDC SECTION 100-55(a).
17. BLOCK WILL MEET BLOCK LENGTH REQUIREMENTS PER UDC 100-55(a).

LEGEND

- UNIT BOUNDARY
- (10) UNIT NUMBER
- 1% AC EFFECTIVE FLOODPLAIN
- 975 EXISTING CONTOUR
- O.P.R. OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, BEXAR COUNTY, TEXAS.
- D.P.R. DEED AND PLAT RECORDS, BEXAR COUNTY, TEXAS.
- VOL VOLUME
- PG PAGE
- ROW RIGHT OF WAY
- AC ACRE
- PARK/OPEN SPACE (OWNED AND MAINTAINED BY HOA)
- DRAINAGE / OPEN SPACE AREA (TO BE DEDICATED WITH EACH SUBDIVISION PHASE)
- OPEN SPACE/ GREENSCAPE BUFFER (OWNED AND MAINTAINED BY HOA)
- WATER TOWER

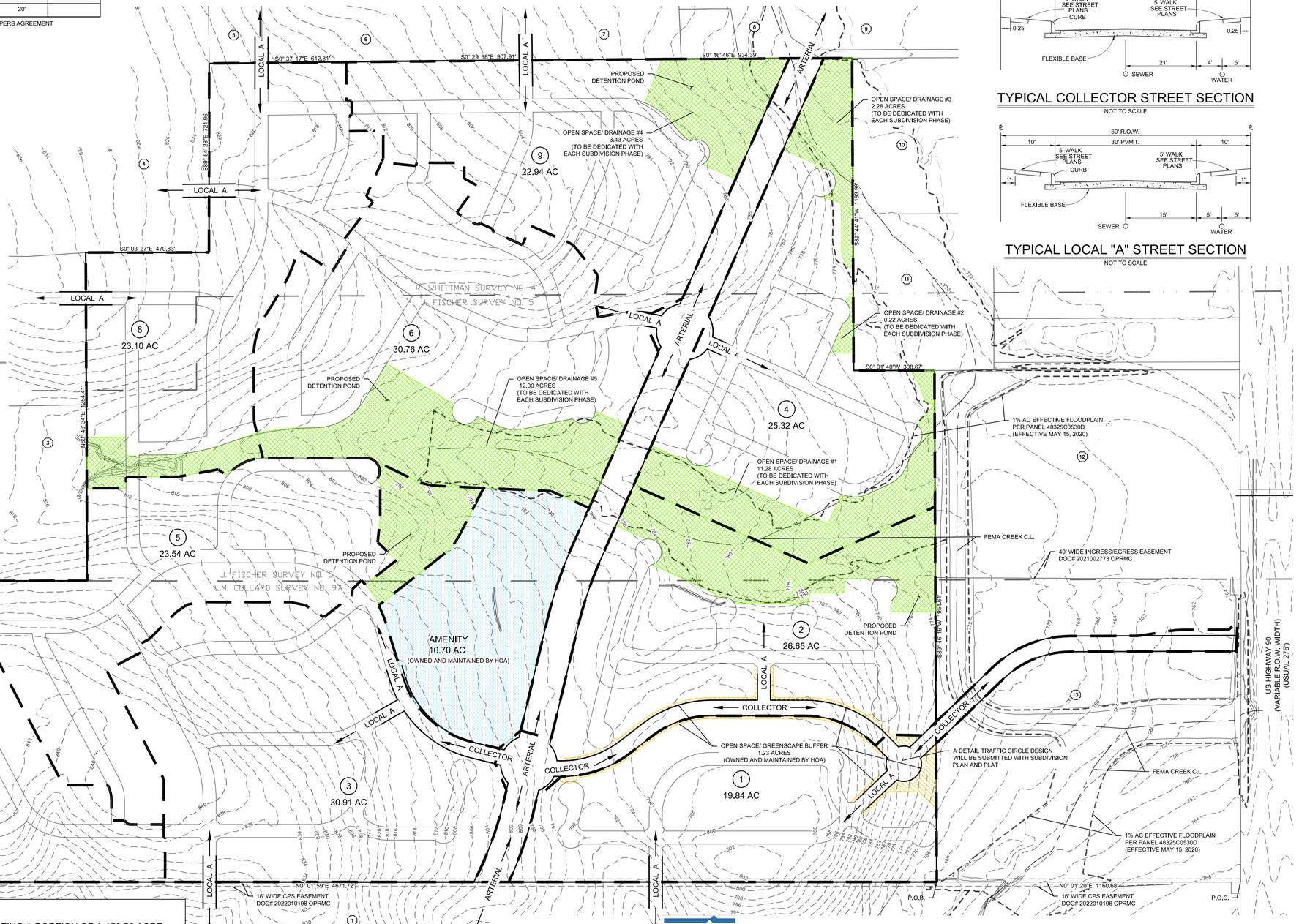
0 200' 400'
1" = 200'

LAND USE AND DENSITY TABLE

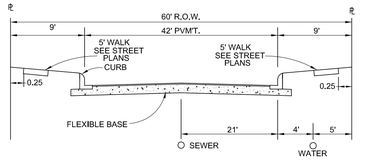
UNIT #	LAND USE	GROSS AREA (ACREAGE)	MAX # OF DWELLING UNITS	PARK/ OPEN SPACE (ACRES)	DENSITY (DU/AC)	PHASING SEQUENCE
1	SINGLE FAMILY	19.84	62	0.85	3.13	2025
2	SINGLE FAMILY	26.65	70	6.62	2.63	2025
3	SINGLE FAMILY	30.91	81	2.70	2.62	2025
4	SINGLE FAMILY	25.32	84	7.54	3.32	2027
5	SINGLE FAMILY	23.54	76		3.23	2027
6	SINGLE FAMILY	30.76	81	7.58	2.63	2027
7	SINGLE FAMILY	27.90	69		2.47	2030
8	SINGLE FAMILY	23.10	77	1.72	3.33	2029
9	SINGLE FAMILY	22.94	73	3.43	3.18	2031
	NON-SINGLE FAMILY (AMENITY)	10.70		10.70		2025
	NON-SINGLE FAMILY (ARTERIAL)	7.96				2025
	NON-SINGLE FAMILY (TOWER)	5.07		5.07		2025
TOTAL		254.69	673	46.21	2.64	LOTS PER ACRE

NAME AND ADDRESS OF ADJACENT OWNERS

1. HWY 90 CASTROVILLE PARTNERS LTD, 228.59 ACRES, PO BOX 790209, SAN ANTONIO, TX 78279
2. JZG PROPOERTIES LTD, 297.26 ACRES, PO BOX 921, HELOTES, TX 78023
3. CROWN MONEY LLC, 20.20 ACRES, PO BOX 7269, ABILENE, TX 79608
4. KELLER BURNELL R & VICKI, 50.96 ACRES, 501 PRIVATE RD 4751, CASTROVILLE, TX 78009
5. KELLER BURNELL R & VICKI, 4.17 ACRES, 501 PRIVATE RD 4751, CASTROVILLE, TX 78009, VOLUME 90, PAGE 209, O.P.R.
6. RITZ JOSEPH PAUL & DEANNA C, 10.07 ACRES, 461 PRIVATE ROAD 4749, CASTROVILLE, TX 78009
7. PERSYN HILDA AELVOET, 6.59 ACRES, 415 PRIVATE ROAD 4749, CASTROVILLE, TX 78009
8. PIPER SHANE & JOHNIE, 0.93 ACRES, 283 PRIVATE ROAD 4749, CASTROVILLE, TX 78009, VOLUME 403, PAGE 139, O.P.R.
9. PERSYN HILDA AEVOLET, 3.65 ACRES, 415 PRIVATE ROAD 4749, CASTROVILLE, TX 78009
10. CROWN MONEY LLC, 6.11 ACRES, PO BOX 7269, ABILENE, TX 79608
11. CITY OF CASTROVILLE, 8.00 ACRES, 1209 FIORELLA, CASTROVILLE, TX 78009, VOLUME 530, PAGE 663, O.P.R.
12. JBS ASSOCIATES LLC, 21.32 ACRES, 210 EL RANCHO WAY, SAN ANTONIO, TX 78209
13. DICKERSON TAUSCH PROPERTIES LLC, 22.10 ACRES, PO BOX 977, CASTROVILLE, TX 78009



TYPICAL COLLECTOR STREET SECTION
NOT TO SCALE



TYPICAL LOCAL "A" STREET SECTION
NOT TO SCALE

LEGAL DESCRIPTION

BEING A TOTAL OF 254.69 ACRES OF LAND, BEING A PORTION OF A 153.76 ACRE TRACT OF LAND, CALLED 154.17, ALL OF A 41.58 ACRE TRACT OF LAND, CALLED TRACT 2, ALL OF A 41.46 ACRE TRACT OF LAND, CALLED TRACT 3, AND ALL OF A 48.41 ACRE TRACT OF LAND, CALLED TRACT 4, OF THE JOHN FISCHER ESTATE LANDS DIVISION, LYING IN THE JOSEPH FISCHER SURVEY NO. 5, ABSTRACT NO. 1269, THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, AND THE ROMANUS WHITMAN SURVEY NO. 4, ABSTRACT NO. 1348, MEDINA COUNTY, TEXAS

OWNER/DEVELOPER:
KF FLAT CREEK, L.P.
2722 W. BITTERS, RD. SUITE 106
SAN ANTONIO, TEXAS 78259
(210) 662-0066

PREPARED BY:
KCI TECHNOLOGIES, INC.
2806 W. BITTERS, RD. SUITE 218
SAN ANTONIO, TEXAS 78248
PHONE: (210) 641-9999
FAX: (210) 641-6440
REGISTRATION #F-10573 / #101943-65

PREPARED: APRIL 2024

REV	DATE	DESCRIPTION

SEAL:
FOR REVIEW ONLY
Issued for permit purposes.
Engineer:
ENGINEER'S NAME 00000000
P.E. No. 00000000 State

KCI TECHNOLOGIES, INC.
2806 W. BITTERS RD. SUITE 218
SAN ANTONIO, TEXAS 78248
PHONE: (210) 641-9999
FAX: (210) 641-6440
REGISTRATION #F-10573 / #101943-65

FLAT CREEK SUBDIVISION
PLANNED UNIT DEVELOPMENT (P.U.D.)

DRAFTING:	C.P.	CHECK:	C.P.
DESIGN:	C.P.	CHECK:	M.S.
SUBMITTAL PHASE:			MDP
DATE:			03/2024
KCI JOB #:			762308213

SHEET:
PUD

THIS DOCUMENT HAS BEEN PROVIDED FROM MATERIAL THAT HAS STORED AND/OR TRANSMITTED ELECTRONICALLY AND MAY HAVE BEEN INADVERTENTLY ALTERED. REFLY ONLY ON FINAL HARD COPY MATERIALS BEARING THE CONSULTANTS ORIGINAL SIGNATURE AND SEAL.

Plot By: 2024, 16:42pm User ID: Christopher.Perez File: L:\Develop\Proj_2023_2\KF\762308213-Flat Creek_Subdivision-Phase\Layout\762308213 PUD.dwg

DEVELOPMENT SUMMARY						
AREA/PHASE	LAND USE	AREA (Ac.)	DENSITY (DU/Ac.)	UNITS/LOTS	OPEN SPACE REQ. (Ac.)	OPEN SPACE PROVIDED (Ac.)
AM	AMENITY CENTER	10.70				10.70
OS	OPEN SPACE AREAS	6.29				6.29
FLP	FLOODPLAIN	15.01				15.01
LDA	LOCAL DRAIN AREAS	4.49				-
DET	DETENTION AREAS	9.21				-
RES-1	SINGLE-FAMILY RESIDENTIAL	16.99	4.24	72	3.40	0.17
RES-2	SINGLE-FAMILY RESIDENTIAL	16.14	3.66	59	3.23	0.16
RES-3	SINGLE-FAMILY RESIDENTIAL	15.94	4.77	76	3.19	0.16
RES-4	SINGLE-FAMILY RESIDENTIAL	64.41	3.66	236	12.88	0.64
RES-5	SINGLE-FAMILY RESIDENTIAL	76.92	2.94	226	15.38	0.77
ROW	ARTERIAL RIGHT OF WAY	14.24				
CS	CITY SERVICES-WATERTOWER SITE	4.35				4.35
	TOTAL	254.69		669	38.08	38.25

1.6 AC
1.5 AC
10.7 AC
0.6 AC
1.4 AC
1.2 AC
0.9 AC
0.94 AC
1.0 AC
Roadway by Others
US HIGHWAY 90

KINGFISH
REAL ESTATE | DEVELOPMENT | CONSULTING

FLAT CREEK SUBDIVISION CONCEPTUAL LAND USE SITE PLAN

CITY OF CASTROVILLE - MEDINA COUNTY - TEXAS

August 15, 2023 - Ver M

INSURORS INDEMNITY COMPANIES

Phone: 877 816 2800 | PO Box 32577
Waco, Texas 76703-4200

SUBDIVISION IMPROVEMENTS PERFORMANCE BOND

BOND NO. CNB-25-0006314-00

KNOW ALL MEN BY THESE PRESENTS:

THAT we, KF Flat Creek, LP, as Principal, and INSURORS INDEMNITY COMPANY, a corporation organized and doing business and under and by virtue of the laws of the State of Texas and duly licensed to conduct surety business in the State of Texas, as Surety, are held and firmly bound unto City of Castroville, as Obligee, in the sum of One Hundred Ninety Thousand Nine Hundred Seventeen Dollar Dollars($ $190,917.49) for which payment, well and truly to be made, we bind ourselves, our heirs, executors and successors, jointly and severally firmly by these presents.

THE CONDITION OF THE OBLIGATION IS SUCH THAT:

WHEREAS, the above named Principal, has agreed to construct in Flat Creek Subdivision - Collector, Subdivision, in Castroville the following improvements: Streets, Drainage, Sidewalks, Water & Sewer.

NOW, THEREFORE, the condition of this obligation is such, that if the above Principal shall well and truly perform said agreement or agreements during the original term thereof or of any extension of said term that may be granted by the Obligee with or without notice to the Surety, this obligation shall be void, otherwise it shall remain in full force and effect.

IN WITNESS WHEREOF, the seal and signature of said Principal is hereto affixed and the corporate seal and the name of the said Surety is hereto affixed and attested by its duly authorized Attorney-in-Fact, this 19th day of December, 2025.

KF Flat Creek, LP
Principal

BY: _____

INSURORS INDEMNITY COMPANY

BY: _____
Mark Phillips
Attorney-in-Fact

Bond verification: bonddept@insurorsindemnity.com

IIC 010 8-21

POWER OF ATTORNEY of INSURORS INDEMNITY COMPANY
Waco, Texas

KNOW ALL PERSONS BY THESE PRESENTS: **Number:** CNB-25-0006314-00

That INSURORS INDEMNITY COMPANY, Waco, Texas, organized and existing under the laws of the State of TEXAS, and authorized and licensed to do business in the State of TEXAS and the United States of America, does hereby make, constitute and appoint

Mark Phillips of the City of San Antonio, State of TEXAS

as Attorney in Fact, with full power and authority hereby conferred upon him to sign, execute, acknowledge, and deliver for and on its behalf as Surety and as its act and deed, all of the following classes of document, to -wit:

Indemnity, Surety and Undertakings that may be desired by contract, or may be given in any action or proceeding in any court of law or equity; Indemnity in all cases where indemnity may be lawfully given and with full power and authority to execute consents and waivers to modify or change or extend any bond or document executed for this Company.

INSURORS INDEMNITY COMPANY

Attest: Tammy Tieperman
Tammy Tieperman, Secretary

By: Dave E. Talbert
Dave E. Talbert, President

State of Texas
County of McLennan

On the 1st day of January, 2025, before me a Notary Public in the State of Texas, personally appeared Dave E. Talbert and Tammy Tieperman, who being by me duly sworn, acknowledged that they executed the above Power of Attorney in their capacities as President, and Corporate Secretary, respectively, of Insurors Indemnity Company, and acknowledged said Power of Attorney to be the voluntary act and deed of the Company.

Cheyenne Wasden
Notary Public, State of Texas

CHEYENNE WASDEN
Notary ID # 13397382-3
My Commission Expires
06-30-2026

Insurors Indemnity Company certifies that this Power of Attorney is granted under and by authority of the following resolutions of the Company adopted by the Board of Directors on November 11, 2014:

RESOLVED, that all bonds, undertakings, contracts or other obligations may be executed in the name of the Company by persons appointed as Attorney in Fact pursuant to a Power of Attorney issued in accordance with these Resolutions. Said Power of Attorney shall be executed in the name and on behalf of the Company either by the Chairman and CEO or the President, under their respective designation. The signature of such officer and the seal of the Company may be affixed by facsimile to any Power of Attorney, and, unless subsequently revoked and subject to any limitation set forth therein, any such Power of Attorney or certificate bearing such facsimile signature and seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signature and seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is validly attached.

RESOLVED, that Attorneys in Fact shall have the power and authority, subject to the terms and limitations of the Power of Attorney issued to them, to execute and deliver on behalf of the Company and to attach the seal of the Company to any and all bonds and undertakings, and any such instrument executed by such Attorneys in Fact shall be binding upon the Company as if signed by an Executive Officer and sealed and attested to by the Secretary or Assistant Secretary of the Company.

I, Tammy Tieperman, Secretary of Insurors Indemnity Company, do hereby certify that the foregoing is a true excerpt from the Resolutions of the said Company as adopted by its Board of Directors on November 11, 2014, and that this Resolution is in full force and effect. I certify that the foregoing Power of Attorney is in full force and effect and has not been revoked.

In Witness Whereof, I have set my hand and the seal of INSURORS INDEMNITY COMPANY on this 19th day of December 2025.

Tammy Tieperman
Tammy Tieperman, Secretary

NOTE: IF YOU HAVE ANY QUESTION REGARDING THE VALIDITY OR WORDING OF THIS POWER OF ATTORNEY, PLEASE CALL 800 933 7444 OR WRITE TO US AT P. O. BOX 32577, WACO, TEXAS 76703 OR EMAIL US AT BONDDEPT@INSURORSINDEMNITY.COM.

IIC 2-22-025

INSURORS INDEMNITY COMPANIES

Phone: 877 816 2800 | PO Box 32577
Waco, Texas 76703-4200

IMPORTANT NOTICE - AVISO IMPORTANTE

To obtain information or make a complaint:

You may call Insurors Indemnity Company's toll-free telephone number for information or to make a complaint at:

1-877-816-2800

You may also write to Insurors Indemnity Company at:

P.O. Box 32577
Waco, TX 76703-4200
Or
225 South Fifth Street
Waco, TX 76701

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at

1-800-252-3439

You may write the Texas Department of Insurance at:

Consumer Protection (111-1A)
P.O. Box 149091
Austin, TX 78714-9091
Fax: 512-490-1007

Web: http://www.tdi.texas.gov

E-mail: ConsumerProtection@tdi.texas.gov

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim, you should contact the agent or the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis de Insurors Indemnity Company's para informacion o para someter una queja al

1-877-816-2800

Usted tanbien puede escribir a Insurors Indemnity Company:

P.O. Box 32577
Waco, TX 76703-4200
O
225 South Fifth Street
Waco, TX 76701

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

Consumer Protection (111-1A)
P.O. Box 149091
Austin, TX 78714-9091
Fax: 512-490-1007

Web: http://www.tdi.texas.gov

E-mail: ConsumerProtection@tdi.texas.gov

DISPUTAS SOBRE PRIMAS O RECLAMOS:

Si tiene una disputa concemiente a su prima o a un reclamo, debe comunicarse con el agente o la compania primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA:

Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

APPLICATION AND CERTIFICATE FOR PAYMENT/ DNT Construction

TO (OWNER): 10623
KF Flat Creek, LP
c/o King Fish Development, LLC
2722 West Bitters Road, Suite 106
San Antonio, Texas 78248

PROJECT: 20-2967
Flat Creek Unit Collector

APPLICATION NO: Nine (9) *Revision 3*
PERIOD TO: 11/30/2025
DNT CONSTRUCTION
INVOICE NO. 2967-9AAA
CONTRACT DATE:

Distribution	
$	132,262.27
$	13,226.23
$	**119,036.04**

DNT Construction
P O Box 6210
Round Rock, Texas 78683

ENGINEER
KCI Technologies, Inc
2806 W. Bitters, Rd. Ste 218
San Antonio, TX 78248

CHANGE ORDER SUMMARY			
Change orders approved in previous months by Owner		ADDITIONS	DEDUCTIONS
	TOTAL	$0.00	$0.00
Approved this Month			
Number	Date Approved		
1 2 3 4	20-Nov-25	$159,419.45	
	TOTALS	$159,419.45	$0.00
Net change by Change Orders		$159,419.45	

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: DNT CONSTRUCTION

By: C. Trevino Date: 12.5.25
Crystal Trevino, Contract Administrator

Application is made for Payment, as shown below, in connection with the Contract.
Continuation Sheet Attached

1	**ORIGINAL CONTRACT SUM**	$ 1,831,105.26
2	**Net change by Change Orders**	$ 159,419.45
3	**CONTRACT SUM TO DATE**	$ 1,990,524.71
4	**TOTAL COMPLETED & STORED TO DATE** (Column G on J703)	$ 1,568,541.61
5	**Retainage:**	
	a. 10 % of Cpt Wk $ 156,854.12 (Column D + E on J703)	
	b. _10_% of Stored Mtl $ - (Column F on J703)	
	Total Retainage (Line 5a + 5b or (Total in Column 1 of J703)	$ 156,854.12
6	**TOTAL EARNED LESS RETAINAGE** (Line 4 less 5 Total)	$ 1,411,687.49
7	**LESS PREVIOUS CERTIFICATES FOR PAYMENT** (Line 6 from prior Certificates)	$ 1,292,651.45
8	**CURRENT PAYMENT DUE**	**$ 119,036.04**
9	**BALANCE TO FINISH, PLUS RETAINAGE** (Line 3 less Line 6)	$ 578,837.22

State of: TEXAS County of: BEXAR
Subscribed and sworn to before me this 5 day of December, 2025
Notary Public: **Lorena Naveja**
My Commission Expires: **March 10, 2029**
Lorena Naveja

LORENA NAVEJA
Notary Public, State of Texas
Comm. Expires 03-10-2029
Notary ID 132965923

ENGINEER CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Engineer certifies to the Owner that to the best of the Engineer's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED

(Attach explanation if amount certified differs from the amount applied for.)
ENGINEER

By:_____ Date:_____

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

DNT CONSTRUCTION MONTHLY PROGRESS PAYMENT

CONTRACT: 20-2967

PROGRESS PAYM
PROGRESS PAYMENT

CONTRACTOR: **DNT CONSTRUCTION**
P O Box 6210
Round Rock, Texas 78683

SWPPP - COLLECTOR												
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	CONTRACT AMOUNT	PREVIOUS QTY.	QTY THIS EST.	QTY TO DATE	COST TO DATE	PREVIOUS COST	COST THIS ESTIMATE	%
1	Type 2 Rock Filter Dam	115.00	LF	$ 37.65	$4,329.75	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
2	Curb Inlet Gravel Filters	70.00	LF	$ 19.95	$1,396.50	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
3	Type I Construction Exit	1.00	EA	$ 1,825.50	$1,825.50	1.00	0.00	1.00	$1,825.50	$1,825.50	$0.00	100%
4	Concrete Washout Pit	1.00	EA	$ 570.50	$570.50	1.00	0.00	1.00	$570.50	$570.50	$0.00	100%
					$8,122.25				**$2,396.00**	**$2,396.00**	**$0.00**	29%

SITEWORK - COLLECTOR												
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	CONTRACT AMOUNT	PREVIOUS QTY.	QTY THIS EST.	QTY TO DATE	COST TO DATE	PREVIOUS COST	COST THIS ESTIMATE	%
1	Site Clearing and Grubbing (See Tree Plan)	4.80	AC	$ 3,459.60	$16,606.08	4.80	0.00	4.80	$16,606.08	$16,606.08	$0.00	100%
					$16,606.08				**$16,606.08**	**$16,606.08**	**$0.00**	**100%**

STREET IMPROVEMENTS - COLLECTOR												
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	CONTRACT AMOUNT	PREVIOUS QTY.	QTY THIS EST.	QTY TO DATE	COST TO DATE	PREVIOUS COST	COST THIS ESTIMATE	%
1	Street Excavation	5306.00	CY	$ 2.55	$13,530.30	5306.00	0.00	5306.00	$13,530.30	$13,530.30	$0.00	100%
2	Street Embankment	833.00	CY	$ 2.55	$2,124.15	833.00	0.00	833.00	$2,124.15	$2,124.15	$0.00	100%
3	8" Lime Treated Subgrade	8240.00	SY	$ 5.10	$42,024.00	8240.00	0.00	8240.00	$42,024.00	$42,024.00	$0.00	100%
4	Lime (45 LB/SY)	186.00	TN	$ 357.10	$66,420.60	186.00	0.00	186.00	$66,420.60	$66,420.60	$0.00	100%
5	17.5" Flex Base	7315.00	SY	$ 19.10	$139,716.50	7315.00	0.00	7315.00	$139,716.50	$139,716.50	$0.00	100%
6	Tensar Triax TX-5 Geogrid	7315.00	SY	$ 4.20	$30,723.00	7315.00	0.00	7315.00	$30,723.00	$30,723.00	$0.00	100%
7	Prime Coat	1463.00	GAL	$ 4.00	$5,852.00	1463.00	0.00	1463.00	$5,852.00	$5,852.00	$0.00	100%
8	Tack Coat	1524.00	GAL	$ 3.55	$5,410.20	1524.00	0.00	1524.00	$5,410.20	$5,410.20	$0.00	100%
9	1.5" Type D Asphalt HMAC - Collector	6663.00	SY	$ 9.25	$61,632.75	6663.00	0.00	6663.00	$61,632.75	$61,632.75	$0.00	100%
10	2.5" Type C Asphalt HMAC - Collector	6663.00	SY	$ 15.15	$100,944.45	6663.00	0.00	6663.00	$100,944.45	$100,944.45	$0.00	100%
11	3" Type D Asphalt HMAC - Special	49.00	SY	$ 83.95	$4,113.55	49.00	0.00	49.00	$4,113.55	$4,113.55	$0.00	100%
12	10" Type B Asphalt HMAC - Special	57.00	SY	$ 181.00	$10,317.00	57.00	0.00	57.00	$10,317.00	$10,317.00	$0.00	100%
13	2" Type D Asphalt HMAC - Turn Lane	936.00	SY	$ 15.15	$14,180.40	0.00	936.00	936.00	$14,180.40	$0.00	$14,180.40	100%
14	12" Type B Asphalt HMAC - Turn Lane	869.00	SY	$ 83.65	$72,691.85	0.00	869.00	869.00	$72,691.85	$0.00	$72,691.85	100%
15	Concrete Curb w/ Rebar	3009.00	LF	$ 13.20	$39,718.80	3009.00	0.00	3009.00	$39,718.80	$39,718.80	$0.00	100%
16	Header Curb	58.00	LF	$ 19.05	$1,104.90	58.00	0.00	58.00	$1,104.90	$1,104.90	$0.00	100%
17	Concrete Sidewalk	936.00	SY	$ 67.60	$63,273.60	468.00	468.00	936.00	$63,273.60	$31,636.80	$31,636.80	100%
18	Concrete Driveway (Commercial) with 6" Curb	5.00	EA	$ 13,476.00	$67,380.00	0.00	5.00	5.00	$67,380.00	$0.00	$67,380.00	100%
19	Timber Guard Post	42.00	EA	$ 199.70	$8,387.40	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
20	R3-7 Right Lane Must Turn (30" x 30")	2.00	EA	$ 1,021.20	$2,042.40	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
21	R5-1 Do Not Enter (30" x 30")	1.00	EA	$ 211.10	$211.10	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
22	R6-1 One Way (36" x 12")	1.00	EA	$ 1,876.90	$1,876.90	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
23	R1-5B Stop Here for Ped (30" x 30")	2.00	EA	$ 285.20	$570.40	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
24	R1-1 Stop Sign (30"x30") (High Intensity)	2.00	EA	$ 1,021.20	$2,042.40	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
25	OM4-3 End of Road Markers	18.00	EA	$ 313.80	$5,648.40	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
26	9" Street Name, Blocks Numbers (High Density)	2.00	EA	$ 222.50	$445.00	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
27	W16-9P Ahead (24" x 12")	2.00	EA	$ 211.10	$422.20	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
28	W11-2 PED Crossing (30" x 30")	2.00	EA	$ 673.20	$1,346.40	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
29	White Word "Only"	2.00	EA	$ 336.60	$673.20	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
30	Right White Arrow	2.00	EA	$ 199.70	$399.40	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
31	4" Thermo Solid Yellow Double Line	690.00	LF	$ 3.10	$2,139.00	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
32	6" Thermo Solid White Line	789.00	LF	$ 3.10	$2,445.90	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
33	8" Thermo Solid Yellow Line	215.00	LF	$ 3.10	$666.50	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
34	8" Thermo Solid White Line	670.00	LF	$ 3.75	$2,512.50	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
35	12" Thermo Yellow Diagonal Line	237.00	LF	$ 5.20	$1,232.40	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
36	12" Thermo White Chevron Line	42.00	LF	$ 5.65	$237.30	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
37	24" Thermo White Line (Crosswalk Bar)	48.00	LF	$ 9.25	$444.00	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
38	24" Thermo White Line (Stop Bar)	86.00	LF	$ 9.25	$795.50	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
39	Traffic Button (Type II A-A)	100.00	EA	$ 8.55	$855.00	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
40	Traffic Button (Type II C-R)	32.00	EA	$ 11.40	$364.80	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
41	Wheel Chair Ramp Type 4	2.00	EA	$ 1,825.50	$3,651.00	0.00	2.00	2.00	$3,651.00	$0.00	$3,651.00	100%
42	Wheel Chair Ramp Type 7	10.00	EA	$ 1,597.30	$15,973.00	0.00	10.00	10.00	$15,973.00	$0.00	$15,973.00	100%
43	Wheel Chair Ramp Type 21	1.00	EA	$ 1,939.60	$1,939.60	0.00	1.00	1.00	$1,939.60	$0.00	$1,939.60	100%
44	Two Way Blue Reflective Marker (Fire Hydrant)	2.00	EA	$ 11.40	$22.80	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
45	Relocate Existing Signage	1.00	LS	$ 3,063.50	$3,063.50	0.00	0.00	0.00	$0.00	$0.00	$0.00	
46	Remove Existing Striping (US-90)	820.00	LF	$ 4.50	$3,690.00	0.00	0.00	0.00	$0.00	$0.00	$0.00	
47	Restore Existing Gravel Driveway	1.00	EA	$ 1,550.10	$1,550.10	0.00	0.00	0.00	$0.00	$0.00	$0.00	

DNT CONSTRUCTION MONTHLY PROGRESS PAYMENT

CONTRACT: 20-2967

CONTRACTOR: **DNT CONSTRUCTION**
P O Box 6210
Round Rock, Texas 78683

PROGRESS PAYM
PROGRESS PAYMENT

					$806,806.15				**$762,721.65**	**$555,269.00**	**$207,452.65**	95%
DRAIN A IMPROVEMENTS					**CONTRACT**	**PREVIOUS**	**QTY**	**QTY**	**COST**	**PREVIOUS**	**COST THIS**	**%**
ITEM	**DESCRIPTION**	**QTY.**	**UNIT**	**UNIT PRICE**	**AMOUNT**	**QTY.**	**THIS EST.**	**TO DATE**	**TO DATE**	**COST**	**ESTIMATE**	
1	Demo Existing Headwall & Rip Rap	1.00	LS	$ 15,488.25	$15,488.25	1.00	0.00	1.00	$15,488.25	$15,488.25	$0.00	100%
2	(5) 11' x 6' CIP MBC (Extension)	14.00	LF	$ 8,619.80	$120,677.20	14.00	0.00	14.00	$120,677.20	$120,677.20	$0.00	100%
3	Concrete Headwall	31.20	CY	$ 1,711.40	$53,395.68	31.20	0.00	31.20	$53,395.68	$53,395.68	$0.00	100%
4	6" Concrete Rip Rap	153.00	SY	$ 130.30	$19,935.90	153.00	0.00	153.00	$19,935.90	$19,935.90	$0.00	100%
5	Pipe Railing	245.00	LF	$ 98.90	$24,230.50	245.00	0.00	245.00	$24,230.50	$24,230.50	$0.00	100%
6	Concrete Toewall	27.20	CY	$ 209.70	$5,703.84	27.20	0.00	27.20	$5,703.84	$5,703.84	$0.00	100%
					$239,431.37				**$239,431.37**	**$239,431.37**	**$0.00**	100%
DRAIN B IMPROVEMENTS					**CONTRACT**	**PREVIOUS**	**QTY**	**QTY**	**COST**	**PREVIOUS**	**COST THIS**	**%**
ITEM	**DESCRIPTION**	**QTY.**	**UNIT**	**UNIT PRICE**	**AMOUNT**	**QTY.**	**THIS EST.**	**TO DATE**	**TO DATE**	**COST**	**ESTIMATE**	
1	30" RCP (Class 3)	44.00	LF	$ 106.40	$4,681.60	44.00	0.00	44.00	$4,681.60	$4,681.60	$0.00	100%
2	36" RCP (Class 3)	82.00	LF	$ 147.70	$12,111.40	82.00	0.00	82.00	$12,111.40	$12,111.40	$0.00	100%
3	10' Inlet (Type 1)	1.00	EA	$ 13,345.75	$13,345.75	1.00	0.00	1.00	$13,345.75	$13,345.75	$0.00	100%
4	10" Inlet (Type 2)	1.00	EA	$ 13,345.75	$13,345.75	1.00	0.00	1.00	$13,345.75	$13,345.75	$0.00	100%
5	Concrete Collars	1.70	CY	$ 307.70	$523.09	1.70	0.00	1.70	$523.09	$523.09	$0.00	100%
6	Trench Excavation Safety Protection	126.00	LF	$ 1.15	$144.90	126.00	0.00	126.00	$144.90	$144.90	$0.00	100%
					$44,152.49				**$44,152.49**	**$44,152.49**	**$0.00**	100%
DRAIN C1 IMPROVEMENTS					**CONTRACT**	**PREVIOUS**	**QTY**	**QTY**	**COST**	**PREVIOUS**	**COST THIS**	**%**
ITEM	**DESCRIPTION**	**QTY.**	**UNIT**	**UNIT PRICE**	**AMOUNT**	**QTY.**	**THIS EST.**	**TO DATE**	**TO DATE**	**COST**	**ESTIMATE**	
1	30" RCP (Class 3)	70.00	LF	$ 104.90	$7,343.00	70.00	0.00	70.00	$7,343.00	$7,343.00	$0.00	100%
2	10' Inlet (Type 1)	2.00	EA	$ 13,113.75	$26,227.50	2.00	0.00	2.00	$26,227.50	$26,227.50	$0.00	100%
3	10" Inlet (Type 2)	1.00	EA	$ 13,113.75	$13,113.75	1.00	0.00	1.00	$13,113.75	$13,113.75	$0.00	100%
4	Concrete Collars	1.10	CY	$ 317.00	$348.70	1.10	0.00	1.10	$348.70	$348.70	$0.00	100%
5	Trench Excavation Safety Protection	70.00	LF	$ 1.15	$80.50	70.00	0.00	70.00	$80.50	$80.50	$0.00	100%
					$47,113.45				**$47,113.45**	**$47,113.45**	**$0.00**	100%
DRAIN C2 IMPROVEMENTS					**CONTRACT**	**PREVIOUS**	**QTY**	**QTY**	**COST**	**PREVIOUS**	**COST THIS**	**%**
ITEM	**DESCRIPTION**	**QTY.**	**UNIT**	**UNIT PRICE**	**AMOUNT**	**QTY.**	**THIS EST.**	**TO DATE**	**TO DATE**	**COST**	**ESTIMATE**	
1	36" RCP (Class 3)	125.00	LF	$ 145.40	$18,175.00	75.00	50.00	125.00	$18,175.00	$10,905.00	$7,270.00	100%
2	4' x 4' Junction Box	1.00	EA	$ 6,016.00	$6,016.00	0.00	1.00	1.00	$6,016.00	$0.00	$6,016.00	100%
3	Concrete Collars	1.90	CY	$ 275.30	$523.07	0.00	1.90	1.90	$523.07	$0.00	$523.07	100%
4	Trench Excavation Safety Protection	125.00	LF	$ 1.15	$143.75	75.00	50.00	125.00	$143.75	$86.25	$57.50	100%
					$24,857.82				**$24,857.82**	**$10,991.25**	**$13,866.57**	100%
DRAIN D					**CONTRACT**	**PREVIOUS**	**QTY**	**QTY**	**COST**	**PREVIOUS**	**COST THIS**	**%**
ITEM	**DESCRIPTION**	**QTY.**	**UNIT**	**UNIT PRICE**	**AMOUNT**	**QTY.**	**THIS EST.**	**TO DATE**	**TO DATE**	**COST**	**ESTIMATE**	
1	Channel Excavation	57.00	CY	$ 2.55	$145.35	57.00	0.00	57.00	$145.35	$145.35	$0.00	100%
2	Channel Embankment	1026.000	CY	$ 1.95	$2,000.70	1026.00	0.00	1026.00	$2,000.70	$2,000.70	$0.00	100%
3	(3) 30" RCP (Class 3)	213.000	LF	$ 313.50	$66,775.50	0.00	213.00	213.00	$66,775.50	$0.00	$66,775.50	100%
4	6" Concrete Rip Rap	155.000	SY	$ 179.40	$27,807.00	0.00	155.00	155.00	$27,807.00	$0.00	$27,807.00	100%
5	Hydromulch	4783.00	SY	$ 3.55	$16,979.65	0.00	4783.00	4783.00	$16,979.65	$0.00	$16,979.65	100%
6	Trench Excavation Safety Protection	213.00	LF	$ 3.40	$724.20	0.00	213.00	213.00	$724.20	$0.00	$724.20	100%
					$114,432.40				**$114,432.40**	**$2,146.05**	**$112,286.35**	100%
SEWER - COLLECTOR					**CONTRACT**	**PREVIOUS**	**QTY**	**QTY**	**COST**	**PREVIOUS**	**COST THIS**	**%**
ITEM	**DESCRIPTION**	**QTY.**	**UNIT**	**UNIT PRICE**	**AMOUNT**	**QTY.**	**THIS EST.**	**TO DATE**	**TO DATE**	**COST**	**ESTIMATE**	
1	Trench Protection	1364.000	LF	$ 1.15	$1,568.60	1364.00	0.00	1364.00	$1,568.60	$1,568.60	$0.00	100%
2	8" PVC SDR 26 8-10'	165.000	LF	$ 37.65	$6,212.25	165.00	0.00	165.00	$6,212.25	$6,212.25	$0.00	100%
3	8" PVC SDR 26 14-16'	10.000	LF	$ 51.90	$519.00	10.00	0.00	10.00	$519.00	$519.00	$0.00	100%
4	8" PVC SDR 26 16-18'	10.000	LF	$ 74.70	$747.00	10.00	0.00	10.00	$747.00	$747.00	$0.00	100%
5	10" PVC SDR 26 0-6'	63.000	LF	$ 43.80	$2,759.40	63.00	0.00	63.00	$2,759.40	$2,759.40	$0.00	100%
6	10" PVC SDR 26 6-8'	14.000	LF	$ 44.95	$629.30	14.00	0.00	14.00	$629.30	$629.30	$0.00	100%
7	10" PVC SDR 26 8-10'	14.000	LF	$ 47.90	$670.60	14.00	0.00	14.00	$670.60	$670.60	$0.00	100%
8	10" PVC SDR 26 10-12'	13.000	LF	$ 51.90	$674.70	13.00	0.00	13.00	$674.70	$674.70	$0.00	100%
9	10" PVC SDR 26 12-14'	930.000	LF	$ 53.85	$50,080.50	930.00	0.00	930.00	$50,080.50	$50,080.50	$0.00	100%
10	10" PVC SDR 26 14-16'	116.000	LF	$ 63.55	$7,371.80	116.00	0.00	116.00	$7,371.80	$7,371.80	$0.00	1
11	10" PVC SDR 26 16-18'	29.000	LF	$ 93.80	$2,720.20	29.00	0.00	29.00	$2,720.20	$2,720.20	$0.00	1

CONTRACT: 20-2967

CONTRACTOR: **DNT CONSTRUCTION**
P O Box 6210
Round Rock, Texas 78683

PROGRESS PAYM
PROGRESS PAYMENT

12	Dog House Manhole	1.000	EA	$ 27,612.75	$27,612.75	1.00	0.00	1.00	$27,612.75	$27,612.75	$0.00	100%
13	Manholes	2.000	EA	$ 4,567.00	$9,134.00	2.00	0.00	2.00	$9,134.00	$9,134.00	$0.00	100%
14	Drop Manhole	2.000	EA	$ 8,246.00	$16,492.00	2.00	0.00	2.00	$16,492.00	$16,492.00	$0.00	100%
15	Extra Depth Manhole	49.900	VF	$ 495.00	$24,700.50	49.90	0.00	49.90	$24,700.50	$24,700.50	$0.00	100%
16	Reconstruct Existing Manhole	1.000	EA	$ 4,505.40	$4,505.40	1.00	0.00	1.00	$4,505.40	$4,505.40	$0.00	100%
17	Concrete Encasement, Cradles, Saddles, Collars	16.000	CY	$ 406.50	$6,504.00	16.00	0.00	16.00	$6,504.00	$6,504.00	$0.00	100%
18	Sewer Main TV Inspection	1364.000	LF	$ 2.00	$2,728.00	1364.00	0.00	1364.00	$2,728.00	$2,728.00	$0.00	100%
					$165,630.00				**$165,630.00**	**$165,630.00**	**$0.00**	100%

WATER IMPROVEMENTS - COLLECTOR					**CONTRACT**	**PREVIOUS**	**QTY**	**QTY**	**COST**	**PREVIOUS**	**COST THIS**	**%**
ITEM	**DESCRIPTION**	**QTY.**	**UNIT**	**UNIT PRICE**	**AMOUNT**	**QTY.**	**THIS EST.**	**TO DATE**	**TO DATE**	**COST**	**ESTIMATE**	
1	Trench Protection	1554.00	LF	$ 0.55	$854.70	1554.00	0.00	1554.00	$854.70	$854.70	$0.00	100%
2	8" Pipe, P.V.C., C-900, Class 235 (DR-18)	178.00	LF	$ 45.85	$8,161.30	178.00	0.00	178.00	$8,161.30	$8,161.30	$0.00	100%
3	16" Pipe, P.V.C., C-900, Class 235 (DR-18)	1376.00	LF	$ 91.50	$125,904.00	1376.00	0.00	1376.00	$125,904.00	$125,904.00	$0.00	100%
4	3/4" Irrigation Service - Long	1.00	EA	$ 1,087.90	$1,087.90	1.00	0.00	1.00	$1,087.90	$1,087.90	$0.00	100%
5	8" Gate Valve w/ Box	5.00	EA	$ 2,867.20	$14,336.00	5.00	0.00	5.00	$14,336.00	$14,336.00	$0.00	100%
6	16" Gate Valve w/Box	5.00	EA	$ 13,475.75	$67,378.75	5.00	0.00	5.00	$67,378.75	$67,378.75	$0.00	100%
7	Meter Box	1.00	EA	$ 305.30	$305.30	1.00	0.00	1.00	$305.30	$305.30	$0.00	100%
8	Standard Firehydrant	2.00	EA	$ 6,065.10	$12,130.20	2.00	0.00	2.00	$12,130.20	$12,130.20	$0.00	100%
9	Ductile Iron Fittings	3.90	TN	$ 9,080.50	$35,413.95	3.90	0.00	3.90	$35,413.95	$35,413.95	$0.00	100%
10	16" Tie In to Existing 16" Water	1.00	EA	$ 11,457.50	$11,457.50	1.00	0.00	1.00	$11,457.50	$11,457.50	$0.00	100%
11	Hydrostatic Test	1.00	LS	$ 6,051.80	$6,051.80	1.00	0.00	1.00	$6,051.80	$6,051.80	$0.00	100%
12	2" Temporary Blowoff	1.00	EA	$ 2,277.90	$2,277.90	1.00	0.00	1.00	$2,277.90	$2,277.90	$0.00	100%
13	2" Permanent Blowoff	1.00	EA	$ 2,971.70	$2,971.70	1.00	0.00	1.00	$2,971.70	$2,971.70	$0.00	100%
14	1" Air Release Valve	1.00	EA	$ 14,772.25	$14,772.25	1.00	0.00	1.00	$14,772.25	$14,772.25	$0.00	100%
15	6" Concrete Encasement	18.70	CY	$ 428.00	$8,003.60	18.70	0.00	18.70	$8,003.60	$8,003.60	$0.00	100%
16	30" Steel Casing	15.00	LF	$ 332.00	$4,980.00	15.00	0.00	15.00	$4,980.00	$4,980.00	$0.00	100%
					$316,086.85				**$316,086.85**	**$316,086.85**	**$0.00**	**100%**

CONDUITS (ADDITIVE)					**CONTRACT**	**PREVIOUS**	**QTY**	**QTY**	**COST**	**PREVIOUS**	**COST THIS**	**%**
ITEM	**DESCRIPTION**	**QTY.**	**UNIT**	**UNIT PRICE**	**AMOUNT**	**QTY.**	**THIS EST.**	**TO DATE**	**TO DATE**	**COST**	**ESTIMATE**	
1	2 - 6" & 3 - 4" PVC Bundle	793.00	LF	$ 42.80	$33,940.40	793.00	0.00	793.00	$33,940.40	$33,940.40	$0.00	100%
2	2 - 6" PVC Bundle	72.00	LF	$ 34.95	$2,516.40	72.00	0.00	72.00	$2,516.40	$2,516.40	$0.00	100%
					$36,456.80				**$36,456.80**	**$36,456.80**	**$0.00**	100%

DRAIN D IMPROVEMENTS (ADDITIVE)					**CONTRACT**	**PREVIOUS**	**QTY**	**QTY**	**COST**	**PREVIOUS**	**COST THIS**	**%**
ITEM	**DESCRIPTION**	**QTY.**	**UNIT**	**UNIT PRICE**	**AMOUNT**	**QTY.**	**THIS EST.**	**TO DATE**	**TO DATE**	**COST**	**ESTIMATE**	
1	SET Type 2 (30") - Upstream	1.00	LS	$ 5,704.80	$5,704.80	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
2	SET Type 2 (30"/36") - Downstream	1.00	LS	$ 5,704.80	$5,704.80	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
					$11,409.60				**$0.00**	**$0.00**	**$0.00**	0%

CHANGE ORDER 3 - STREET SECTION RECONCILIATION & TXDOT TURN LANE					**CONTRACT**	**PREVIOUS**	**QTY**	**QTY**	**COST**	**PREVIOUS**	**COST THIS**	**%**
ITEM	**DESCRIPTION**	**QTY.**	**UNIT**	**UNIT PRICE**	**AMOUNT**	**QTY.**	**THIS EST.**	**TO DATE**	**TO DATE**	**COST**	**ESTIMATE**	
	Geo Grid- Add											
1	Custom Stop Sign Collector	2.00	EA	$ 1,500.00	$3,000.00	0.00	2.00	2.00	$3,000.00	$0.00	$3,000.00	100%
	Street Improvements											
2	R1-1 Stop Sign (30"X30") (High Intensity)	-2.00	EA	$ 1,021.20	($2,042.40)	0.00	-2.00	-2.00	($2,042.40)	$0.00	($2,042.40)	100%
	US 90 Right Turn Lane											
3	8" Lime Treated Subgrade	-869.00	SY	$ 5.10	($4,431.90)	0.00	-869.00	-869.00	($4,431.90)	$0.00	($4,431.90)	100%
4	Lime (45 LB SY)	-20.00	TN	$ 357.10	($7,142.00)	0.00	-20.00	-20.00	($7,142.00)	$0.00	($7,142.00)	100%
5	2" Type D Asphalt HMAC - Turn Lane	-936.00	SY	$ 15.15	($14,180.40)	0.00	-936.00	-936.00	($14,180.40)	$0.00	($14,180.40)	100%
6	12" Type B Asphalt HMAC - Turn Lane	-869.00	SY	$ 83.65	($72,691.85)	0.00	-869.00	-869.00	($72,691.85)	$0.00	($72,691.85)	100%
7	Concrete Curb w/ Rebar	-485.00	LF	$ 13.20	($6,402.00)	0.00	-485.00	-485.00	($6,402.00)	$0.00	($6,402.00)	100%
8	Channel Excavation	-57.00	CY	$ 2.55	($145.35)	0.00	-57.00	-57.00	($145.35)	$0.00	($145.35)	100%
9	Channel Embankment	-1026.00	CY	$ 1.95	($2,000.70)	0.00	-1026.00	-1026.00	($2,000.70)	$0.00	($2,000.70)	100%
10	(3) 30" RCP (Class 3)	-213.00	LF	$ 313.50	($66,775.50)	0.00	-213.00	-213.00	($66,775.50)	$0.00	($66,775.50)	100%
11	6" Concrete Rip Rap	-155.00	SY	$ 179.40	($27,807.00)	0.00	-155.00	-155.00	($27,807.00)	$0.00	($27,807.00)	100%
12	Trench Excavation Safety Protection	-213.00	LF	$ 3.40	($724.20)	0.00	-213.00	-213.00	($724.20)	$0.00	($724.20)	100%
13	Mobilization	1.00	LS	$ 36,177.00	$36,177.00	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
14	FL BS (Cmpin Plc) (TY Egr 5)	1215.00	TN	$ 31.15	$37,847.25	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
15	Lime (Comorqk) (Slurry)	24.00	TN	$ 375.60	$9,014.40	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
16	Lime Trt (Existmetl) (12")	1287.00	SY	$ 13.20	$16,988.40	0.00	0.00	0.00	$0.00	$0.00	$0.00	
17	Cement	17.00	TN	$ 360.00	$6,120.00	0.00	0.00	0.00	$0.00	$0.00	$0.00	

CONTRACT: 20-2967

CONTRACTOR: **DNT CONSTRUCTION**
P O Box 6210
Round Rock, Texas 78683

PROGRESS PAYM
PROGRESS PAYMENT

18	Cement Treat (Mx Exist Mtl & Nw Bs) (17")	1287.00	SY	$ 3.60	$4,633.20	0.00	**0.00**	0.00	$0.00	$0.00	$0.00	0%
19	310 Prime Coat (Mc-30 or AEP)	260.00	GAL	$ 4.80	$1,248.00	0.00	**0.00**	0.00	$0.00	$0.00	$0.00	0%
20	340 D-GR HMA TY B PG 64-22	500.00	TN	$ 133.20	$66,600.00	0.00	**0.00**	0.00	$0.00	$0.00	$0.00	0%
21	346 Stone-Mtrx-Asph Sma-C SAC A or B PG 76-22	161.00	TN	$ 208.80	$33,616.80	0.00	**0.00**	0.00	$0.00	$0.00	$0.00	0%
22	Conc Curb (TY II)	201.00	LF	$ 34.95	$7,024.95	0.00	**0.00**	0.00	$0.00	$0.00	$0.00	0%
23	Excav (Channel)	191.00	CY	$ 2.55	$487.05	0.00	**0.00**	0.00	$0.00	$0.00	$0.00	0%
24	Embank (FNL) (OC) (TY B)	471.00	CY	$ 1.95	$918.45	0.00	**0.00**	0.00	$0.00	$0.00	$0.00	0%
25	RC Pipe (CLIII) (30 IN)	675.00	LF	$ 123.10	$83,092.50	0.00	**0.00**	0.00	$0.00	$0.00	$0.00	0%
26	Rip Rap (Conc) (6IN)	155.00	SY	$ 362.70	$56,218.50	0.00	**0.00**	0.00	$0.00	$0.00	$0.00	0%
27	Trench Excavation Protection	675.00	LF	$ 1.15	$776.25	0.00	**0.00**	0.00	$0.00	$0.00	$0.00	0%
					$159,419.45				**($201,343.30)**	**$0.00**	**($201,343.30)**	**-126%**

TOTAL CONTRACT **$1,990,524.71** **$1,568,541.61** **$1,436,279.34** **$132,262.27** **79%**

TOTAL COMPLETED TO DATE	$ 1,568,541.61
TOTAL COMPLETED/ STORED TO DATE	$ 1,568,541.61
RETAINAGE HELD	$ 156,854.12
TOTAL CPLT LESS RETAINAGE	$ 1,411,687.49
LESS PREVIOUS BILLINGS	$ 1,292,651.45
CURRENT PAYMENT DUE	$ 119,036.04

ORIGINAL CONTRACT AMOUNT	$ 1,831,105.26	
CONTRACT CHANGES	$ 159,419.45	$0.00
TOTAL CONTRACT W/ CHANGES	$ 1,990,524.71	
WORK COMPLETED TO DATE	$ 1,568,541.61	
BALANCE TO COMPLETE	$ 421,983.10	

K FRIESE + ASSOCIATES
A LOCHNER COMPANY

40 NE Loop 410, Mercantile Building, Suite 545
San Antonio, Texas 78216
P 210.491.2391 | kfriese.com
TBPE Firm No. 6535

February 28, 2025

Ms. Breana Soto
Community Development Director
City of Castroville
1209 Fiorella
Castroville, TX 78009

Re: Flat Creek Commercial Collector Road
3rd Review

Sent Via: Email

Dear Ms. Soto:

As requested, K Friese + Associates (KFA) reviewed the revised submittal for Flat Creek Commercial Collector Road prepared by KCI Technologies, Inc, received by KFA on February 18, 2025. All comments from prior reviews have been cleared. It is our opinion that the proposed development is in general conformance with the City of Castroville's ordinances and we recommend conditional approval of the development by the City with the following comments (comments included in Bentely Bluebeam Studio session shared with KCI):

- Add a toe-down to the downstream concrete apron of Drain 'A' to prevent undermining
- Add riprap to west bank on downstream side of Drain 'A'

Should you have any questions about these comments, please don't hesitate to contact me at (210) 491-2391 or mpersyn@kfriese.com.

Sincerely,
K Friese + Associates

Michael Persyn, PE
Project Manager

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-49
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

STATE OF TEXAS §

COUNTY OF TRAVIS §

AGREEMENT TO ACCEPT DONATION
FROM OWNER OF LAND ADJACENT TO STATE HIGHWAY SYSTEM
FOR IMPROVING ACCESS TO OWNER'S LAND

THIS AGREEMENT is entered between the State of Texas and the Donor, shown below as Contracting Parties, under Government Code, Chapter 575.

I. Contracting Parties:
The State: The Texas Department of Transportation
The Donor: KF Flat Creek, LP

II. Background:
Texas Transportation Code, §223.049, authorizes the State to contract with an owner of land adjacent to a highway that is part of the state highway system to construct an improvement on the highway right-of-way that is directly related to improving access to or from the owner's land.

Texas Transportation Code §201.103, authorizes the State to plan and make policies for the location, construction, and maintenance of a comprehensive system of state highways and public roads.

Texas Transportation Code, §201.206, authorizes the State to accept, from any source, a donation or contribution in any form, including realty, personalty, money, materials, or services, for the purpose of carrying out its functions and duties.

Texas Government Code, Chapter 575, requires the governing board of a state agency, not later than the 90th day after a donation valued at $500 or more is accepted, to acknowledge the acceptance of the donation by majority vote at an open meeting and prohibits a state agency from accepting a donation from a person who is a party to a contested case before the agency until the 30th day after the date the decision in the case becomes final.

To provide guidance on when a donation may be accepted by the State, the Texas Transportation Commission has adopted rules relating to the State acceptance of donations, codified as 43 TAC §§1.500-1.506.

Acceptance of donations must be approved by the State's Executive Director or his designee. The State's Executive Director has authorized the State to accept the donation. The State and the Donor must execute a donation agreement if the donation is valued at more than $1,500.00.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-49
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

III. Agreement:

The Donor agrees to donate, and the State agrees to accept services, tangible personal property, and performance of highway improvement work on State highway right of way that is adjacent to the Donor's land that is directly related to improving access to the Donor's land (the "Project").

The Project consists of the design and construction of a right turn deceleration lane and partial median U-turn on US 90 to mitigate the traffic impact for the proposed Flat Creek residential subdivision. The construction will also include the removal of two existing median opening crossovers and rehabilitation (mill and overlay) of existing US-90 travel lanes and shoulder within the overall work zone west of County Road 4712 in Castroville, Medina County, Texas. The Project is generally located as described in Exhibit A, Project Location Map, which is attached to this agreement. All design and construction work will be provided by the Donor, its consultant, or its contractor.

The estimated value of the donation is $1,213,348.95.

All monetary donations shall be made by check or warrant made payable to the "Texas Department of Transportation Trust Fund" and mailed or delivered to the Texas Department of Transportation at the State address provided in XXV: Notices below.

IV. Representations and Warranties:

A. The Donor represents and warrants that it has unrestricted use of the property and items described above and that by signing this agreement it relinquishes and transfers all rights and interest in and use to the State.
B. The State does not approve and is not responsible for any representations made by the Donor for tax purposes.
C. The Donor acknowledges that the State will act in reliance on and in consideration of the promises made by the Donor in this agreement.

V. Donation Accepted for Limited Purposes:

A. Acceptance of the donation does not bind the State to a course of action or promise of performance except as specifically described in this Agreement above.
B. No benefit will accrue to the Donor as a result of the State's acceptance of the donation except as specifically described in this Agreement above.

VI. Public Information:

A. This agreement is public information and will be furnished to a requestor under the Public Information Act, Government Code, Chapter 552.
B. The Donor is required to make any information created or exchanged with the state pursuant to this contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the state.

VII. Right of Access:

The Donor shall permit the State or its authorized representative access to sites owned by the donor that are used for performance of the work. The Donor will provide for all necessary right of way and utility adjustments or relocations in compliance with State utility accommodation policy needed for performance of the work on sites not owned or to be acquired by the State.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-4
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

VIII. Hold Harmless:
The Donor shall save harmless the State and its officers and employees from all claims and liability due to its materials or activities of itself, its agents, or employees, performed under this contract and that are caused by or result from error, omission, or negligent act of the Donor or of any person employed by the Donor. The Donor shall also save harmless the State from any and all expense, including, but not limited to, attorney fees that may be incurred by the State in litigation or otherwise resisting the claim or liabilities that may be imposed on the State as a result of such activities by the Donor, its agents, or employees.

IX. Pre-Construction Funding:
Upon execution of this agreement, the Donor shall remit to the State a check or warrant in an amount equal to $1,213,348.95, made payable to the State in accordance with this Agreement. This amount is estimated to be the total of all pre-construction costs, including indirect costs that will be incurred by the State prior to the Donor's receipt of the construction bids.

X. Preliminary Project Development:
The Donor will prepare the preliminary schematic designs for access improvements and submit them to the State for review and approval.

The State, with assistance from the Donor, will conduct any public hearing or meetings required by the State's public involvement processes.

XI. Design:
The Donor will prepare the construction plans, specifications, and cost estimates. The construction plans shall be in a format prescribed by the State and in accordance with the State's current design standards as detailed in the *Highway Design Division Roadway Design Manual*. The specifications shall be the State's *2014 Standard Specifications for Construction and Maintenance of Highways, Streets and Bridges* or its currently approved revisions and any special specifications and provisions as provided by the State. The State will furnish to the Donor the pavement design and any standard design details as may be appropriate for the Project.

The State shall review the plans, specifications, and estimates provided by the Donor upon completion or at any time deemed necessary by the State. Should the State determine that the complete plans, specifications, and estimates are unacceptable, the Donor shall correct the design documents to the State's satisfaction. Should additional specifications or data be required by the State, the Donor shall redesign the plans and specifications to the State's satisfaction. The costs for additional work on the plans, specifications, and estimates shall be borne by the Donor.

The final construction plans furnished to the State shall be in electronic .pdf format and reproducible tracings.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-4
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

XII. Utility Adjustments/Relocations:
The Donor will provide for all utility adjustments or relocations required by construction of the Project, and adjustments and relocations shall conform to the State Utility Accommodation Policy.

If the Project requires the adjustment, removal, or relocation of utility facilities, the Donor and the State will establish the necessary utility work and the Donor will notify the utility owners of this necessity. The Donor shall be responsible for all costs associated with the adjustment, removal, or relocation of utility facilities, and the adjustment, removal, or relocation shall be in accordance with applicable State law, regulations, policies, and procedures. If additional utilities are required to be adjusted, removed, or relocated during the construction of the Project, the Donor will be responsible for all costs associated with the additional work. Utilities will adjust joint use agreements and attach the plan of adjustment.

XIII. Construction Funding:
The State will provide written notification to the Donor outlining the estimated funding necessary for the State's construction inspection and oversight of the Project, including the costs to be incurred by the State to provide any required construction engineering oversight and management services and indirect costs. Within thirty (30) days from receipt of the State's notification, the Donor shall remit to the State a check or warrant for the estimated amount, made payable to the State in accordance with III. Agreement above.

XIV. Design and Construction:
All aspects of the Project shall be carried out in compliance with applicable federal and state laws and regulations. The Project shall be designed and constructed in accordance with the latest state policies, procedures, standards, and guidelines. The Donor shall award and manage all construction work.

XV. State Construction Management:
The State will provide oversight and inspect all work performed and provide whatever engineering inspection and testing services may be required to ensure that the construction is accomplished in accordance with the approved plans and specifications. All correspondence and instructions to the contractor will be the sole responsibility of the Donor under the oversight and with the concurrence of the State.

Upon completion and acceptance of the Project, the State will issue to the Donor a "Final Construction Inspection Report," acknowledging that the Project has been constructed in accordance with the approved plans, specifications, and estimates.

XVI. Maintenance, Control, and Ownership of the Project:
After completion of construction, the Project will be an integral part of the State Highway System and thus under the ownership, control, and jurisdiction of the State. The State will assume full and complete control and operation of the Project. The State does not purport to convey or assign any interest or right of ownership in the completed highway facility to the Donor, its successors, or assigns. The Project may be modified, relocated, closed, or removed at the State's sole discretion. The State will not be held responsible to the Donor for any reimbursement if the Project is modified, relocated, closed, or removed.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

XVII. Insurance:
The Donor shall furnish to the State a completed Certificate of Insurance (Form 1560-CS) and shall maintain the insurance in full force and effect during the period that the Donor or its agents are performing work on the State's right of way. The certificate of insurance must be received by the State before this Agreement is fully executed.

For actual construction of the roadway and its appurtenances, the Donor and its contractors shall furnish a completed Certificate of Insurance and shall maintain the insurance in full force and effect until the construction is completed.

Self-insurance documentation acceptable to the State may be substituted for all or part of the coverage's required above for the Donor, but not for its agents or contractors.

XVIII. Performance and Payment Bonds:
The Donor shall furnish to the State a performance bond if the estimated value of the donation is in excess of $100,000 and a payment bond if the estimated value of the donation is in excess of $25,000. The bonds must be provided before work begins and must be received by the State before this Agreement is fully executed. Bonds must be executed by a corporate surety authorized to do business in this state and licensed by this state to execute the bonds as surety. Bonds must be payable to the State on forms approved by the Attorney General.

If the estimated value of the project increases, the Donor shall notify the State immediately. The State reserves the right to require the donor increase the value of the bonds.

The performance bond is solely for the protection of the State, in the amount of the estimated value of the donation as stated in this Agreement, and conditioned on the faithful performance of the work in accordance with the State-approved plans, specifications and contract documents.

The payment bond is solely for the protection and use of payment bond beneficiaries who have a direct contractual relationship with the Donor to supply public work labor or material and is in the amount of the estimated value of the donation as stated in this Agreement.

The bonds must clearly and prominently display on the bond or on an attachment to the bond:

1. The name, mailing address, physical address, and telephone number, including the area code, of the surety company to which any notice of claim should be sent; or
2. The toll-free telephone number maintained by the Texas Department of Insurance under Subchapter B, Chapter 521, Insurance Code, and a statement that the address of the surety company to which any notice of claim should be sent may be obtained from the Texas Department of Insurance by calling the toll-free telephone number.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-49
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

XIX. Final Accounting:
On completion of the Project, the State will make a final accounting in accordance with its established accounting procedures. Any funds previously deposited by the Donor and not expended for the cost of the work covered under this agreement will be returned to the Donor.

XX. Document and Information Exchange:
The Donor agrees to deliver to the State all general notes, specifications, copies of all contract documents, and related documentation electronically in a Microsoft® Word or similar document. If requested by the State, the Donor will use the State's document template.

XXI. Interest:
The State will not pay interest on funds provided by the Donor. Funds will be deposited into and retained in the State Treasury.

XXII. Increased Costs:
If the State determines at any time that the funding provided by the Donor will be insufficient to cover the State's current cost for oversight of the Donor's work, the Donor will pay to the State the additional funds necessary to cover the anticipated additional cost. The State shall send the Donor a written notification stating the amount of additional funding needed and stating the reasons for the needed additional funds. The Donor shall pay the funds to the State within 30 days of the written notification, unless otherwise agreed to by all parties to this agreement. If the Donor cannot pay the additional funds, the State may terminate the contract.

XXIII. Termination:
If the Donor withdraws from the Project after the agreement is executed, it shall be responsible for all direct and indirect Project costs incurred by the State for the portion of the Project in which the State was participating. Except for the hold harmless provision and as otherwise provided in this paragraph, the termination of this agreement shall extinguish all rights, duties, obligations and liabilities of the State and the Donor under this agreement. If the termination of this agreement is due to the failure of the Donor to fulfill its contractual obligations, the State will notify the Donor that breach of contract has occurred. Within sixty (60) days from the State's written notification, the Donor must remedy the breach as outlined by the State. If the Donor does not remedy the breach, the State may make a claim against the surety under the Performance Bond or take over the Project and prosecute the work to completion. In such case, the Donor shall continue to be liable to the State for the cost of the Project and any additional costs incurred by the State.

XXIV. Sole Agreement:
If the terms of the agreement are in conflict with the provisions of any other existing agreements between the Donor and the State, the latest agreement shall take precedence over the other agreements in matters related to the Project.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-49
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

XXV: Notices:
All notices to either party by the other party will be delivered personally or sent by U.S. Mail, postage prepaid, to the following addresses:

Donor	State
KF Flat Creek, LP Attn: Jeffrey Czar, General Partner 2722 W Biters Rd Ste 106 San Antonio, TX, 78248-1233	Texas Department of Transportation Attn: District Engineer 4615 NW Loop 410 San Antonio, TX, 78229

The notice shall be received by the addressee on the date delivered or deposited in the mail. Either party may change its address by sending written notice of the change to the other in the manner provided.

Each party is signing this agreement on the date stated under that party's signature.

THE STATE

Executed for the Executive Director and approved by the Texas Transportation Commission for the purpose and effect of carrying out the orders, established policies, or work programs approved and authorized by the Texas Transportation Commission.

Texas Department of Transportation

BY: DocuSigned by: 536E5095CADE48A...
AUTHORIZED SIGNATURE

Tim Juro
Contract Support Section Director
TYPED OR PRINTED NAME AND TITLE

DATE: 1/20/2026

THE DONOR

The undersigned signatory warrants that he or she is an official representative of the organization making the donation described and is authorized to make the donation and to enter into this agreement on behalf of the organization.

KF Flat Creek, LP

BY: Signed by: Jeffrey Czar D96EE23AA92E475...
AUTHORIZED SIGNATURE

Jeffrey Czar
General Partner
TYPED OR PRINTED NAME AND TITLE

DATE: 1/16/2026

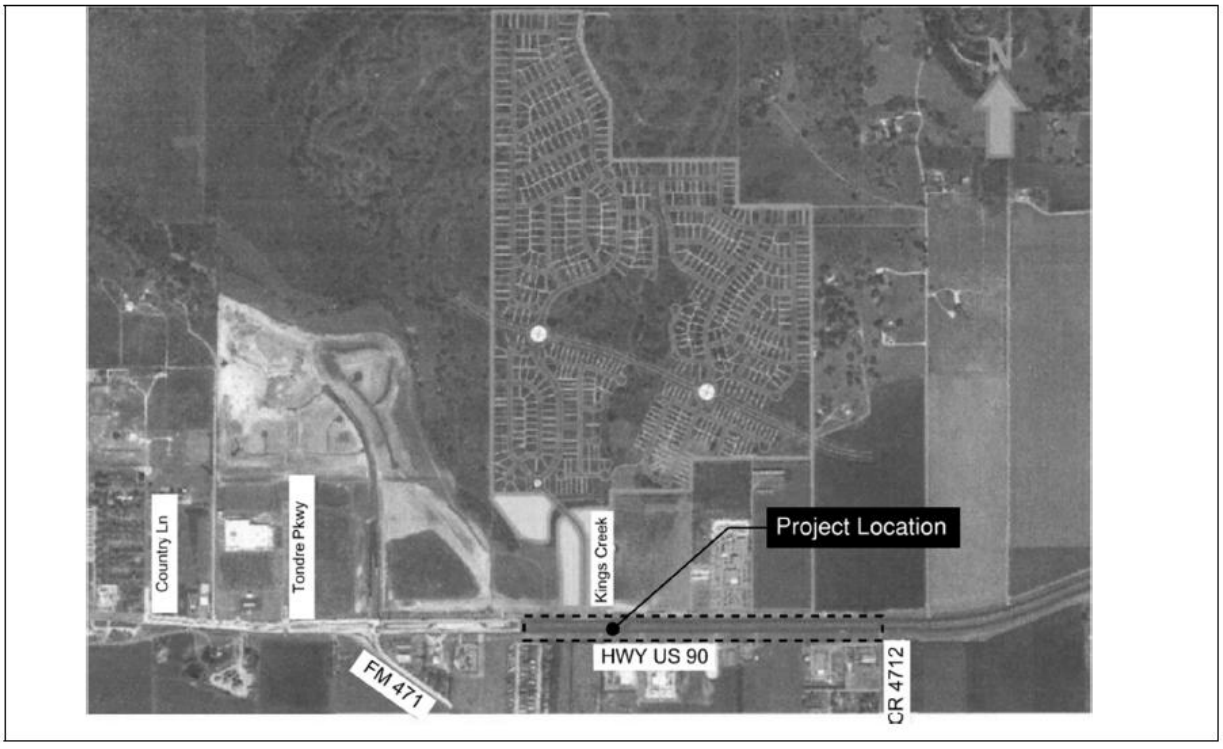
EXHIBITS:
A – Project Location Map

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

EXHIBIT A
PROJECT LOCATION MAP

Flat Creek Subdivision
In Medina County within the City Limits of Castroville
On Highway US-90 Approximately 4.7 Miles W of Highway FM 211
Construct a right turn deceleration lane and partial median U-turn (PMUT) on US-90 to mitigate the traffic impact for the proposed Flat Creek residential subdivision. Construction will also include the removal of two (2) existing median opening crossovers and rehabilitation (mill and overlay) of existing US-90 travel lanes and shoulder within the overall work zone west of County Road 4712 in Castroville, TX.



Donor: KF Flat Creek, LP *(Legal Entity Name responsible for donation as listed with Secretary of State's Office)*
Point of Contact and Title: Jeffrey Czar - General Partner
Mailing Address: 2722 W Bitters Rd Ste 106 San Antonio, TX, 78248-1233
Phone Number: (512) 848-1370
e-mail: Jeff@kingfishtx.com
Estimated Dollar Value of the Donation: $1,213,348.95

Mary Stewart

From: Jason Gunn <Jason.Gunn@txdot.gov>
Sent: Thursday, June 12, 2025 9:20 AM
To: Lance Elling; Oscar Dominguez; Mary Stewart
Subject: [External Email] FW: Flat Creek US-90 REVISED SWMP and additional info we requested

*****From IT@KCI.COM 410-316-7820 *** This is an External Email from outside of KCI.*****

FYI, the SWMP has been approved for the development.

Jason Gunn
Technical Project Manager
830-741-6627 (Office)
830-423-4690 (Cell)
Hondo Area Office
San Antonio District

From: Antonio Leyva <Manuel.Leyva@txdot.gov>
Sent: Thursday, June 12, 2025 9:19 AM
To: Jason Gunn <Jason.Gunn@txdot.gov>
Cc: Jorge AlcocerRubio <Jorge.AlcocerRubio@txdot.gov>
Subject: RE: Flat Creek US-90 REVISED SWMP and additional info we requested

Jason,

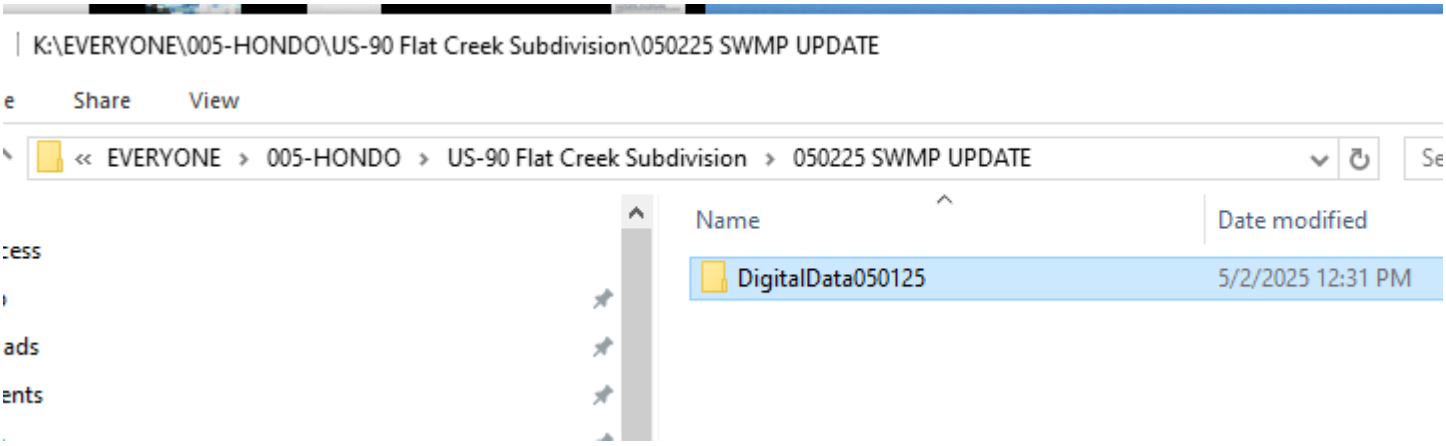
The consultant made the required changes to SWMP. This is approved for drainage review. Thank you.

M.Antonio Leyva, P.E.
District Hydraulic Engineer
San Antonio District
4615 NW Loop 410 | San Antonio, Texas 78229
210.615.5834 (Office)
210.309.6401 (Mobile)
manuel.leyva@txdot.gov

From: Jason Gunn <Jason.Gunn@txdot.gov>
Sent: Friday, May 2, 2025 12:56 PM
To: Antonio Leyva <Manuel.Leyva@txdot.gov>; Jorge AlcocerRubio <Jorge.AlcocerRubio@txdot.gov>
Subject: Flat Creek US-90 REVISED SWMP and additional info we requested

Antonio,

KCI has submitted the information I uploaded in the folder shown below in your shared drive. Please review and let me know if you'd like me to set up another meeting with them or if we have recommended approval. Thank you sir!!



Jason Gunn
Technical Project Manager
830-741-6627 (Office)
830-423-4690 (Cell)
Hondo Area Office
San Antonio District

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE FLAT CREEK SUBDIVISION

CASTROVILLE, TEXAS

AFTER RECORDING, RETURN TO:

Declarant:

KF Flat Creek, LP,
a Texas limited partnership
2722 West Bitters Road, Suite 106
San Antonio, Texas 78248

Association:

Flat Creek Castroville Property Owners' Association, Inc.,
a Texas non-profit corporation
2611 N Loop 1604 W, Suite 100
San Antonio, Texas 78258

with a copy to:

Melissa Killen
Killen, Griffin & Farrimond, PLLC
10101 Reunion Place, Suite 250
San Antonio, Texas 78216
Email: melissa@kgftx.com

TABLE OF CONTENTS

ARTICLE 1 RECITALS; CONSTRUCTION OF TERMS; DEFINITIONS 7

1.1 **Recitals.** 7
1.2 **Construction of Terms.** 7
1.3 **Definitions.** 7

ARTICLE 2 GENERAL AND USE RESTRICTIONS 11

2.1 **General.** 11
2.2 **Conceptual Plans.** 12
2.3 **Subdividing; Consolidation.** 12
2.4 **Use and Activities.** 12
2.5 **Rubbish and Debris.** 15
2.6 **Trash Containers.** 15
2.7 **Unsightly Articles; Vehicles.** 15
2.8 **Outside Burning.** 16
2.9 **Hazardous Activities.** 16
2.10 **Animals - Household Pets.** 16
2.11 **Maintenance.** 16
2.12 **Antennas.** 17
2.13 **Signs.** 18
2.14 **Flags.** 19
2.15 **Tanks.** 20
2.16 **Temporary Improvements.** 20
2.17 **Party Wall Fences.** 20
2.18 **Playscapes and Sports Courts.** 21
2.19 **Water Quality Facilities, Drainage Facilities and Drainage Ponds.** 22
2.20 **Cell Tower and Telecommunications Equipment.** 22
2.21 **Swimming Pools.** 22
2.22 **Retaining Walls.** 22
2.23 **Solar Energy Device.** 23
2.24 **Rainwater Harvesting Systems.** 24
2.25 **Reserved.** 24
2.26 **Decorations.** 25

ARTICLE 3 CONSTRUCTION RESTRICTIONS 25

3.1 **Construction of Improvements.** 25
3.2 **Utility Lines.** 26
3.3 **Garages.** 26
3.4 **Fences, Walls, and Hedges.** 26
3.5 **Driveways and Sidewalks.** 26
3.6 **Roofing.** 26
3.7 **HVAC Location.** 27
3.8 **Drainage.** 27

3.9 **Construction Activities.** 27

ARTICLE 4 STREET LANDSCAPE 28

4.1 **Owner's Obligation to Maintain Street Landscape.** 28

ARTICLE 5 COMPLIANCE; LIABILITY; RELEASE 29

5.1 **Compliance with Restrictions.** 29
5.2 **Liability of Owners for Damage to Common Area.** 29
5.3 **Release.** 30

ARTICLE 6 FLAT CREEK CASTROVILLE PROPERTY OWNERS' ASSOCIATION 30

6.1 **Organization.** 30
6.2 **Mandatory Membership.** 30
6.3 **Governance.** 30
6.4 **Voting Allocation.** 30
6.5 **Powers; Transfer and Resale Certificate Fees.** 31
6.6 **Conveyance of Common Area to the Association.** 33
6.7 **Indemnification.** 34
6.8 **Insurance.** 35
6.9 **Bulk Rate Contracts.** 35
6.10 **Community Services and Systems.** 35
6.11 **Protection of Declarant's Interests.** 36
6.12 **Administration of Common Area.** 36
6.13 **Right of Action by Association.** 36
6.14 **Maintenance Agreement with City.** 37

ARTICLE 7 INSURANCE; RESTORATION; MECHANIC'S AND MATERIALMEN'S LIEN 37

7.1 **Insurance.** 37
7.2 **Restoration.** 38
7.3 **Mechanic's and Materialmen's Lien.** 38

ARTICLE 8 COVENANT FOR ASSESSMENTS 39

8.1 **Assessments.** 39
8.2 **Maintenance Fund.** 39
8.3 **Regular Assessments.** 39
8.4 **Working Capital Assessment.** 40
8.5 **Special Assessments.** 40
8.6 **Individual Assessments.** 40
8.7 **Amount of Assessment.** 41
8.8 **Late Charges.** 41
8.9 **Owner's Personal Obligation; Interest.** 41
8.10 **Assessment Lien and Foreclosure.** 42

8.11 **Fines and Damages Assessment.** 43
8.12 **Alternative Payment Schedule.** 44
8.13 **Remedial Options.** 44

ARTICLE 9 ARCHITECTURAL CONTROL COMMITTEE 44
9.1 **Architectural Control Committee.** 45

ARTICLE 10 MORTGAGE PROVISIONS 48
10.1 **Notice of Action.** 48
10.2 **Examination of Books.** 49
10.3 **Taxes, Assessments and Charges.** 49

ARTICLE 11 EASEMENTS AND COMMON AREAS 49
11.1 **Easements - General.** 49
11.2 **Right of Ingress and Egress.** 49
11.3 **Reserved Easements.** 50
11.4 **Roadway and Utility Easements.** 50
11.5 **Entry and Fencing Easement.** 50
11.6 **Landscape, Monumentation and Signage Easement.** 51
11.7 **Easement for Special Events.** 51
11.8 **Solar Equipment Easement.** 51
11.9 **Cellular Tower and Telecommunications Easement.** 51
11.10 **Easement to Inspect and Right to Correct.** 52
11.11 **Owner's Rights of Access and Enjoyment.** 52
11.12 **Easements for Utilities and Public Services.** 53
11.13 **Easements for Association.** 54

ARTICLE 12 DEVELOPMENT RIGHTS 54
12.1 **Development by Declarant.** 54
12.2 **Special Declarant Rights.** 54
12.3 **Addition of Land.** 55
12.4 **Withdrawal of Land.** 55
12.5 **Notice of Plat Recordation.** 55
12.6 **Assignment of Declarant's Rights.** 56

ARTICLE 13 GENERAL PROVISIONS 56
13.1 **Term.** 56
13.2 **Eminent Domain.** 56
13.3 **Amendment.** 56
13.4 **Enforcement.** 57
13.5 **No Warranty of Enforceability.** 57
13.6 **Severability.** 57

13.7 **Conflicts.** 57
13.8 **Gender.** 58
13.9 **Acceptance by Owners.** 58
13.10 **Damage and Destruction.** 58
13.11 **No Partition.** 59
13.12 **View Impairment.** 59
13.13 **Safety and Security.** 59
13.14 **Notices.** 60
13.15 **Mining and Drilling.** 60
13.16 **Fine Authority; Corrective Action.** 60
13.17 **Management Certificate.** 61
13.18 **Merger and Consolidation.** 61
13.19 **Dissolution.** 61
13.20 **Notice of Sale or Transfer of Title.** 61

ARTICLE 14 DISPUTE RESOLUTION 62

14.1 **Introduction and Definitions.** 62
14.2 **Mandatory Procedures.** 63
14.3 **Claim Affecting Common Areas.** 63
14.4 **Claim by Lot Owners.** 66
14.5 **Notice.** 66
14.6 **Negotiation.** 67
14.7 **Mediation.** 67
14.8 **Binding Arbitration-Claims.** 67
14.9 **Allocation Of Costs.** 69
14.10 **General Provisions.** 69
14.11 **Period of Limitation.** 69
14.12 **Funding the Resolution of Claims.** 70

NOTICE
This Declaration is subject to change from time to time. By being an Owner or Resident of a Lot, you agree to remain in compliance with the Declaration (and any amendments thereto).

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
for the
FLAT CREEK SUBDIVISION

This Declaration of Covenants, Conditions and Restrictions for the Flat Creek Subdivision (the **"Declaration"**) is made, as of the date hereinafter set forth, by **KF Flat Creek, LP,** a Texas limited partnership (the **"Declarant"**), and is as follows:

RECITALS

WHEREAS, this Declaration is filed and Recorded (as defined herein) with respect to that certain real property, of approximately 254.69 acres, located within the municipal corporate boundaries of the City of Castroville ("City"), Medina County ("County"), Texas, as more particularly described on **Exhibit "A"** attached hereto and incorporated herein for all purposes (the **"Property"**); and

WHEREAS, Declarant is the fee-simple owner of the Property; and

WHEREAS, Declarant desires to create and carry out a uniform plan for the development, improvement, use, and sale of the Property for the benefit of all Owners (as defined herein); and

WHEREAS, Declarant imposes this Declaration on all Owners, occupants, and any other person or entity holding an interest in a Lot (as defined herein); and

WHEREAS, by the Recording of this Declaration, Declarant serves notice that the Property is subject to the terms and provisions of this Declaration; and

WHEREAS, this Declaration is intended to run with the land and bind all Owners, occupants, and any other person or entity holding an interest in a Lot; and

WHEREAS, all Owners and other occupants of the Lots by their acceptance of their deeds, leases, or occupancy of any Lot agree that the Property is subject to this Declaration; and

WHEREAS, each Owner and occupant of a Lot agrees to comply with the Dedicatory Instruments (as defined herein) and agrees that failure to comply may subject him/her to a fine, an action for amounts due to the Association (as defined herein), damages, or injunctive relief; and

NOW, THEREFORE, it is hereby declared: (i) that the Property (or any portion thereof) shall be held sold, conveyed, and occupied subject to the following covenants, conditions and restrictions which shall run with such portions of the Property and shall be binding upon all parties having right, title, or interest in or to such portions of the Property or any part thereof, their heirs, successors, and assigns and shall inure to the benefit of each Owner thereof; and (ii) that each contract or deed conveying the Property (or any portion thereof) shall conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions and restrictions, regardless of whether or not the same are set out in full or by reference in said contract or deed.

ARTICLE 1
RECITALS; CONSTRUCTION OF TERMS; DEFINITIONS

1.1 Recitals. The recitals set forth above are hereby fully incorporated in and made a part of this Declaration as if set forth verbatim.

1.2 Construction of Terms. Unless otherwise stated herein, all terms and phrases defined in this Declaration shall have the meanings and definitions ascribed thereto. If appropriate, in the context of this Declaration, terms that have well known technical, municipal, or construction or development industry meanings shall be used in accordance with such recognized meanings, unless otherwise defined herein or unless the context clearly indicates a different meaning. The titles given to any article or section of this Declaration are for convenience or reference only and are not intended to modify the meaning of the article or section.

1.3 Definitions.

"Applicable Law" shall mean and refer to the statutes and public laws and ordinances in effect at the time a provision of the Dedicatory Instruments is applied, and pertaining to the subject matter of the provision. Statutes and ordinances specifically referenced in the Dedicatory Instruments are "Applicable Law" on the date of the Dedicatory Instruments, and are not intended to apply to the Property if they cease to be applicable by operation of law, or if they are replaced or superseded by one or more other statutes or ordinances.

"Architectural Control Committee" or **"ACC"** shall mean and refer to the committee created pursuant to this Declaration (and/or Bylaws) to review and approve or deny plans for the construction, placement, modification, alteration or remodeling of any Improvements on a Lot. As provided in Article 9 below, the Declarant acts as the ACC and the ACC is not a committee of the Association until the Declarant has assigned its right to appoint and remove all ACC members to the Association in a Recorded written instrument.

"Assessment" or **"Assessments"** shall mean and refer to the assessments imposed and/or levied by the Association under this Declaration, including, but not limited to, the Assessments described and payable pursuant to Article 8 of this Declaration and any other amounts or sums due by any Owner to the Association pursuant to the provisions of this Declaration, Dedicatory Instruments, and Applicable Law.

"Association" shall mean and refer to **FLAT CREEK CASTROVILLE PROPERTY OWNERS' ASSOCIATION, INC.,** a Texas non-profit corporation, incorporated under the laws of the State of Texas, its successors and assigns, which was created by Declarant to exercise the authority and assume the powers

specified in Article 6 and elsewhere in this Declaration. The failure of the Association to maintain its corporate charter from time to time does not affect the existence or legitimacy of the Association, which derives its authority from this Declaration, the Certificate, the Bylaws, and Applicable Law.

"Board" shall mean and refer to the Board of Directors of the Association, which is the governing body of the Association.

"Bulk Rate Contract" or "Bulk Rate Contracts" shall mean and refer to one or more contracts which are entered into by the Association for the provision of utility services or other services of any kind or nature to the Lots and/or the Property. The services provided under Bulk Rate Contracts may include, without limitation, cable television services, telecommunications services, internet access services, "broadband" services, security services, trash pick-up services, propane service, natural gas service, lawn maintenance services, wastewater services, and any other services of any kind or nature which are considered by the Board to be beneficial to all or a portion of the Property. Each Bulk Rate Contract shall be approved in advance and in writing by the Declarant until expiration or termination of the Development Period.

"Bylaws" shall mean and refer to the bylaws of the Association, as the same may be amended from time to time.

"Certificate" shall mean and refer to the Certificate of Formation of the Association, filed in the Office of the Secretary of State of Texas, as the same may be amended from time to time.

"City" shall mean and refer to the home-rule municipality of the City of Castroville, Texas.

"Common Area" shall mean and refer to any and all real and personal property, easements, and facilities (together with the Improvements located thereon and any and all other interests therein) that the Association owns or in which it otherwise holds rights or obligations, including any and all real and personal property, easements, and facilities (together with the Improvements located thereon and any and all other interests therein) held by the Declarant, the Association, or otherwise for the benefit of the Association or its Members. Common Area includes any and all real and personal property that the Association holds under a lease, license, or any easement in favor of the Association. "Common Area" shall also include and mean and refer to all property within any applicable Plat/Conceptual Plan not designated as a Lot on such Plat/Conceptual Plan for a Residence and that has not been accepted for maintenance by the applicable governmental body; by way of example, and without limitation, such Common Areas may include areas designated as park, open space, detention, and private streets. Declarant may convey the Common Area to the Association. Some Common Areas may be solely for the common use and enjoyment of the Owners, while other portions of the Common Area may be for the use and enjoyment of the Owners and members of the public.

"Community Manual" shall mean and refer to the community manual, which may be initially adopted and Recorded by the Declarant as part of the initial project documentation for the benefit of the Association and the Property. The Community Manual may include the Bylaws, Rules and Regulations and/or other policies governing the Association. The Community Manual may be amended or supplemented, from time to time, by the Declarant acting alone, in its sole and absolute discretion, during the Development Period. Any amendment to the Community Manual, prosecuted by the Board, shall be approved in writing by the Declarant until expiration or termination of the Development Period.

"Community Systems" shall mean and refer to any and all cable television, telecommunications, alarm/monitoring, internet, telephone or other lines, conduits, wires, amplifiers, towers, antennas, satellite dishes, equipment, materials and installations and fixtures (including those based on, containing and serving

future technological advances not now known), if installed by Declarant pursuant to any grant of easement or authority by Declarant within the Property.

"Declarant" shall mean and refer to KF Flat Creek, LP, a Texas limited partnership, its successors or assigns; provided that any assignment(s) of the rights of KF Flat Creek, LP, a Texas limited partnership, as Declarant, or such successor Declarant, as may hereafter be designated, shall be expressly set forth in writing and Recorded. Upon such designation of a successor Declarant and/or any such assignment of rights, all rights of the former Declarant hereunder shall cease. Pursuant to certain provisions of this Declaration, the Certificate, and the Bylaws, the Declarant is granted the right during the Declarant Control Period (as defined in the Bylaws), to appoint and remove the members of the Board and the right to disapprove any actions, policies, and programs of the Board and/or its committees in its sole and absolute discretion.

"Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for the Flat Creek Subdivision (a residential subdivision), as it may hereafter be amended in accordance with the provisions hereof.

"Dedicatory Instruments" shall mean and refer to this Declaration, the Certificate, Bylaws, Rules and Regulations, Design Guidelines, Community Manual, standards of the ACC, any other rules and regulations promulgated by the Association and/or Declarant pursuant to this Declaration, and/or any other instrument covering the establishment, maintenance, and operation of the Flat Creek Subdivision, as each may be amended and supplemented from time to time. Any amendment to the Dedicatory Instruments, governing the Association, prosecuted by the Board, shall be approved in advance and in writing by the Declarant until expiration or termination of the Development Period. See **Exhibit D** for a summary of the Dedicatory Instruments.

"Design Guidelines" shall mean and refer to the standards for design, construction, landscaping, and exterior items proposed to be placed on any Lot adopted pursuant to Section 9.1.3, as the same may be amended from time to time. The Design Guidelines may consist of multiple written design guidelines applying to specific portions of the Property. At Declarant's option (during the Development Period), Declarant may adopt or amend from time to time the Design Guidelines for the Property or any portion thereof. The Design Guidelines also include the Landscaping Design Guidelines provided in Section 9.1.3.1.

"Development Agreement" shall mean and refer to that certain agreement, recorded in the Official Public Records of Medina County, Texas, under Document No. 2024007632, which encumbers the Property and imposes certain conditions and requirements associated with the development of the Property.

"Development Period" shall mean and refer to the period of time beginning on the date when this Declaration has been Recorded, and ending twenty-four (24) months after the date that Declarant no longer owns any portion of the Property, unless earlier terminated by a Recorded written instrument executed by the Declarant. The Development Period is the period in which Declarant reserves the right to facilitate the development, construction, and marketing of the Property, and the right to direct the size, shape and composition of the Property.

"Homebuilder" shall mean and refer to an Owner (other than the Declarant) who acquires a Lot, within the Property, for the construction of a Residence for resale to a third party.

"Improvement" shall mean and refer to all physical enhancements and alterations to the Property (other than a Residence), including but not limited to grading, clearing, removal of trees, alteration of drainage

flow, and site work, and every structure and all appurtenances of every type and kind, whether temporary or permanent in nature, including, but not limited to, buildings, outbuildings, storage sheds, patios, tennis courts, sport courts, recreational facilities, swimming pools, putting greens, garages, driveways, parking areas and/or facilities, storage buildings, sidewalks, fences, gates, screening walls, retaining walls, stairs, patios, decks, walkways, landscaping, mailboxes, poles, signs, antennas, exterior air conditioning equipment or fixtures, exterior lighting fixtures, water softener fixtures or equipment, and poles, pumps, wells, tanks, reservoirs, pipes, lines, meters, antennas, towers and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or other utilities.

"Lot" shall mean and refer to any portion of the Property, other than Common Areas, either designated by Declarant or as shown as a subdivided lot (or any portion thereof) on a Plat/Conceptual Plan planned for a Residence (including any Improvements on such designated portions of the Property). More specifically, "Lot" shall mean and refer to any portion of the Property, whether developed or undeveloped, whether platted or un-platted, upon which a Residence has been constructed or it is intended by the Declarant that a Residence be constructed, excluding reserve tracts and areas designated as park, open space, detention, private streets, and/or other Common Areas, but including lots created by the platting/replatting or subdividing of a reserve tract for a Residence. "Lots" shall mean and refer to each Lot and all of them. In the case of a parcel of land planned for a Residence, which has not been formally platted or replatted into the proposed Lots, the parcel shall be deemed to contain the number of Lots designated by the Declarant on the development plan for such parcel of land unless or until a different number of Lots is platted or subdivided for a Residence.

"Majority" shall mean and refer to more than fifty percent (50%).

"Manager" shall have the meaning set forth in Section 6.5.8.

"Member" or **"Members"** shall mean and refer to every Owner, person, and/or entity entitled to membership in the Association, as provided herein (and the Bylaws).

"Mortgage" or **"Mortgages"** shall mean and refer to any mortgage(s), deed(s) of trust, or other similar security instrument granting, creating, or conveying a lien or security interest upon a Lot.

"Mortgagee" or **"Mortgagees"** shall mean and refer to the beneficiary(ies) or holder(s) of any Mortgage(s).

"Owner" shall mean and refer to the person(s), entity or entities, including Declarant, of record, holding all or a portion of the fee simple interest in any Lot (or portion thereof), but does not include the Mortgagee under a Mortgage prior to its acquisition of fee simple interest in such Lot (or portion thereof) pursuant to foreclosure of the lien of its Mortgage, those having an interest merely as security for the performance of an obligation, and/or those owning an interest in the mineral estate.

"Plat" shall mean and refer to a Recorded subdivision plat of any portion of the Property, and any amendments thereto.

"Property" shall mean and refer to that certain real property, of approximately 254.69 acres, located in the municipal corporate boundaries of the City of Castroville, Medina County, Texas, as more particularly described on **Exhibit A** attached hereto, subject to such additions thereto and deletions therefrom as may be made pursuant to Section 12.3 and Section 12.4 of this Declaration. The legal description, as of the date hereof, being, generally, described by the County Appraisal District as: A1259 L. M. COLLARD SURVEY 97; ACRES 119.628; A1269 J. FISHER SURVEY 5; 20.6 ACRES; A1269 J. FISHER SURVEY 5; 22.53 ACRES; A1269 J. FISHER SURVEY 5; ACRES 27.055; A1348 R. WITTMAN SURVEY 4; 20.861

ACRES; A1348 R. WITTMAN SURVEY 4; 21.364 ACRES; and A1348 R. WITTMAN SURVEY 4; 19.05 ACRES (*also referred to as* County Appraisal District Property ID Nos. 10599; 10669; 10660; 11093; 10659; 11092; 10671; and 11094). In the event of a conflict between the property descriptions described herein, Exhibit A shall control, subject to such additions thereto and deletions therefrom as may be made pursuant to Section 12.3 and Section 12.4 of this Declaration.

"Record," "Recording," "Recordation," or **"Recorded"** shall mean and refer to the applicable document recorded or to be recorded in the Official Public Records of Medina County, Texas.

"Renting" shall mean and refer to granting the right to occupy and use a Residence (or portion thereof) in exchange for consideration. The term Renting shall include leasing.

"Residence" shall mean and refer to a detached, single-family building designed for and used as a dwelling by a Single Family and constructed on a Lot.

"Resident" shall mean and refer to an occupant or tenant of a Lot (or any portion thereof), regardless of whether the person owns the Lot.

"Rules and Regulations" shall mean and refer to any instrument, however denominated, which is adopted by the Board for the regulation and management of the Property or the Common Area (or adopted by the Declarant during the Development Period), including any amendments to those instruments. The Rules and Regulations may include, but are not limited to, the following: the Guidelines for Alternative Payment Plans, the Records Retention Policy, the Records Production and Copying Policy, the Fine and Enforcement Policy, and the Management Certificate.

"Single Family or Single Families" shall mean and refer to a group of individuals related by blood, adoption, or marriage or a number of unrelated roommates not exceeding the number of bedrooms in a Residence.

"Solar Energy Device" shall mean and refer to a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy; the term includes a mechanical or chemical device that has the ability to store solar-generated energy for use in heating or cooling or in the production of power.

ARTICLE 2

GENERAL AND USE RESTRICTIONS

All of the Property shall be owned, held, encumbered, leased, used, occupied, and enjoyed subject to the following limitations and restrictions:

2.1 General.

2.1.1 Conditions and Restrictions. All Lots within the Property shall be owned, held, encumbered, rented/leased, used, occupied and enjoyed subject to this Declaration, including the Dedicatory Instruments. Moreover, in addition to Rules and Regulations that may be established by the Board or Declarant, and penalties for violations thereof, each Lot shall be subject to the rules and restrictions of this Declaration (particularly, this Article), which may affect each Lot's use and activities.

2.1.2 Ordinances. The Applicable Law, as well as the ordinances and requirements imposed by local governmental authorities, is applicable to all Lots within the Property. Compliance with this Declaration, including the Dedicatory Instruments, is not a substitute for compliance with Applicable Law (as well as the ordinances and requirements imposed by local governmental authorities). **PLEASE BE ADVISED THAT THIS DECLARATION AND THE DEDICATORY INSTRUMENTS DO NOT PURPORT TO LIST OR DESCRIBE EACH RESTRICTION WHICH MAY BE APPLICABLE TO A LOT LOCATED WITHIN THE PROPERTY. EACH OWNER IS ADVISED TO REVIEW THE APPLICABLE LAW, ALL ORDINANCES, REQUIREMENTS, REGULATIONS AND ENCUMBRANCES AFFECTING THE USE AND IMPROVEMENT OF THEIR LOT PRIOR TO SUBMITTING PLANS TO THE ACC FOR APPROVAL. FURTHERMORE, APPROVAL BY THE ACC SHOULD NOT BE CONSTRUED BY THE OWNER THAT ANY IMPROVEMENT COMPLIES WITH THE TERMS AND PROVISIONS OF THE APPLICABLE LAW OR ANY ORDINANCES, REQUIREMENTS, REGULATIONS OR ENCUMBRANCES WHICH MAY AFFECT THE OWNER'S LOT.**

2.2 Conceptual Plans. All master plans, site plans, concept plans/preliminary concept plans, brochures, illustrations, information and marketing materials relating to the Property or the Common Area (collectively, the **"Conceptual Plans"**) are conceptual in nature and are intended to be used for illustrative purposes only. The land uses, Residences, and Improvements, reflected on the Conceptual Plans, are subject to change at any time, and from time to time, and it is expressly agreed and understood that land uses within the Property or the Common Area may include uses which are not shown on the Conceptual Plans. Neither Declarant nor any Homebuilder or other developer of any portion of the Property or the Common Area makes any representation or warranty concerning such land uses, Residences and Improvements shown on the Conceptual Plans or otherwise planned for the Property or the Common Area and it is expressly agreed and understood that no Owner shall be entitled to rely upon the Conceptual Plans or any statements made by the Declarant or any of Declarant's representatives regarding the proposed land uses, or proposed or planned Residences/Improvements in making the decision to purchase any land, Residences, or Improvements within the Property. Each Owner who acquires a Lot within the Property acknowledges that development of the Property and/or the Common Area shall likely extend over many years, and agrees that the Association shall not engage in, or use Association funds to support, protest, challenge, or make any other form of objection to development of the Property or the Common Area or changes in the Conceptual Plans, as they may be amended or modified from time to time. The "Preliminary Concept Plan" (as may be amended from time to time) is attached hereto as **Exhibit B** and incorporated herein for all purposes.

2.3 Subdividing; Consolidation. No Lot shall be further divided or subdivided, nor may any easements or other interests therein, less than the whole, be conveyed by the Owner thereof, without the prior written approval of the ACC; provided, however, that when Declarant is the Owner thereof, Declarant may further divide and subdivide any Lot and convey any easements or other interests, less than the whole, all without the approval of the ACC. An Owner of adjoining Lots, with ACC approval, may consolidate those Lots into one site for the construction of a Residence on a Lot.

2.4 Use and Activities.

2.4.1 Permitted Use. Except as otherwise provided in this Declaration (or Dedicatory Instruments), a Lot may be used only for a Residence and approved Improvements associated with such Residence for Single Family purposes.

No professional, business, or commercial activity to which the general public is invited shall be conducted on any Lot, except an Owner or Resident may conduct business activities within a Residence so long as: (i) such activity complies with all Applicable Law; (ii) participation in the business activity is limited to the Owner(s) or Resident(s) of a Residence constructed in the Lot; (iii) the existence or operation of the business activity is not apparent or detectable by sight, i.e., no sign may be erected advertising the business on any Lot, sound, or smell from outside the Residence; (iv) the business activity does not involve door-to-door solicitation of Residents within the Property; (v) the business does not, in the Board's judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles parked within the Property which is noticeably greater than that which is typical of Residences in which no business activity is being conducted; (vi) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other Residents of the Property as may be determined in the sole discretion of the Board; and (vii) the business does not require the installation of any machinery other than that customary to normal household operations. In addition, for the purpose of obtaining any business or commercial license, neither the Residence nor the Lot shall be considered open to the public. The term "business," as used in this provision, shall be construed to have its ordinary, generally accepted meaning and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (a) such activity is engaged in full or part-time; (b) such activity is intended to or does generate a profit; or (c) a license is required.

Renting of a Residence shall not be considered a business within the meaning of this subsection. This subsection shall not apply to any activity conducted by the Declarant or a Homebuilder.

2.4.2. Prohibited Activities. *Except as otherwise provided in this Declaration (or Dedicatory Instruments),* activities and uses that are expressly prohibited include the following:

a. any activity that is otherwise prohibited by the Dedicatory Instruments;

b. any illegal activity;

c. any nuisance, noxious, or offensive activity;

d. any dumping of rubbish;

e. any storage of—

i. building materials except during the construction or renovation of a Residence or Improvement;

ii. vehicles, except vehicles in a garage or Improvement or operable automobiles on a driveway; or

iii. unsightly objects unless completely shielded by an Improvement;

f. any exploration for or extraction of minerals;

g. any keeping or raising of animals, livestock, or poultry, except for common domesticated household pets, such as dogs and cats, confined to a fenced yard or within the Residence;

h. any commercial or professional activity except reasonable home office use;

i. installing a mobile home, manufactured home, manufactured housing, motor home, or house trailer on a Lot;

j. moving a previously constructed house onto a Lot; and

k. hunting and shooting.

2.4.3 Renting of Residence. The Renting of Residences is permitted subject to the following conditions:

a. No portion of the Property may be used as an apartment house, flat, lodging house, hotel, bed and breakfast lodge, or any similar purpose, and only the Residence constructed on a Lot may be rented/leased, which shall be only for Single Family purposes for a lease term of no less than six (6) months; and

b. all leases shall be in writing and shall be made subject to the Dedicatory Instruments; and

c. an Owner is responsible for providing the Owner's Resident with copies of the Dedicatory Instruments and notifying the Resident of changes thereto; and

d. each Resident is subject to and shall comply with all provisions of the Dedicatory Instruments; and

e. an Owner must engage with a property management company for any Renting of a Residence; and unless prohibited by Applicable Law, or otherwise approved by the Board, all Owners must utilize the same property management company, which shall be chosen and established by resolution of the Board; additionally, all signage and marketing on the Property, for any Renting of a Residence, shall be prohibited, unless prior approval by the Board is obtained; and

f. written notice of any rental agreement/lease, together with such additional information as may be required by the Board, shall be remitted to the Association by the Owner on or before the expiration of ten (10) days after the effective date of the rental agreement/lease.

2.4.5 Development Period. Notwithstanding any provision in this Declaration to the contrary, until the expiration or termination of the Development Period:

(i) Declarant and/or its licensees may construct and maintain upon portions of the Common Area, any Lot, or portion of the Property owned by the Declarant, such facilities and may conduct such activities which, in Declarant's sole opinion, may be reasonably required,

convenient, or incidental to the construction or sale of Residences constructed upon the Lots, including, but not limited to, business offices, signs, model homes, and sales offices. Declarant and/or its licensees shall have an easement over and across the Common Area for access and use of such facilities at no charge; and

(ii) Declarant and/or its licensees shall have an access easement over and across the Common Area for the purpose of making, constructing and installing Improvements upon the Common Area.

2.5 Rubbish and Debris. As determined by the Board, no rubbish or debris of any kind may be placed or permitted to accumulate on or within the Property, and no odors shall be permitted to arise therefrom so as to render all or any portion of the Property unsanitary, unsightly, offensive, or detrimental to any other property or Residents. Refuse, garbage, and trash shall be kept at all times in covered containers, and such containers shall be kept within enclosed structures or appropriately screened from view. Each Owner shall contract with an independent disposal service to collect all garbage or other wastes, if such service is not provided by a governmental entity or the Association.

2.6 Trash Containers. Except for consecutive twelve (12) hour periods before and after any designated waste pick-up time, trash containers and recycling bins shall be stored behind a fence or in the garage of a Residence, so as to not be visible from the street / alley or neighboring or adjoining or adjacent Residences. The Board shall have the right to specify additional locations on each Owner's Lot in which trash containers or recycling bins shall be stored.

2.7 Unsightly Articles; Vehicles. No article deemed to be unsightly by the Board shall be permitted to remain on any Lot so as to be visible from adjoining property or from public or private thoroughfares. Without limiting the generality of the foregoing, trailers, graders, trucks other than pickups, tractors, boats, campers, wagons, buses, motorcycles, motor scooters, all-terrain vehicles and garden maintenance equipment shall be kept at all times, except when in actual use, in enclosed structures or screened from view and no repair or maintenance work shall be done on any of the foregoing, or on any vehicles (other than minor emergency repairs), except in enclosed garages or other structures. Service areas, storage areas, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from view, and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials, scrap, refuse or trash shall be kept, stored, or allowed to accumulate on any portion of the Property except within enclosed structures or appropriately screened from view. No racing vehicles or any other vehicles (including, without limitation, motorcycles or motor scooters) that are inoperable or do not have a current license tag shall not be permitted to remain visible on any Lot or to be parked on any roadway within the Property or Common Area.

Unless otherwise provided herein, parking of commercial vehicles or equipment, recreational vehicles, boats and other watercraft, trailers, stored vehicles or inoperable vehicles in places other than: (i) in enclosed garages; and (ii) behind a fence so as to not be visible from any other portion of the Property, is prohibited; provided, construction, service and delivery vehicles may be exempt from this provision for such period of time as is reasonably necessary to provide service or to make a delivery to a Residence.

The storage of vehicles on streets or within road rights-of-way, within the Property, is specifically prohibited. Any vehicle parked or left, not in accordance with this Section, shall be considered a nuisance.

The term "vehicle," as used herein, shall refer to all vehicles including, without limitation, automobiles, trucks, motor homes recreational vehicles, boats, trailers, motorcycles, minibikes, scooters, go-carts, campers buses, and vans, including such vehicles with the motor removed.

2.8 Outside Burning. No exterior fires are permitted with the exception of barbecues, outside fireplaces, braziers and incinerator fires that are contained within facilities or receptacles and in areas designated and approved by the Board. No Owner may permit any condition upon its portion of the Property which creates a fire hazard or violates Applicable Law.

2.9 Hazardous Activities. No activities may be conducted on or within the Property and no Improvements may be constructed on or within any portion of the Property which, in the opinion of the Board, are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms or fireworks may be discharged upon any portion of the Property unless discharged in conjunction with an event approved in advance by the Board and no open fires may be lighted or permitted except within safe and well-designed fireplaces or in contained barbecue units while attended and in use for cooking purposes. No portion of the Property may be used for the takeoff, storage, or landing of aircraft (including, without limitation, helicopters) except for medical emergencies.

2.10 Animals - Household Pets. No animals, including pigs, hogs, swine, poultry, fowl, wild animals, horses, cattle, sheep, goats, or any other type of animal not considered to be a domestic household pet within the ordinary meaning and interpretation of such words may be kept, maintained, or cared for on or within the Property (as used in this paragraph, the term "domestic household pet" shall not include non-traditional pets such pot-bellied pigs, miniature horses, exotic snakes or lizards, ferrets, monkeys, chickens or other exotic animals). The Board may conclusively determine, in its sole discretion, whether a particular pet is a domestic household pet within the ordinary meaning and interpretation of such words. No Owner or Resident may keep on such Owner's or Resident's Lot more than four (4) cats and dogs, in the aggregate. No animal may be allowed to make an unreasonable amount of noise, or to become a nuisance, and no domestic pets shall be allowed on the Property other than within the Residence, or the fenced yard space associated therewith, unless confined to a leash. The Board may restrict pets to certain areas on the Property. No animal may be stabled, maintained, kept, cared for, or boarded for hire or remuneration on the Property, and no kennels or breeding operation shall be allowed. No animal may be allowed to run at large, and all animals shall be kept within enclosed areas which shall be clean, sanitary, and reasonably free of refuse, insects, and waste at all times. No pet may be left unattended in front yards, porches, or other unenclosed outside areas of the Lot. All pet waste shall be removed and appropriately disposed of by the owner of the pet. All pets shall be registered, licensed and inoculated as required by Applicable Law. All pets not confined to a Residence shall wear collars with appropriate identification tags and all outdoor cats are required to have a bell on their collar. If, in the opinion of the Board, any pet becomes a source of unreasonable annoyance to others, or the owner of the pet fails or refuses to comply with these restrictions, the Owner or Resident, upon written notice, may be required to remove the pet from the Property.

2.11 Maintenance. The Owners of each Lot shall jointly and severally have the duty and responsibility, at their sole cost and expense, to keep their Lot, Lot landscaping, Residence, and all Improvements thereon in good condition and repair and in a well-maintained, safe, clean and attractive condition at all times. The Board, in its sole discretion, shall determine whether a violation of the maintenance obligations set forth in this Section has occurred. Such maintenance includes, but is not limited to the following, which shall be performed in a timely manner, as determined by the Board, in its sole discretion:

(i) Prompt removal of all litter, trash, refuse, and wastes.

(ii) Lawn mowing and edging.

(iii) Tree and shrub pruning.

(iv) Watering.

(v) Keeping exterior lighting and mechanical facilities in working order.

(vi) Keeping lawn and garden areas alive, free of weeds, and attractive.

(vii) Keeping planting beds free of turf grass.

(viii) Keeping sidewalks, driveways, and fences in good repair.

(ix) Complying with Applicable Law.

(x) Repainting of Residences and Improvements.

(xi) Repair of exterior damage, and wear and tear to Residences and Improvements.

2.12 Antennas. Except as expressly provided below, no exterior radio or television antennas or aerial or satellite dish or disc, nor any Solar Energy Device, shall be erected, maintained or placed on a Lot without the prior written approval of the ACC; provided, however, that:

(i) an antenna designed to receive direct broadcast services, including direct-to-home satellite services, that is one meter or less in diameter; or

(ii) an antenna designed to receive video programming services via multipoint distribution services, including multichannel multipoint distribution services, instructional television fixed services, and local multipoint distribution services, that is one meter or less in diameter or diagonal measurement; or

(iii) an antenna that is designed to receive television broadcast signals.

(collectively, (i) through (iii) are referred to herein as the **"Permitted Antennas"**) shall be permitted subject to reasonable requirements as to location and screening as may be set forth in rules adopted by the ACC, consistent with Applicable Law, in order to minimize obtrusiveness as viewed from streets and adjacent property. Declarant and/or the Association shall have the right, but not the obligation, to erect an aerial, satellite dish, or other apparatus for a master antenna, cable, or other communication system for the benefit of all or any portion of the Property.

(iv) Location of Permitted Antennas. A Permitted Antenna may be installed solely on the Owner's Lot and shall not encroach upon any street, Common Area, or any other portion of the Property. A Permitted Antenna shall be installed in a location on the Lot from which an acceptable quality signal can be obtained and where least visible from the street and the

Property, other than the Lot. In order of preference, the locations of a Permitted Antenna which shall be considered least visible by the ACC are as follows:

(A) Attached to the back of the principal Residence constructed on the Lot, with no part of the Permitted Antenna any higher than the roof fascia, soffit, or bargeboard and screened from view of adjacent Lots and the street; then

(B) Attached to the side of the principal Residence constructed on the Lot, with no part of the Permitted Antenna any higher than the lowest point of the roofline and screened from view of adjacent Lots and the street.

The ACC may, from time to time, modify, amend, or supplement the rules regarding installation and placement of Permitted Antennas.

2.13 Signs. Unless otherwise permitted by Applicable Law, no sign or emblem of any kind may be displayed to the public view on any Lot, Residence, or Improvement without the prior written approval of the ACC, except for:

2.13.1 Declarant Signs. Signs erected by the Declarant or erected with the advance written consent of the Declarant;

2.13.2 Security Signs. One small security service sign per Lot, provided that the sign has a maximum face area of two (2) square feet and is located no more than five (5) feet from the front elevation of the principal Residence constructed upon the Lot;

2.13.3 Permits. Permits as may be required by Applicable Law;

2.13.4 Sale or Rental Signs. One (1) temporary "For Sale" or "For Lease" sign per Lot, provided that the sign shall be limited to: (i) a maximum face area of five (5) square feet on each visible side and, if free standing, is mounted on a single or frame post; (ii) an overall height of the sign from finished grade at the spot where the sign is located may not exceed four feet (4'); and (iii) the sign shall be removed within two (2) business days following the sale or lease of the Lot;

2.13.5 Political Signs. Political signs may be erected provided the sign: (i) is erected no earlier than the ninetieth (90^{th}) day before the date of the election to which the sign relates; (ii) is removed no later than the tenth (10^{th}) day after the date of the election to which the sign relates; and (iii) is ground-mounted. Only one sign may be erected by each Owner of a Residence. In addition, signs which include any of the components or characteristics described in Section 259.002 (d) of the Texas Election Code are prohibited; and

2.13.6 No Soliciting: Signs. A "no soliciting" sign near or on the front door to the principal Residence constructed upon the Lot, provided, that the sign may not exceed twenty- five (25) square inches.

2.13.7 Homebuilders' Signs. Any Homebuilder may utilize one professional sign (of not more than five (5) square feet in size) per Lot for advertising and sales promotion of the Residence on such Lot.

2.13.8 School Spirit Signs. Signs containing information about one or more children residing in the Residence and the school they attend shall be permitted so long as the sign is not more than 36" x 36". There shall be no more than one sign for each child under the age of eighteen (18), residing in the Residence.

In addition to any other remedies provided for herein, the Board or its duly authorized agent shall have the power to enter upon a Lot to remove any sign which violates this Section provided the violating Owner has been given forty-eight (48) hours written notice by the Board of its intent to exercise self-help. All costs of self-help, including reasonable attorney's fees actually incurred, shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of Assessments.

2.14 Flags. Owners are permitted to display certain flags on the Owner's Lot, as further set forth below.

2.14.1 Approval Requirements. An Owner is permitted to display the flag of the United States of America, the flag of the State of Texas, an official or replica flag of any branch of the United States Military, or one (1) flag with official insignia of a college or university (**"Permitted Flag"**) and permitted to install a flagpole no more than five feet (5') in length affixed to the front of a Residence near the principal entry or affixed to the rear of a Residence (**"Permitted Flagpole"**). Only one (1) Permitted Flagpoles are allowed per Residence. A Permitted Flag or Permitted Flagpole need not be approved in advance by the ACC. Approval by the ACC is required prior to installing vertical freestanding flagpoles installed in the front or back yard area of any Lot (**"Freestanding Flagpole"**).

2.14.2 Installation and Display. Unless otherwise approved in advance and in writing by the ACC, Permitted Flags, Permitted Flagpoles and Freestanding Flagpoles, installed in accordance with the Flagpole Application, shall comply with the following:

2.14.2.1 No more than one (1) Freestanding Flagpole OR no more than two (2) Permitted Flagpoles are permitted per Lot, on which only Permitted Flags may be displayed;

2.14.2.2 Any Permitted Flagpole shall be no longer than five feet (5') in length and any Freestanding Flagpole shall be no more than twenty feet (20') in height;

2.14.2.3 Any Permitted Flag displayed on any flagpole may not be more than three feet in height by five feet in width (3'x5');

2.14.2.4 The flag of the United States of America shall be displayed in accordance with 4 U.S.C. Sections 5-10 and the flag of the State of Texas shall be displayed in accordance with Chapter 3100 of the Texas Government Code;

2.14.2.5 The display of a flag, or the location and construction of the flagpole shall comply with Applicable Law, easements and setbacks of record;

2.14.2.6 Any flagpole shall be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the Residence;

2.14.2.7 A flag or a flagpole shall be maintained in good condition and any deteriorated flag or deteriorated or structurally unsafe flagpole shall be repaired, replaced or removed;

2.14.2.8 Any flag may be illuminated by no more than one (1) halogen landscaping light of low beam intensity which shall not be aimed towards or directly affect any neighboring Lot; and

2.14.2.9 Any external halyard of a flagpole shall be secured so as to reduce or eliminate noise from flapping against the metal of the flagpole.

2.15 Tanks. The ACC shall approve any tank used or proposed in connection with a Residence, including tanks for storage of fuel, water, oil, or liquid petroleum gas (LPG), and including swimming pool filter tanks. No elevated tanks of any kind may be erected, placed or permitted on any Lot without the advance written approval of the ACC. All permitted tanks shall be screened from view in accordance with a screening plan approved in advance by the ACC. This provision shall not apply to a tank used to operate a standard residential gas grills, nor shall it apply to barrels used as part of a Rainwater Harvesting System with capacity of less than fifty (50) gallons, so long as such barrels are actively being used for rainwater collection and storage.

2.16 Temporary Improvements. No tent, shack, or other temporary building, Improvement, or structure shall be placed upon the Property without the prior written approval of the ACC; provided, however, that temporary Improvements and structures necessary for storage of tools and equipment, and for office space for Declarant, Homebuilders, architects, and foremen during actual construction may be maintained with the prior approval of Declarant (unless placed by the Declarant), approval to include the nature, size, duration, and location of such structure.

2.17 Party Wall Fences. A fence or wall located on or near the dividing line between two (2) Lots and intended to benefit both Lots constitutes a "Party Wall". To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto. Party Walls shall also be subject to the following:

2.17.1 Encroachments & Easement. If the Party Wall is on one Lot due to an error in construction, the Party Wall is nevertheless deemed to be on the dividing line for purposes of this Section. Each Lot sharing a Party Wall is subject to an easement for the existence and continuance of any encroachment by the Party Wall as a result of construction, repair, shifting, settlement, or movement in any portion of the Party Wall, so that the encroachment may remain undisturbed as long as the Party Wall stands. Each Lot is subject to a reciprocal easement for the maintenance, repair, replacement, or reconstruction of the Party Wall.

2.17.2 Right to Repair. If the Party Wall is damaged or destroyed from any cause, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, the Owner of either Lot may repair or rebuild the Party Wall to its previous condition, and the other Owner or Owners that the wall serves shall thereafter contribute to the cost of restoration thereof in equal proportions without prejudice, subject however, to the right of any such Owners to call for a larger contribution from the others under any rule or law regarding liability for negligent or willful acts or omissions. The Owners of both Lots, their successors and assigns, have the right to the full use of the

repaired or rebuilt Party Wall. No Party Wall may be constructed, repaired, or rebuilt without the advance written approval of the ACC in accordance with Article 9 of this Declaration.

2.17.3 Maintenance Costs. The Owners of the adjoining Lots share equally the costs of repair, reconstruction, or replacement of the Party Wall, subject to the right of one Owner to call for larger contribution from the other under any rule of law regarding liability for negligence or willful acts or omissions. If an Owner is responsible for damage to or destruction of the Party Wall, that Owner shall bear the entire cost of repair, reconstruction, or replacement. If an Owner fails or refuses to pay his share of costs of repair or replacement of the Party Wall, the Owner advancing monies has a right to file a claim of lien for the monies advanced in the Official Public Records of Medina County, Texas, and has the right to foreclose the lien as if it were a mechanic's lien. The right of an Owner to require contribution from another Owner under this Section is appurtenant to the Lot and passes to the Owner's successors in title. If the Owners of Adjoining Lots fail to maintain the Party Wall located upon such Owner's Lot in good condition and repair, the Association may undertake such measures as may be required to maintain and/or repair the Party Wall, and, in such event, the Association shall levy an Individual Assessment on the Lot Owners responsible for maintenance of the Party Wall.

2.17.4 Alterations. The Owner of a Lot sharing a Party Wall may not cut openings in the Party Wall or alter or change the Party Wall in any manner that affects the use, condition, or appearance of the Party Wall to the adjoining Lot. The Party Wall shall always remain in the same location as when erected unless otherwise approved by the Owner of each Lot sharing the Party Wall and the ACC.

2.17.5 Dispute Resolution. In the event of any dispute arising concerning a Party Wall, or under the provisions of this Section (the **"Dispute"),** the parties shall submit the Dispute to mediation. Should the parties be unable to agree on a mediator within ten (10) days after written request therefore by the Board, the Board shall appoint a mediator. If the Dispute is not resolved by mediation, the Dispute shall be resolved by binding arbitration. Either party may initiate the arbitration. Should the parties be unable to agree on an arbitrator within ten (10) days after written request therefore by the Board, the Board shall appoint an arbitrator. The decision of the arbitrator shall be binding upon the parties and shall be in lieu of any right of legal action that either party may have against the other. In the event an Owner fails to properly and on a timely basis (both standards to be determined by the Board in the Board's sole and absolute discretion) implement the decision of the mediator or arbitrator, as applicable, the Board may implement said mediator's or arbitrator's decision, as applicable. If the Board implements the mediator's or arbitrator's decision on behalf of an Owner, the Owner otherwise responsible therefor shall be personally liable to the Association for all costs and expenses incurred by the Association in conjunction therewith. If such Owner fails to pay such costs and expenses upon demand by the Association, such costs and expenses (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, at the rate of one and one-half percent (1-1/2%) per month) shall be assessed against and chargeable to the Owner's Lot(s). Any such amounts assessed and chargeable against a Lot hereunder shall be secured by the liens reserved in this Declaration for Assessments and may be collected by any means provided herein for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s).

2.18 Playscapes and Sports Courts. Playscapes and sport courts are permissible at the sole discretion of the ACC. If allowed, these facilities shall be properly sited and screened so as to minimize the

visual and audio impact of the facility on adjacent properties. Sport courts may not be lighted or enclosed with netting. No sport court equipment authorized by this Section shall exceed twelve (12) feet in height. Tennis courts are not permitted.

2.19 Water Quality Facilities, Drainage Facilities and Drainage Ponds. The Property may include, now or in the future, one or more water quality facilities, sedimentation, drainage and detention facilities, or ponds which serve all or a portion of the Property and are inspected, maintained and administered by the Association in accordance with all Applicable Law. Access to these facilities and ponds is limited to persons engaged by the Association or its agents to periodically maintain such facilities. Each Owner is advised that the water quality facilities, sedimentation, drainage and detention facilities and ponds are an active utility feature integral to the proper operation of the Property and may periodically hold standing water. Each Owner is advised that entry into the water quality facilities, sedimentation, drainage and detention facilities or ponds may result in injury and is a violation of the Rules and Regulations.

2.20 Cell Tower and Telecommunications Equipment. Telecommunications, cellular, video and digital equipment, including without limitation, broadcast antennae and related equipment, cell towers, cell tower equipment, or other wireless communication antennae and related equipment, cable or satellite television equipment and equipment for high-speed internet access (collectively, the **"CTT Equipment")** may be located on or near the Property or may be constructed on or near the Property. As more particularly described in Section 11.9 of this Declaration, Declarant has reserved the right, for the benefit of itself and its assigns, to construct, install, use, maintain, repair, replace, improve, remove, and operate CTT Equipment upon all or any portion of the Common Area. Parties other than the Declarant or its assigns may also have easements for the construction, installation, use, maintenance, repair, replacement, improvement, removal and operation of CTT Equipment.

2.21 Swimming Pools. Any swimming pool constructed on a Lot shall be enclosed with a fence or other enclosure device completely surrounding the swimming pool which, at a minimum, satisfies all Applicable Law and be approved in advance by the ACC. Nothing in this Section 2.21 is intended or shall be construed to limit or affect an Owner's obligation to comply with any Applicable Law concerning swimming pool enclosure requirements. Unless otherwise approved in advance by the ACC, above-ground or temporary swimming pools are not permitted on a Lot. Pool equipment shall be screened in accordance with the Design Guidelines and Development Agreement.

2.22 Retaining Walls. Notwithstanding any provision in this Declaration to the contrary, the Association shall be obligated to maintain, repair, and replace the Retaining Walls (defined below) within the Property. For the purposes of this Section 2.22, **"Retaining Walls"** means walls constructed by Declarant or Declarant's designee for the purpose of adjusting the grade or elevation on or between Lots or other portions of the Property in order to construct one or more Residences, but excluding Improvements appurtenant to such Residence(s) that are constructed after initial construction of the Residence(s) (e.g., swimming pools and patios). Declarant reserves for the Association and the Association's agents and contractors, a non-exclusive easement over and across the Property for the maintenance, repair and replacement of the Retaining Walls. The Association and the Association's agents and contractors shall have the right to enter onto any portion of the Property, including any Lot, as reasonably necessary or convenient to maintain, repair, and replace the Retaining Walls; provided, however, the exercise of the easement reserved herein shall not permit entry into any Residence. The costs incurred or anticipated to be incurred by the Association to maintain, repair, and replace the Retaining Walls shall be collected through the levy of Regular Assessments. The Association shall not be liable to any Owner or Resident, for any damage or injury caused in whole or in part by the Association's failure to discharge its maintenance responsibilities under this Section 2.22.

2.23 Solar Energy Device. Solar Energy Devices may be installed with the advance written approval of the ACC in accordance with the procedures set forth below.

2.23.1 Application. To obtain ACC approval of a Solar Energy Device, the Owner shall provide the ACC with the following information: (i) the proposed installation location of the Solar Energy Device; and (ii) a description of the Solar Energy Device, including the dimensions, manufacturer, and photograph or other accurate depiction (the **"Solar Application"**). A Solar Application may only be submitted by an Owner. The Solar Application shall be submitted in accordance with the provisions of Article 9 of the Declaration.

2.23.2 Approval Process. The ACC shall review the Solar Application in accordance with the terms and provisions of Article 9 of the Declaration. The ACC shall approve a Solar Energy Device if the Solar Application complies with Section 2.23.3 below unless the ACC makes a written determination that placement of the Solar Energy Device, despite compliance with Section 2.23.3, shall create a condition that substantially interferes with the use and enjoyment of the property within the Property by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. The ACC's right to make a written determination in accordance with the foregoing sentence is negated if all Owners of Lots immediately adjacent to the Owner/applicant provide written approval of the proposed placement. Any proposal to install a Solar Energy Device on property owned or maintained by the Association or property owned in common by Members of the Association shall be approved in advance and in writing by the Board, and the Board need not adhere to this Section when considering any such request.

2.23.3 Approval Conditions. Unless otherwise approved in advance and in writing by the ACC, each Solar Application and each Solar Energy Device to be installed in accordance therewith shall comply with the following:

(i) The Solar Energy Device shall be located on the roof of the Residence located on the Owner's Lot, entirely within a fenced area of the Owner's Lot, or entirely within a fenced patio located on the Owner's Lot. If the Solar Energy Device shall be located on the roof of the Residence, the ACC may designate the location for placement unless the location proposed by the Owner increases the estimated annual energy production of the Solar Energy Device, as determined by using a publicly available modeling tool provided by the National Renewable Energy Laboratory, by more than ten percent (10%) above the energy production of the Solar Energy Device if installed in the location designated by the ACC. If the Owner desires to contest the alternate location proposed by the ACC, the Owner should submit information to the ACC which demonstrates that the Owner's proposed location meets the foregoing criteria. If the Solar Energy Device shall be located in the fenced area of the Owner's Lot or patio, no portion of the Solar Energy Device may extend above the fence line.

(ii) If the Solar Energy Device is mounted on the roof of the principal Residence located on the Owner's Lot, then: (a) the Solar Energy Device may not extend higher than or beyond the roofline; (b) the Solar Energy Device shall conform to the slope of the roof and the top edge of the Solar Device shall be parallel to the roofline; and (c) the frame, support brackets, or visible piping or wiring associated with the Solar Energy Device shall be silver, bronze or black.

2.24 Rainwater Harvesting Systems. Rainwater Harvesting Systems may be installed with the advance written approval of the ACC.

2.24.1 Application. To obtain ACC approval of a Rainwater Harvesting System, the Owner shall provide the ACC with the following information: (i) the proposed installation location of the Rainwater Harvesting System; and (ii) a description of the Rainwater Harvesting System, including the color, dimensions, manufacturer, and photograph or other accurate depiction (the **"Rain System Application"**). A Rain System Application may only be submitted by an Owner unless the Owner's Resident provides written confirmation at the time of submission that the Owner consents to the Rain System Application.

2.24.2 Approval Process. The decision of the ACC shall be made in accordance with Article 9 of this Declaration. Any proposal to install a Rainwater Harvesting System on property owned by the Association or property owned in common by Members of the Association shall be approved in advance and in writing by the Board, and the Board need not adhere to this Section when considering any such request.

2.24.3 Approval Conditions. Unless otherwise approved in advance and in writing by the ACC, each Rain System Application and each Rainwater Harvesting System to be installed in accordance therewith shall comply with the following:

(i) The Rainwater Harvesting System shall be consistent with the color scheme of the Residences, as reasonably determined by the ACC.

(ii) The Rainwater Harvesting System does not include any language or other content that is not typically displayed on such a device.

(iii) The Rainwater Harvesting System is in no event located between the front of the Residence constructed on the Owner's Lot and any adjoining or adjacent street.

(iv) There is sufficient area on the Owner's Lot to install the Rainwater Harvesting System, as reasonably determined by the ACC.

2.24.4 Guidelines. If the Rainwater Harvesting System shall be installed on or within the side yard of a Lot, or would otherwise be visible from a street, Common Area, or another Owner's Lot, the ACC may regulate the size, type, shielding of, and materials used in the construction of the Rainwater Harvesting System. Accordingly, when submitting a Rain System Application, the application should describe methods proposed by the Owner to shield the Rainwater Harvesting System from the view of any street, Common Area, or another Owner's Lot. When reviewing a Rain System Application for a Rainwater Harvesting System that shall be installed on or within the side yard of a Lot, or would otherwise be visible from a street, Common Area, or another Owner's Lot, any additional regulations imposed by the ACC to regulate the size, type, shielding of, and materials used in the construction of the Rainwater Harvesting System, may not prohibit the economic installation of the Rainwater Harvesting System, as reasonably determined by the ACC.

2.25 Reserved.

2.26 Decorations. No decorative appurtenances such as sculptures, birdbaths and birdhouses, fountains or other decorative embellishments shall be placed on the front lawn of a Residence or on the visible side or rear yard of a Residence unless such items have been approved in writing by the ACC and are in compliance with any applicable Dedicatory Instruments. Notwithstanding the foregoing, customary seasonal decorations for national holidays are permitted for a maximum of thirty (30) days (or sixty (60) days for Christmas), subject to the right of the Board to specify other guidelines for decorations.

ARTICLE 3
CONSTRUCTION RESTRICTIONS

3.1 Construction of Improvements. Unless prosecuted by the Declarant, no Residences or Improvements of any kind (including, but not limited to, landscaping, grading, or excavation) may hereafter be implemented, placed, maintained, erected or constructed upon any portion of the Property unless approved in advance and in writing by the ACC in accordance with this Declaration. Pursuant to Section 9.1.3 of this Declaration, the Declarant may adopt Design Guidelines applicable to the Property. If adopted, all Residences and Improvements (including, but not limited to, landscaping, grading, or excavation) shall strictly comply with the requirements of the Design Guidelines unless a variance is obtained pursuant to this Declaration. The Design Guidelines may be supplemented, modified, amended, or restated by the Declarant as authorized by this Declaration.

3.1.2 Residences and Improvements.

a. *Aesthetic Compatibility.* All Residences and Improvements on a Lot shall be aesthetically compatible with the Property, as determined by the ACC.

b. [Reserved].

c. *Location on Lot.* Each Residence shall face the front Lot line.

e. *Traffic Sight Lines.* No landscaping that obstructs traffic sight lines may be placed on any Lot.

f. *Color Changes.* No change to the color of the exterior walls, trim, or roof of a Residence shall be permitted, unless otherwise approved by the ACC.

g. *Mailboxes and Lot Identification.* Unless provisions are otherwise made by the Declarant for the installation of individual mailboxes for the Property, or a portion of thereof, cluster boxes shall be installed at various locations within the Property in accordance with U.S. Postal Service requirements and no Owner served by a cluster mailbox shall install an individual mailbox for his Residence. Lot address numbers and name identification shall be aesthetically compatible with the Property, as may be determined by the ACC.

3.1.3 Development Agreement Construction Standards. The Development Agreement imposes certain requirements associated with the development of the Property, including, but not limited to, residential construction standards as described in Exhibit I of the Development Agreement and the construction

standards in Section 3.02 of the Development Agreement. This Declaration and the Dedicatory Instruments are not intended to conflict or supersede the requirements of the Development Agreement and "Development Documents" (as that term is defined in the Development Agreement). However, the development restrictions imposed by this Declaration, any Design Guidelines, and the Dedicatory Instruments are intended to be in addition to those imposed by the Development Agreement and Development Documents while such are in full force and effect. All such documents shall be read in concert, and, generally, the terms and provisions of this Declaration, any Design Guidelines, and Dedicatory Instruments are enforceable to the extent they do not violate the Development Agreement and Development Documents while such are in full force and effect. Notwithstanding the preceding sentence, all reasonable effort shall be made to reconcile their respective provisions in the event of a direct conflict by applying the most stringent provision, where possible without violating the Development Agreement and Development Documents while such are in full force and effect.

3.2 Utility Lines. Unless otherwise approved by the ACC, no sewer, drainage or utility lines or wires or other devices for the communication or transmission of electric current, power, or signals including telephone, television, microwave or radio signals, may be constructed, placed or maintained anywhere in or upon any portion of the Property other than within buildings or structures unless the same is contained in conduits or cables constructed, placed or maintained underground, concealed in or under buildings or other structures.

3.3 Garages. All garages, carports and other open automobile storage units shall be approved in advance of construction by the ACC. No garage may be permanently enclosed or otherwise used for habitation. Magnetic garage door screens or any other screens installed or affixed to the garage is strictly prohibited. Additional garage requirements for each Residence may be set forth in the Design Guidelines, if adopted.

3.4 Fences, Walls, and Hedges. No fence, wall, or hedge on a Lot may be located forward of the front wall line of the Residence, except as approved by the ACC. No fence may be constructed on the Property without the prior written consent of the ACC. If adopted, all fences shall strictly comply with the requirements of the Design Guidelines unless a variance is obtained pursuant to this Declaration. The fencing requirements for each Residence constructed on a Lot may be set forth in the Design Guidelines, if adopted.

3.5 Driveways and Sidewalks. All driveways and sidewalks shall be surfaced with concrete, unless otherwise approved by the ACC. Driveways and sidewalks may not be surfaced with dirt, gravel, shell, or crushed rock. The design, construction material, and location of: (i) all driveways, and (ii) culverts incorporated into driveways for ditch or drainage crossings, shall be approved by the ACC. Each Owner shall be responsible, at such Owner's sole cost and expense, for properly and on a timely basis (both standards to be determined by the Board in the Board's sole and absolute discretion) maintaining and repairing the driveway on such Owner's Lot.

3.6 Roofing. All roofing material shall be approved in advance of construction by the ACC. In addition, roofs of buildings may be constructed with "Energy Efficient Roofing" with the advance written approval of the ACC. For the purpose of this Section, **"Energy Efficient Roofing"** means shingles that are designed primarily to: (a) be wind and hail resistant; (b) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or (c) provide solar generation capabilities.

The ACC shall not prohibit an Owner from installing Energy Efficient Roofing provided that the Energy Efficient Roofing shingles: (i) resemble the shingles used or otherwise authorized for use within the Property; (ii) are more durable than, and are of equal or superior quality to, the shingles used or otherwise authorized for use within the community; and (iii) match the aesthetics of adjacent property. Acceptable roof materials are described in the Design Guidelines and Development Agreement.

An Owner who desires to install Energy Efficient Roofing shall be required to comply with the architectural review and approval procedures set forth in the Dedicatory Instruments.

In conjunction with any such approval process, the Owner should submit information which shall enable the ACC to confirm the criteria set forth in this Section. Any other type of roofing material shall be permitted only with the advance written approval of the ACC.

3.7 HVAC Location. No air-conditioning apparatus may be installed on the ground in front of a Residence or on the roof of any Residence. No window air-conditioning apparatus or evaporative cooler may be attached to a Residence. All HVAC units shall otherwise be located on a Lot in a manner approved in advance by the ACC, or as otherwise set forth in the Design Guidelines. Screening shall be in accordance with the Design Guidelines and Development Agreement.

3.8 Drainage. There shall be no interference with the established drainage patterns over any of the Property, including the Lots, except by Declarant, unless adequate provision is made for proper drainage and such provision is approved in advance by the ACC. Specifically, and not by way of limitation, no Residence or Improvement, including landscaping, may be installed which impedes the proper drainage of water between Lots.

3.9 Construction Activities. The Dedicatory Instruments shall not be construed or applied so as to unreasonably interfere with or prevent normal construction activities during the construction of Residences or Improvements by the Declarant or a Homebuilder upon or within the Property. Specifically, no such construction activities shall be deemed to constitute a nuisance or a violation of the Dedicatory Instruments by reason of noise, dust, presence of vehicles or construction machinery, posting of signs or similar activities, provided that such construction is pursued to completion with reasonable diligence and conforms to usual construction practices in the area. If during the course of construction upon any Lot there is excessive accumulation of debris of any kind which would render the Lot or any portion thereof unsanitary, unsightly, offensive, or detrimental to it or any other portion of the Property, then the ACC may contract for or cause such debris to be removed, and the Owner of the Lot shall be liable for all reasonable expenses incurred in connection therewith.

ARTICLE 4
STREET LANDSCAPE

4.1 Owner's Obligation to Maintain Street Landscape. Each Owner shall be responsible, at such Owner's sole cost and expense, for maintaining mowing, replacing, pruning, and irrigating the landscaping between the boundary of such Owner's Lot and the edge of the pavement of any adjacent right-of-way, street, alley, or Common Area (the **"ST Landscape Area"**) unless the responsibility for maintaining the ST Landscape Area or any portion thereof has been assumed by the Association, in the Board's sole discretion, in a Recorded written instrument identifying all or any portion of the ST Landscape Area to be maintained (the "**Association Landscape Area"**). If the Association assumes such responsibility as set forth herein, Owner may neither perform any maintenance in the Association Landscape Area nor construct any Residences or Improvements therein. Otherwise specifically, and not by way of limitation, each Owner, at such Owner's sole cost and expense, shall be required to maintain, irrigate and replace any trees located within the ST Landscape Area. No landscaping, including trees, may be removed from or installed within the ST Landscape Area without the advance written consent of the Board. In the event an Owner fails to properly and on a timely basis (both standards to be determined by the Board in the Board's sole and absolute discretion) mow, replace, prune, and/or irrigate any landscaping, including trees, in such Owner's ST Landscape Area, such failure shall constitute a violation of the Dedicatory Instruments and the Board may cause such landscaping, including trees, to be mowed, replaced, pruned and/or irrigated in a manner determined by the Board, in its sole and absolute discretion. If the Board causes such landscaping, including trees, to be mowed, replaced, pruned and irrigated, the Owner otherwise responsible therefor shall be personally liable to the Association for all costs and expenses incurred by the Association for effecting such work. If such Owner fails to pay such costs and expenses upon demand by the Association, such costs and expenses (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, at the rate of one and one-half percent (1½%) per month) shall be assessed against and chargeable to the Owner's Lot(s). Any such amounts assessed and chargeable against a Lot hereunder shall be secured by the liens reserved herein for Assessments and may be collected by any means provided herein for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s). **EACH OWNER AND RESIDENT SHALL INDEMNIFY AND HOLD HARMLESS THE ASSOCIATION AND ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION INCLUDING ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" AS USED HEREIN DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.**

ARTICLE 5

COMPLIANCE; LIABILITY; RELEASE

5.1 **Compliance with Restrictions.** Each Owner, his or her family, Residents of a Lot, Residents, and the guests, invitees, and licensees of the preceding shall comply strictly with the provisions of the Dedicatory Instruments as the same may be amended from time to time. Failure to comply with any of the Dedicatory Instruments shall constitute a violation of the Dedicatory Instruments and may result in a fine against the Owner in accordance with Section 8.11 of this Declaration, and shall give rise to a cause of action to recover sums due for damages or injunctive relief, or both, maintainable by the Declarant, the Board on behalf of the Association, the ACC, or by an aggrieved Owner. The result of every act or omission that violates any provision of the Dedicatory Instruments is a nuisance, and any remedy allowed by law against a nuisance, either public or private, is applicable against the violation. Without limiting any rights or powers of the Association, the Board may (but shall not be obligated to) remedy or attempt to remedy any violation of any of the provisions of the Dedicatory Instruments, and the Owner whose violation has been so remedied shall be personally liable to the Association for all costs and expenses of effecting (or attempting to effect) such remedy. If such Owner fails to pay such costs and expenses upon demand by the Association, such costs and expenses (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, at the rate of one and one-half percent (1-1/2%) per month) shall be assessed against and chargeable to the Owner's Lot(s). Any such amounts assessed and chargeable against a Lot shall be secured by the liens reserved in this Declaration for Assessments and may be collected by any means provided in this Declaration for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s). **EACH SUCH OWNER SHALL RELEASE AND HOLD HARMLESS THE ASSOCIATION AND ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION (INCLUDING ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" AS USED HEREIN DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.**

5.2 **Liability of Owners for Damage to Common Area.** No Owner shall in any way alter, modify, add to or otherwise perform any work upon the Common Area without the prior written approval of the Board and the Declarant during the Development Period. Each Owner shall be liable to the Association for any and all damages to: (i) the Common Area and any Improvements constructed thereon; or (ii) any Residences or Improvements constructed on any Lot, the maintenance of which has been assumed by the Association, which damages were caused by the neglect, misuse or negligence of such Owner or Owner's family, or by any tenant or other Resident of such Owner's Lot, or any guest or invitee of such Owner or Resident. The full cost of all repairs of such damage shall be an Individual Assessment against such Owner's Lot, secured by a lien against such Owner's Lot and collectable in the same manner as provided in Section 8.10 of this Declaration.

5.3 **Release. EACH OWNER HEREBY RELEASES AND HOLDS HARMLESS THE ASSOCIATION, DECLARANT, THE ACC AND THEIR AFFILIATES, OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF SUCH OWNER'S USE OF ANY COMMON AREA.**

Neither the Association nor Declarant shall assume any responsibility or liability for any personal injury or property damage which is occasioned by use of any Common Area, and in no circumstance shall words or actions by the Association or Declarant constitute an implied or express representation or warranty regarding the fitness or condition of any Common Area.

ARTICLE 6
FLAT CREEK CASTROVILLE PROPERTY OWNERS' ASSOCIATION

6.1 Organization. The Association is a nonprofit corporation created for the purposes, charged with the duties, and vested with the powers of a Texas non-profit corporation and a property owners' association, established and governed by the Certificate, the Declaration, the Bylaws, and any other applicable Dedicatory Instruments. Neither the Certificate nor Bylaws shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration (unless amended or changed by Declarant during the Development Period). Unless expressly provided in the Dedicatory Instruments, the Association acts through a Majority of the Board. Certain acts and activities of the Association and the Board shall be approved by the Declarant during the Development Period. If Declarant approval is required, Declarant's approval shall be evidenced in writing.

6.2 Mandatory Membership. Any person or entity, upon becoming an Owner, shall automatically become a Member of the Association. Membership shall be appurtenant to and shall run with the ownership of the Lot that qualifies the Owner thereof for membership, and membership may not be severed from the ownership of the Lot, or in any way transferred, pledged, mortgaged or alienated, except together with the title to such Lot. Within thirty (30) days after acquiring legal title to a Lot, if requested by the Board, an Owner shall provide the Association with: (i) a copy of the Recorded deed by which the Owner has acquired title; (ii) the Owner's address, email address, phone number, and driver's license number, if any; (iii) any Mortgagee's name and address; and (iv) the name, phone number, and email address of any Resident other than the Owner.

6.3 Governance. Subject to the Development Period and the Bylaws, the Board shall consist of at least three (3) persons elected at the annual meeting of the Association, or at a special meeting called for such purpose.

6.4 Voting Allocation. The number of votes which may be cast to elect directors of the Board (except as provided by Section 6.3) and on all other matters the Board and Members may vote on shall be calculated as set forth in the Bylaws.

6.5 Powers. The Association shall have the powers of a Texas nonprofit corporation. Subject to the Development Period, the Association shall have the power to do and perform any and all acts that may be necessary or proper, for or incidental to, the exercise of any of the express powers granted to it by Applicable Law or this Declaration. Without in any way limiting the generality of the two preceding sentences, the Board, acting on behalf of the Association, shall have the following powers at all times:

6.5.1 Rules and Regulations, Bylaws, and Community Manual. To make, establish and promulgate, and in its discretion to amend from time to time, or repeal and re-enact, such rules, regulations, policies, Bylaws, and Community Manual not in conflict with this Declaration (and applicable Dedicatory Instruments), as the Board deems proper, covering any and all aspects of the Property or the Common Area (including the operation, maintenance and preservation thereof) or the Association. Any Rules and Regulations, policies, Bylaws, and Community Manual and any modifications thereto proposed by the Board shall be approved in advance and in writing by the Declarant until expiration or termination of the Development Period.

6.5.2 Insurance. To obtain and maintain in effect, policies of insurance that, in the opinion of the Board, are reasonably necessary or appropriate to carry out the Association's functions.

6.5.3 Records. To keep books and records of the Association's affairs, and to make such books and records, together with current copies of the Dedicatory Instruments available for inspection by the Owners, Mortgagees, and insurers or guarantors of any Mortgage upon written request during normal business hours. The Board shall adopt policies regarding records retention and records production and copying.

6.5.4 Assessments. To levy and collect Assessments, as provided in Article 8 below.

6.5.5 Right of Entry and Enforcement. The Association may enter at any time without notice in an emergency (or in the case of a non-emergency, after twenty-four (24) hours written notice), without being liable to any Owner or Resident, upon any Lot and into any Improvement thereon for the purpose of enforcing the Dedicatory Instruments or for the purpose of maintaining or repairing any area, Improvement or other facility or removing any item to conform to the Dedicatory Instruments. The expense incurred by the Association in connection with the entry upon any Lot and the removal or maintenance and repair work conducted therefrom, thereon or therein shall be a personal obligation of the Owner so entered, shall be deemed an Individual Assessment against such Lot, shall be secured by a lien upon such Lot, and shall be enforced in the same manner and to the same extent as provided in Article 8 hereof for Assessments. The Association shall have the power and authority from time to time, in its own name and on its own behalf, or in the name of and on behalf of any Owner who consents thereto, to commence and maintain actions and suits to enforce, by mandatory injunction or otherwise, or to restrain and enjoin, any breach or threatened breach of the Dedicatory Instruments. The Association is also authorized to settle claims, enforce liens and take all such action as it may deem necessary or expedient to enforce the Dedicatory Instruments; provided, however, that the Board shall never be authorized to expend any Association funds for the purpose of bringing suit against Declarant, or its successors or assigns. The Association may not alter or demolish any Improvements on any Lot other than Common Area in enforcing these Dedicatory Instruments before a judicial order authorizing such action has been obtained by the Association, or before the written consent

of the Owner(s) has been obtained. **EACH SUCH OWNER AND RESIDENT SHALL RELEASE AND HOLD HARMLESS THE ASSOCIATION, ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION (INCLUDING ANY COST, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.**

6.5.6 Legal and Accounting Services. To retain and pay for legal and accounting services necessary or proper in the operation of the Association.

6.5.7 Conveyances. To grant and convey to any person or entity the real property and/or other interest, including fee title, leasehold estates, easements, rights-of-way or mortgages, out of, in, on, over, or under any Common Area for the purpose of constructing, erecting, operating or maintaining the following:

(i) Parks, parkways or other recreational facilities or structures;

(ii) Roads, streets, sidewalks, signs, street lights, walks, driveways, trails and paths;

(iii) Lines, cables, wires, conduits, pipelines or other devices for utility purposes;

(iv) Sewers, water systems, storm water drainage systems, sprinkler systems and pipelines; and/or

(v) Any similar Improvements or facilities.

Nothing set forth above, however, shall be construed to permit use or occupancy of any Improvement or other facility in a way that would violate applicable use and occupancy restrictions imposed by the Dedicatory Instruments or by Applicable Law. In addition, until expiration or termination of the Development Period, any grant or conveyance under this Section shall be approved in advance and in writing by the Declarant.

6.5.8 Manager. To retain and pay for the services of a person or firm (the **"Manager"**), which may include Declarant or any affiliate of Declarant, to manage and operate the Association, including its property, to the extent deemed advisable by the Board. Personnel may be employed directly by the Association or may be furnished by the Manager. To the extent permitted by Applicable Law, the Board may delegate any other duties, powers, and functions to the Manager. In

addition, the Board may adopt transfer fees, resale certificate fees, or any other fees associated with the provision of management services to the Association or its Members.

THE MEMBERS HEREBY RELEASE THE ASSOCIATION AND THE MEMBERS OF THE BOARD AND COMMITTEE MEMBERS FROM LIABILITY FOR ANY OMISSION OR IMPROPER EXERCISE BY THE MANAGER OF ANY SUCH DUTY, POWER OR FUNCTION SO DELEGATED.

6.5.9 Property Services. To pay for water, sewer, garbage removal, streetlights, landscaping, gardening and all other utilities, services, repair and maintenance for any portion of the Property, Common Area, private or public recreational facilities, easements, roads, roadways, rights-of-ways, signs, parks, parkways, median strips, sidewalks, paths, trails, ponds, canals, and lakes.

6.5.10 Other Services and Properties. To obtain and pay for any other property and services, and to pay any other taxes or assessments that the Association or the Board is required or permitted to secure or to pay for pursuant to Applicable Law or under the terms of the Dedicatory Instruments or as determined by the Board.

6.5.11 Construction on Common Area. To construct new Improvements or additions to any property owned, leased, or licensed by the Association, subject to the approval of the Board (and the Declarant until expiration or termination of the Development Period).

6.5.12 Contracts. To enter into Bulk Rate Contracts or other contracts or licenses with Declarant or any third party on such terms and provisions as the Board may determine, to operate and maintain any Common Area or other property, or to provide any service, including but not limited to cable, utility, or telecommunication services, or perform any function on behalf of Declarant, the Board, the Association, or the Members. During the Development Period, all Bulk Rate Contracts shall be approved in advance and in writing by the Declarant.

6.5.13 Property Ownership. To acquire, own and dispose of all manner of real and personal property, including habitat, whether by grant, lease, easement, gift or otherwise. During the Development Period, all acquisitions and dispositions of the Association hereunder shall be approved in advance and in writing by the Declarant.

6.5.14 Allocation of Votes. To determine votes when permitted pursuant to this Article.

6.5.15 Membership Privileges. To establish Rules and Regulations governing and limiting the use of the Common Area and any Improvements thereon.

6.6 Conveyance of Common Area to the Association. The Association may acquire, hold, and dispose of any interest in tangible and intangible personal property and real property. Declarant and its assignees reserve the right, from time to time and at any time, to designate, convey, assign, or transfer by written and Recorded instrument portions of the Property being held by the Declarant for the benefit of the Association, in the sole and absolute discretion of the Declarant. Upon the Recording of such designation,

the portion of the Property identified therein shall be considered Common Area for the purpose of this Declaration and the Association shall have an easement over and across the Common Area as necessary or required to discharge the Association's obligations under this Declaration, subject to any terms and limitations to such easement set forth in the designation. Declarant and its assignees may also assign, transfer or convey to the Association interests in real or personal property within or for the benefit of the Property, for the Property and the general public, or otherwise, as determined in the sole and absolute discretion of the Declarant. All or any real or personal property assigned, transferred and/or conveyed by the Declarant to the Association shall be deemed accepted by the Association upon Recordation, and without further action by the Association, and shall be considered Common Area without regard to whether such real or personal property is designated by the Declarant as Common Area. If requested by the Declarant, the Association shall execute a written instrument, in a form requested by the Declarant, evidencing acceptance of such real or personal property; provided, however, execution of a written consent by the Association shall in no event be a precondition to acceptance by the Association. The assignment, transfer, and/or conveyance of real or personal property to the Association may be by deed without warranty, may reserve easements in favor of the Declarant or a third party designated by Declarant over and across such property, and may include such other provisions, including restrictions on use, determined by the Declarant, in the Declarant's sole and absolute discretion. Property assigned, transferred, and/or conveyed to the Association may be improved or unimproved and may consist of fee simple title, easements, leases, licenses, or other real or personal property interests. Upon Declarant's written request, the Association shall re-convey to Declarant any unimproved real property that Declarant originally conveyed to the Association for no payment. Declarant and/or its assignees may construct and maintain upon portions of the Common Area such facilities and may conduct such activities which, in Declarant's sole opinion, may be required, convenient, or incidental to the construction or sale of Residences and Improvements on the Property, including, but not limited to, business offices, signs, model homes, and sales offices. Declarant and its assignees shall have an easement over and across the Common Area for access and shall have the right to use such facilities and to conduct such activities at no charge.

6.7 Indemnification. To the fullest extent permitted by Applicable Law but without duplication (and subject to) any rights or benefits arising under the Certificate or Bylaws of the Association, the Association shall indemnify any person who was, or is, a party, or is threatened to be made a party to any threatened pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that such person is, or was, a director, officer, committee member, employee, servant or agent of the Association against expenses, including attorneys' fees, reasonably incurred by such person in connection with such action, suit or proceeding if it is found and determined by the Board or a court of competent jurisdiction that he or she: (i) acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association; or (ii) with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by settlement, or upon a plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that the person did not act in good faith or in a manner which was reasonably believed to be in, or not opposed to, the best interests of the Association or, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

6.8 Insurance. The Board may purchase and cause to be maintained, at the expense of the Association, insurance on behalf of any person who is acting as a director, officer, committee member, employee, servant or agent of the Association against any liability asserted against or incurred by such person in their capacity as a director, officer, committee member, employee, servant or agent of the Association, or arising out of such person's status as such, whether or not the Association would have the power to indemnify such person against such liability or otherwise.

6.9 Bulk Rate Contracts. Without limitation on the generality of the Association powers set out hereinabove (except that during the Development Period, all Bulk Rate Contracts shall be approved in advance and in writing by the Declarant), the Association shall have the power to enter into Bulk Rate Contracts at any time and from time to time. The Association may enter into Bulk Rate Contracts with any service providers chosen by the Board (including Declarant, and/or any entities in which Declarant, or the owners or partners of Declarant are owners or participants, directly or indirectly). The Bulk Rate Contracts may be entered into on such terms and provisions as the Board may determine in its sole and absolute discretion. The Association may, at its option and election, add the charges payable by such Owner under such Bulk Rate Contract to the Assessments against such Owner's Lot. In this regard, it is agreed and understood that, if any Owner fails to pay any charges due by such Owner under the terms of any Bulk Rate Contract, then the Association shall be entitled to collect such charges by exercising the same rights and remedies it would be entitled to exercise under this Declaration with respect to the failure by such Owner to pay Assessments, including without limitation the right to foreclose the lien against such Owner's Lot which is reserved under the terms and provisions of this Declaration. In addition, in the event of nonpayment by any Owner of any charges due under any Bulk Rate Contract and after the lapse of at least twelve (12) days since such charges were due, the Association may, upon five (5) days' prior written notice to such Owner (which may run concurrently with such twelve (12) day period), in addition to all other rights and remedies available pursuant to Applicable Law, terminate, in such manner as the Board deems appropriate, any utility service or other service provided at the cost of the Association and not paid for by such Owner (or the Resident of such Owner's Lot) directly to the applicable service or utility provider. Such notice shall consist of a separate mailing or hand delivery at least five (5) days prior to a stated date of termination, with the title "termination notice" or similar language prominently displayed on the notice. The notice shall include the office or street address where the Owner (or the Resident of such Owner's Lot) can make arrangements for payment of the bill and for re-connection or re-institution of service. No utility or cable television service shall be disconnected on a day, or immediately preceding a day, when personnel are not available for the purpose of collection and reconnecting such services.

6.10 Community Services and Systems. The Declarant, or a designee of the Declarant, is specifically authorized, but not required, to install, provide, maintain or furnish, or to enter into contracts with other persons to install, provide, maintain or furnish, central telecommunication receiving and distribution systems (e.g., cable television, high speed data/Internet/intranet services, and security monitoring) and utility services (e.g., electricity, solar, gas, water), and related components, including associated infrastructure, equipment, hardware, and software to serve all or any portion of the Property (**"Community Services and Systems"**). The Community Services and Systems may be located on Common Area and on or in any Improvements constructed upon the Common Area, and an easement is herein reserved in favor of Declarant or its designee for the purpose of installing, operating, managing, maintaining, upgrading and modifying the Community Services and Systems. In the event the Declarant, or a designee of the Declarant, elects to provide any of the Community Services and Systems to all or any

portion of the Property, the Declarant or designee of the Declarant, may enter into an agreement with the Association with respect to such services. In the event Declarant, or any designee of the Declarant, enters into a contract with a third party for the provision of any Community Services and Systems to serve all or any portion of the Property, the Declarant or the designee of the Declarant may assign any or all of the rights or obligations of the Declarant or the designee of the Declarant under the contract to the Association or any individual or entity. Any such contracts may provide for installation, operation, management, maintenance, and upgrades or modifications to the Community Services and Systems as the Declarant or its designee determines appropriate. **Each Owner acknowledges that interruptions in Community Services and Systems shall occur from time to time. The Declarant and the Association, or any of their respective affiliates, directors, officers, employees and agents, or any of their successors or assigns shall not be liable for, and no Community Services and Systems user shall be entitled to refund, rebate, discount, or offset in applicable fees for, any interruption in Community Services and Systems and services, regardless of whether or not such interruption is caused by reasons within the service provider's control.**

6.11 Protection of Declarant's Interests. Despite any assumption of control of the Board by Owners other than Declarant, until the expiration or termination of the Development Period, the Board is prohibited from taking any action which would discriminate against Declarant, or which would be detrimental to the sale of Lots or any portion of the Property owned by Declarant. Declarant shall be entitled to determine, in its sole and absolute discretion, whether any such action discriminates or is detrimental to Declarant. Unless the Declarant agrees otherwise in advance and in writing, the Board shall be required to continue the same level and quality of maintenance, operations and services as that provided immediately prior to assumption of control of the Board by Owners other than Declarant until the expiration or termination of the Development Period.

6.12 Administration of Common Area. The administration of the Common Area by the Association shall be in accordance with the provisions of Applicable Law and the Dedicatory Instruments, and of any other agreements, documents, amendments or supplements to the foregoing which may be duly adopted or subsequently required by any institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans (including, for example, the Federal Home Loan Mortgage Corporation) designated by Declarant or by any governmental or quasi-governmental agency having regulatory jurisdiction over the Common Area or by any title insurance company selected by Declarant to insure title to any portion of the Common Area.

6.13 Right of Action by Association. The Association shall not have the power to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings: (i) in the name of or on behalf of any Owner (whether one or more); or (ii) pertaining to a Claim, as defined in Section 14.1 below, relating to the design or construction of Residences or Improvements on a Lot (whether one or more).

6.14 Maintenance Agreement with City. The Development Agreement (as well as the City's Code of Ordinances per Section 100-77 as of the date hereof) requires a Maintenance Agreement (as defined in the Development Agreement) between the Association and the City (among other requirements). The Association shall comply with its obligations under the Development Agreement and shall enter into the Maintenance Agreement in accordance therewith (and in accordance with City's Code of Ordinances

Section 100-77). The form of the Maintenance Agreement being Exhibit F attached to the Development Agreement.

In general, the Development Agreement provides:

> Upon Association creation, the Association shall enter into a Maintenance Agreement with the City, pursuant to which the Association shall agree to the MOA Maintenance Obligations (whose responsibility shall solely be the Association's, notwithstanding any ownership by the City of the improvements or real property upon which such maintenance is required to be performed). The Developer shall provide in the Association's organization documents that *the Association shall annually levy and collect fees from Owners that are, at a minimum and based on annual budget adopted by the Association prior to the beginning of its fiscal year, sufficient to satisfy the annual MOA Maintenance Obligations*. The Maintenance Agreement shall provide that the Association shall perform the MOA Maintenance Obligations in accordance with the applicable provisions of the Governing Regulations, subject to oversight and inspection by the City, and provide to the Association permission to perform the MOA Maintenance Obligations, as and to the extent reasonably necessary, on City-owned property. Upon reasonable request, the City shall have the right to inspect the financial reports, audits, and budget of the Association.

As used in this Section, the terms Governing Regulations, MOA, and MOA Maintenance Obligations shall have the meaning assigned to them by the Development Agreement.

ARTICLE 7

INSURANCE; RESTORATION; MECHANIC'S AND MATERIALMEN'S LIEN

7.1 Insurance. Each Owner shall be required to purchase and maintain commercially standard insurance on the Residences and all insurable Improvements located upon such Owner's Lot. The Association shall not be required to maintain insurance on the Residences or Improvements constructed upon any Lot. The Association's Board, or its duly authorized agent, shall obtain blanket all-risk casualty insurance for all insurable Improvements on the Common Area, or if blanket all-risk coverage is not reasonably available, an insurance policy providing fire and extended coverage. The Board may also obtain a public liability policy covering the Common Area, insuring the Association and its Members for all damages or injury caused by the negligence of the Association, its agents, the Members or Residents, in such amount as the Board deems appropriate. In addition to the other insurance discussed in herein, the Board may also obtain (i) worker's compensation insurance, and the Board shall obtain such insurance if and to the extent required by law, (ii) directors' and officers' liability coverage, and (iii) a fidelity bond or fidelity insurance on directors, officers, employees, and other Persons handling or responsible for the Association's funds. The Association may obtain any other insurance as it may deem necessary and in its discretion. Such insurance policies shall be in such amount or amounts as the Board deems appropriate. Insurance premiums for such policies described herein shall be a common expense to be included in the

Assessments levied by the Association. The acquisition of insurance by the Association shall be without prejudice to the right and obligation of any Owner to obtain additional individual insurance.

7.2 Restoration. In the event of any fire or other casualty, unless otherwise approved by the ACC, the Owner shall: (i) promptly repair, restore and replace any damaged or destroyed structures, Residence, or Improvements on their Lot to their same exterior condition existing prior to the damage or destruction thereof or (ii) in the case of substantial or total damage or destruction of any structure, Residence, or Improvement, remove all such damaged structures , Residence, or Improvements and debris from the Lot/Property within sixty (60) days after the occurrence of such damage. Such repair, restoration or replacement shall be commenced and completed in a good and workmanlike manner using exterior materials substantially similar to those originally used in the structures damaged or destroyed. To the extent that the Owner fails to commence such repair, restoration or replacement of substantial or total damage or destruction within one hundred and twenty (120) days after the occurrence of such damage or destruction, and thereafter prosecute the same to completion, or if the Owner does not clean up any debris resulting from any damage within sixty (60) days after the occurrence of such damage, the Association may commence, complete or effect such repair, restoration, replacement, removal or clean-up, and such Owner shall be personally liable to the Association for the cost of such work; provided, however, that if the Owner is prohibited or delayed under Applicable Law from commencing such repair, restoration, replacement or clean-up, the rights of the Association under this provision shall not arise until the expiration of thirty (30) days after such prohibition or delay is removed. If the Owner fails to pay such cost upon demand by the Association, the cost thereof (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, then at the rate of one and one-half percent (1½%) per month) shall be added to the Assessment chargeable to the Owner's Lot. Any such amounts added to the Assessments chargeable against a Lot shall be secured by the liens reserved in the Declaration for Assessments and may be collected by any means provided in this Declaration for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot. **EACH OWNER, BY ACCEPTING TITLE TO ALL OR ANY PORTION OF THE PROPERTY, HEREBY RELEASES AND HOLDS HARMLESS THE ASSOCIATION AND ITS OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION, EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR COST OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" AS USED HEREIN DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.**

7.3 Mechanic's and Materialmen's Lien. Each Owner whose structure, Residence, or Improvement is repaired, restored, replaced or cleaned up by the Association, pursuant to the rights granted under this Article, hereby grants to the Association an express mechanic's and materialmen's lien for the reasonable cost of such repair, restoration, replacement or clean up of the damaged or destroyed Residence or Improvement to the extent that the cost of such repair, restoration, replacement, or clean up exceeds any insurance proceeds allocable to such repair, restoration, replacement, or clean up and delivered to the Association. Upon written request by the Board, and before the commencement of any reconstruction,

repair, restoration, replacement or clean up, such Owner shall execute all documents sufficient to effectuate such mechanic's and materialmen' s lien in favor of the Association.

ARTICLE 8
COVENANT FOR ASSESSMENTS

8.1 Assessments. The Association may levy Assessments to promote the recreation, health, safety, and welfare of the Residents, to fund operating expenses of the Association, and to improve and maintain the Common Areas.

8.1.1 Established by the Board. Assessments established by the Board pursuant to the provisions of this Article shall be levied against each Lot in amounts determined pursuant to Section 8.7 below. The total amount of Assessments shall be determined by the Board pursuant to Section 8.3 through Section 8.6.

8.1.2 Declarant Subsidy. Declarant may, but is not obligated to, reduce Assessments which would otherwise be levied against Lots for any fiscal year by the payment of a subsidy to the Association. Any subsidy paid to the Association by Declarant may be treated as a contribution or a loan, in Declarant's sole and absolute discretion. The payment of a subsidy in any given year shall not obligate Declarant to continue payment of a subsidy to the Association in future years.

8.2 Maintenance Fund. The Board shall establish a maintenance fund into which shall be deposited all monies paid to the Association and from which disbursements shall be made in performing the functions of the Association under this Declaration. The funds of the Association may be used for any purpose authorized by the Dedicatory Instruments and Applicable Law.

8.3 Regular Assessments. Prior to the beginning of each fiscal year (as defined in the Bylaws), the Board shall prepare a budget for the purpose of determining amounts sufficient to pay the estimated net expenses of the Association (the **"Regular Assessments"**) which sets forth: (i) an estimate of the expenses to be incurred by the Association during such year in performing its functions and exercising its powers under the Dedicatory Instruments, including, but not limited to, the cost of all management, repair and maintenance, the cost of providing any lighting, the cost of administering and enforcing the Dedicatory Instruments, and (ii) an estimate of the amount needed to maintain a reasonable provision for contingencies and an appropriate replacement reserve, and shall give due consideration to any expected income and any surplus from the prior year's fund. Assessments sufficient to pay such estimated net expenses shall then be levied at the level of Assessments set by the Board in its sole and absolute discretion, and the Board's determination shall be final and binding so long as it is made in good faith. If the sums collected prove inadequate for any reason, including nonpayment of any Assessment, the Association may at any time, and from time to time, levy further Assessments in the same manner. All such Regular Assessments shall be due and payable to the Association annually in advance, on or before the first (1st) day of December of each year (preceding the beginning of the next fiscal year), or in such other manner as the Board may designate in its sole and absolute discretion. Annual written notice of the Regular Assessment shall be sent to every Owner at least thirty (30) days before its effective date. Until changed by the Board, the annual Regular

Assessment shall be **$500.00 per Lot.** *The Regular Assessment shall include any obligation required pursuant to Section 6.14.*

8.4 Working Capital Assessment. Each Owner (other than Declarant) shall pay a one-time working capital assessment (the "Working Capital Assessment") to the Association in such amount, if any, as may be determined by the Declarant, until expiration or termination of the Development Period, and the Board thereafter. The Working Capital Assessment hereunder shall be due and payable to the Association by the transferee immediately upon each transfer of title to the Lot, including upon transfer of title from one Owner of such Lot to any subsequent purchaser or transferee thereof. Such Working Capital Assessment need not be uniform among all Lots, and the Declarant or the Board is expressly authorized to levy Working Capital Assessments of varying amounts depending on the size, use and general character of the Lots then being made subject to such levy. The Association may use the working capital to discharge operating expenses. The levy of any Working Capital Assessment shall be effective only upon the Recordation of a written notice, signed by the Declarant or a duly authorized officer of the Association, setting forth the amount of the Working Capital Assessment.

Notwithstanding the foregoing provisions, the following transfers shall be exempt from the Working Capital Assessment: (a) foreclosure of a deed of trust lien, tax lien, or the Association's Assessment lien; (b) transfer to, from, or by the Association; (c) voluntary transfer by an Owner to one or more co-Owners, or to the Owner's spouse, child, or parent; and (d) any other exemption described in Section 13.20. In the event of any dispute regarding the application of the Working Capital Assessment to a particular Owner, Declarant, until expiration or termination of the Development Period, shall determine application of an exemption in its sole and absolute discretion. The Working Capital Assessment shall be in addition to, not in lieu of, any other Assessments levied in accordance with this Article and shall not be considered an advance payment of such Assessments. The Declarant during the Development Period, and thereafter the Board, shall have the power to waive the payment of any Working Capital Assessment attributable to a Lot (or all Lots) by the Recordation of a waiver, which waiver may be temporary or permanent.

8.5 Special Assessments. In addition to the Regular Assessments provided for above, the Board may levy special assessments (the **"Special Assessments"**) whenever in the Board's opinion such Special Assessments are necessary to enable the Board to carry out the functions of the Association under the Dedicatory Instruments. The amount of any Special Assessments shall be at the reasonable discretion of the Board. In addition to the Special Assessments authorized above, the Association may, in any fiscal year, levy a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area. Any Special Assessment levied by the Association for the purpose of defraying, in whole or in part, costs of any construction, reconstruction, repair or replacement of capital improvement upon the Common Area shall be levied against all Lots based on a per-Lot basis (not including exempt Lots pursuant to Sections 8.7.2 and 8.7.3). Any Special Assessments, pursuant to this Section, shall be approved by a vote of the Majority of the Members at a meeting in accordance with the Bylaws; and written notice of the terms of the Special Assessment shall be sent to every Owner at least thirty (30) days before its effective date.

8.6 Individual Assessments. In addition to any other Assessments, the Board may levy an individual assessment (the **"Individual Assessment"**) against the Owner's Lot. Individual Assessments may include, but are not limited to: interest, late charges, and collection costs on delinquent Assessments;

reimbursement for costs incurred in bringing an Owner or the Owner's Lot into compliance with the Declaration; fines for violations of the Dedicatory Instruments; transfer-related fees and resale certificate fees; fees for estoppel letters and project documents; insurance deductibles; reimbursement for damage or waste caused by willful or negligent acts of the Owner, the Owner's guests, invitees or Residents of the Lot; common expenses that benefit fewer than all of the Lots, which may be assessed according to benefit received; fees or charges levied against the Association on a per-Lot basis (not including exempt Lots pursuant to Sections 8.7.2 and 8.7.3); and "pass through" expenses for services to Lots provided through the Association and which are equitably paid by each Lot according to the benefit received.

8.7 Amount of Assessment.

8.7.1 Assessments to be Levied. Unless otherwise provided in this Declaration, the Board shall levy Assessments against each Lot and such Assessments hereunder shall be levied uniformly against each Lot. Unless otherwise provided herein to the contrary, a Lot becomes subject to Assessments on conveyance of the Lot by Declarant.

8.7.2 Declarant Exemption. Notwithstanding any provision herein to the contrary, no Assessments shall be levied upon Lots owned by Declarant or any portion of the Property owned by Declarant.

8.7.3 Other Exemptions. Notwithstanding any provision herein to the contrary, (A) Declarant may, in its sole discretion, elect to: (i) exempt any un-platted or unimproved portion of the Property or any Lot from any Assessments levied or charged pursuant to this Article; or (ii) delay the levy of Assessments against any un-platted, unimproved, or improved portion of the Property; and (B) Declarant or the Board may also exempt any portion of the Property which is dedicated and accepted by public authority from Assessments.

Additionally, the following areas shall be exempt from the Assessments provided for in this Article:

(i) all area dedicated and accepted by a public authority; and

(ii) the Common Area.

8.8 Late Charges. If any Assessment is not paid by the due date applicable thereto, the Owner responsible for the payment may be required by the Board, at the Board's election at any time, and from time to time, to pay a late charge in such amount as the Board may designate, and the late charge (and any reasonable handling costs) shall be levied as an Individual Assessment against the Lot owned by such Owner, collectible in the manner as provided for collection of Assessments, including foreclosure of the lien against such Lot; provided, however, such charge shall never exceed the maximum charge permitted under Applicable Law. Any Assessment not paid by the thirtieth (30th) day after it is due is late/delinquent.

8.9 Owner's Personal Obligation; Interest. Assessments levied as provided for herein shall be the personal and individual debt of the Owner of the Lot against which are levied such Assessments. No Owner may exempt himself/herself from liability for such Assessments. In the event of default in the payment of any such Assessment, the Owner of the Lot shall be obligated to pay interest on the amount of the Assessment at the highest rate allowed by applicable usury laws then in effect on the amount of the

Assessment from the due date therefor (or if there is no such highest rate, then at the rate of one and one half percent (1 1/2%) per month), together with all costs and expenses of collection, including reasonable attorney's fees. Such amounts shall be levied as an Individual Assessment against the Lot owned by such Owner. Each Assessment, together with such interest thereon and costs of collection as herein provided, shall be secured by a lien hereby granted and conveyed by Declarant to the Association against each such Lot. The Association may enforce payment of such Assessments in accordance with the provisions of this Article. **BY ACCEPTANCE OF A DEED TO A LOT, EACH OWNER GRANTS THE LIEN, TOGETHER WITH THE POWER OF SALE, TO THE ASSOCIATION TO SECURE ASSESSMENTS.**

8.10 Assessment Lien and Foreclosure. The payment of all sums assessed in the manner provided in this Article is, together with late charges as provided in Section 8.8 and interest as provided in Section 8.9 hereof and all costs of collection, including attorney's fees as herein provided, secured by the continuing Assessment lien granted to the Association pursuant to Section 8.1.2 above, and shall bind each Lot in the hands of the Owner thereof, and such Owner's heirs, devisees, personal representatives, successors or assigns. The aforesaid lien shall be superior to all other liens and charges against such Lot, except only for: (i) tax and governmental assessment liens; (ii) all sums secured by a first mortgage lien or first deed of trust lien of record, to the extent such lien secures sums borrowed for the acquisition or improvement of the Lot in question and (iii) home equity loans or home equity lines of credit which are secured by a second mortgage lien or second deed of trust lien of record; provided that, in the case of subparagraphs (ii) and (iii) above, such Mortgage was Recorded before the delinquent Assessment was due. The Association shall have the power to subordinate the aforesaid Assessment lien to any other lien. Such power shall be entirely discretionary with the Board, and such subordination may be signed by an officer, agent or attorney of the Association. To the extent authorized under Applicable Law, the Association may, at its option and without prejudice to the priority or enforceability of the Assessment lien granted hereunder, prepare a written notice of Assessment lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by such lien and a description of the Lot. Such notice may be signed by one of the officers, agents, or attorneys of the Association and shall be Recorded. **EACH OWNER, BY ACCEPTING A DEED OR OWNERSHIP INTEREST TO A LOT SUBJECT TO THIS DECLARATION, SHALL BE DEEMED CONCLUSIVELY TO HAVE GRANTED A POWER OF SALE TO THE ASSOCIATION TO SECURE AND ENFORCE THE ASSESSMENT LIEN GRANTED HEREUNDER. THE ASSESSMENT LIENS AND RIGHTS TO FORECLOSURE THEREOF SHALL BE IN ADDITION TO AND NOT IN SUBSTITUTION OF ANY OTHER RIGHTS AND REMEDIES THE ASSOCIATION MAY HAVE BY LAW AND UNDER THIS DECLARATION, INCLUDING THE RIGHTS OF THE ASSOCIATION TO INSTITUTE SUIT AGAINST SUCH OWNER PERSONALLY OBLIGATED TO PAY THE ASSESSMENT AND/OR FOR FORECLOSURE OF THE AFORESAID LIEN.** In any foreclosure proceeding, such Owner shall be required to pay the costs, expenses and reasonable attorney's fees incurred. The Association shall have the power to bid (in cash or by credit against the amount secured by the lien) on the property at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. Upon the written request of any Mortgagee, the Association shall report to said Mortgagee any unpaid Assessments remaining unpaid for longer than sixty (60) days after the same are due. The lien hereunder shall not be affected by the sale or transfer of any Lot; except, however, that in the event of foreclosure of any lien superior to the Assessment lien, the lien for any Assessments that were due and payable before the foreclosure sale shall be extinguished, provided that past-due Assessments shall be paid out of the proceeds

of such foreclosure sale only to the extent that funds are available after the satisfaction of the indebtedness secured by the Mortgage. The provisions of the preceding sentence shall not, however, relieve any subsequent Owner (including any Mortgagee or other purchaser at a foreclosure sale) from paying Assessments becoming due and payable after the foreclosure sale. Upon payment of all sums secured by a lien of the type described in this Section 8.10, the Association shall upon the written request of the Owner, and at such Owner's cost, execute a release of lien relating to any lien for which written notice has been Recorded as provided above, except in circumstances in which the Association has already foreclosed such lien. Such release shall be signed by an officer, agent, or attorney of the Association. In addition to the lien hereby retained, in the event of nonpayment by any Owner of any Assessment and after the lapse of at least twelve (12) days since such payment was due, the Association may, upon five (5) days' prior written notice (which may run concurrently with such twelve (12) day period) to such Owner, in addition to all other rights and remedies available pursuant to Applicable Law, terminate, in such manner as the Board deems appropriate, any utility or cable service provided through the Association and not paid for directly by an Owner or Resident to the utility or service provider. Such notice shall consist of a separate mailing or hand delivery at least five (5) days prior to a stated date of disconnection, with the title "termination notice" or similar language prominently displayed on the notice. The notice shall include the office or street address where the Owner or the Owner's Resident can make arrangements for payment of the bill and for reconnection of service. Utility or cable service shall not be disconnected on a day, or immediately preceding a day, when personnel are not available for the purpose of collection and reconnecting such services. Except as otherwise provided by Applicable Law, the sale or transfer of a Lot shall not relieve the Owner of such Lot or such Owner's transferee from liability for any Assessments thereafter becoming due or from the lien associated therewith. If an Owner conveys its Lot and on the date of such conveyance Assessments against the Lot remain unpaid, or said Owner owes other sums or fees under this Declaration to the Association, the Owner shall pay such amounts to the Association out of the sales price of the Lot, and such sums shall be paid in preference to any other charges against the Lot other than liens superior to the Assessment lien and charges in favor of the State of Texas or a political subdivision thereof for taxes on the Lot which are due and unpaid. The Owner conveying such Lot shall remain personally liable for all such sums until the same are fully paid, regardless of whether the transferee of the Lot also assumes the obligation to pay such amounts. The Board may adopt an administrative transfer fee to cover the expenses associated with updating the Association's records upon the transfer of a Lot to a third party; provided, however, that no transfer fee shall be due upon the transfer of a Lot from Declarant to a third party.

8.11 Fines and Damages Assessment.

8.11.1 Fines and Fees. As permitted by Applicable Law, the Board may assess fines against an Owner for violations of the Dedicatory Instruments which have been committed by an Owner, a Resident, or the Owner's or Resident's guests, agents or invitees. Any fine and/or charge levied in accordance with this Section 8.11.1 shall be considered an Individual Assessment pursuant to this Declaration. Each day of violation may be considered a separate violation if the violation continues after written notice to the Owner. The Board may assess damage charges against an Owner for pecuniary loss to the Association from property damage or destruction of Common Area or any facilities caused by the Owner, Resident, or their guests, agents, or invitees. The Manager shall have authority to send written notices to alleged violators, informing them of their violations and asking them to comply with the Rules and Regulations and/or informing them of potential or probable fines or damage Assessments. The Board shall adopt policies regarding the levying of fines, the enforcement of fines, and the schedule of fines in accordance with Applicable Law.

8.11.2 Lien Created. The payment of each fine and/or damage charge levied by the Board against a Lot, together with interest as provided in Section 8.9 hereof and all costs of collection, including attorney's fees as herein provided, is secured by the lien granted to the Association pursuant to this Declaration. The fine and/or damage charge shall be considered an Assessment for the purpose of this Article and shall be enforced in accordance with the terms and provisions governing the enforcement of Assessments pursuant to this Article 8. **BY ACCEPTANCE OF A DEED TO A LOT, EACH OWNER GRANTS THE LIEN, TOGETHER WITH THE POWER OF SALE, TO THE ASSOCIATION TO SECURE ASSESSMENTS.**

8.12 Alternative Payment Schedule. In accordance with Applicable Law, the Board shall adopt policies for alternative payment schedules for Assessments, allowing Members to pay Assessments under a schedule that extends for between three (3) and eighteen (18) months. Notwithstanding any provision herein to the contrary, a Member making payments on an alternative payment schedule shall not incur additional monetary penalties, other than any applicable interest and costs of administering the plan.

8.13 Remedial Options. Without limiting any provision herein:

(1) if the Association complies with all applicable notice requirements, an Owner is liable to the Association for all costs and reasonable attorney's fees incurred by the Association in collecting delinquent Assessments, foreclosing the Association's lien, and enforcing the Dedicatory Instruments;
(2) the Association may bring an action against an Owner to collect delinquent Assessments, foreclose the Association's lien, or enforce or enjoin a violation of the Dedicatory Instruments;
(3) an Owner may bring an action against another Owner to enforce or enjoin a violation of the Dedicatory Instruments; and
(4) an Owner is liable to the Association for damage to Common Areas caused by the Owner or the Owner's family, Residents, guests, agents, independent contractors, and invitees in accordance with law.

ARTICLE 9
ARCHITECTURAL CONTROL COMMITTEE

Declarant has a substantial interest in ensuring that the Residences and Improvements within the Property maintain and enhance Declarant's reputation as a community developer and do not impair Declarant's ability to market and sell all or any portion of the Property. The Declarant acts as the ACC and the ACC is not a committee of the Association until the Declarant has assigned its right to appoint and remove all ACC members to the Association/Board in a Recorded written instrument. Until Declarant has delegated its right to appoint and remove all members of the ACC to the Board as provided in Section 9.1.1 below: (1) the ACC shall be acting solely in Declarant's interest and shall owe no duty to any other Owner or the Association; and (2) notwithstanding any provision in this Declaration to the contrary, Declarant may exercise the rights of the ACC or appoint a single person to exercise the rights of the ACC (this right includes the Declarant's right to appoint and remove any such single person from time to time, with or without cause, in its sole and absolute discretion).

9.1 Architectural Control Committee. Unless otherwise provided herein, the ACC is established as a committee of the Association to assist the Association in ensuring that all Residences and Improvements (including, but not limited to, landscaping) within the Property are aesthetically compatible and conform to the Dedicatory Instruments.

9.1.1 Composition. The ACC shall be composed of not more than three (3) persons (who need not be Members or Owners) appointed as provided below, who shall review Residences and Improvements proposed to be made by any Owner other than Declarant. Declarant shall have the right to appoint and remove (with or without cause) all members of the ACC. Declarant may assign its right to appoint all members of the ACC to the Association by Recorded written instrument, and thereafter, the Board shall have the right to appoint and remove (with or without cause) all members of the ACC. Any assignment by Declarant of the right to appoint and remove all members of the ACC may be withdrawn until the expiration of the Development Period. If Declarant withdraws its assignment of the right to appoint and remove all members of the ACC, then on the date of such withdrawal, Declarant shall have the right to appoint and remove (with or without cause) all members of the ACC. Declarant's right to appoint all members of the ACC shall automatically be assigned to the Association upon the expiration of twenty-four (24) months after the expiration of the Development Period. Declarant, at its option, may create and assign specific duties and responsibilities to one or more sub-committees consisting of members and/or nonmembers of the ACC. In the event responsibilities and duties are assigned to a sub- committee, those responsibilities and duties shall no longer be discharged by the ACC unless the sub-committee exercising such duties and responsibilities is dissolved by Declarant. The right to create, dissolve, and appoint members of such sub-committees shall reside exclusively with Declarant until such time as Declarant has assigned its right to appoint members of the ACC to the Association. The ACC shall have the right to employ consultants and advisors as it deems necessary or appropriate. ACC members serve until replaced or they resign or otherwise no longer able to serve.

9.1.2 Submission and Approval of Plans and Specifications. **NO RESIDENCE OR IMPROVEMENT MAY BE ERECTED ON ANY LOT, OR THE EXTERIOR ALTERED, UNLESS PLANS, SPECIFICATIONS, AND ANY OTHER DOCUMENTS REQUESTED BY THE ACC HAVE BEEN SUBMITTED TO AND APPROVED BY THE ACC IN WRITING (UNLESS SUCH RESIDENCE OR IMPROVEMENT IS OTHERWISE CONDUCTED BY THE DECLARANT).** Construction plans and specifications or, when an Owner desires solely to re-subdivide or consolidate Lots, a proposal for such re-subdivision or consolidation, shall be submitted in accordance with the Design Guidelines or any additional rules adopted by the ACC together with any review fee which is imposed by the ACC in accordance with Section 9.1.3 to the ACC. No re-subdivision or consolidation shall be made, nor any Residence or Improvement placed or allowed on any Lot, until the plans and specifications and the Homebuilder which the Owner intends to use to construct the proposed structure or Improvement have been approved in writing by a Majority of the members of the ACC. The ACC may, in reviewing such plans and specifications consider any information that it deems proper; including, without limitation, any permits, environmental impact statements or percolation tests that may be required by the ACC or any other entity; and harmony of external design and location in relation to surrounding structures, topography, vegetation, and finished grade elevation. The ACC may postpone its review of any plans and specifications submitted for approval pending receipt of any information or material which the ACC, in its sole discretion, may

require. Site plans shall be approved by the ACC prior to the clearing of any Lot, or the construction of any Residences and Improvements. The ACC may refuse to approve plans and specifications for proposed Residences and Improvements, or for the re-subdivision or consolidation of any Lot on any grounds that, in the sole and absolute discretion of the ACC, are deemed sufficient, including, but not limited to, purely aesthetic grounds. At the minimum, the plans and specifications, submitted pursuant to this Section, shall show exterior design, height, building materials, color scheme, location of any Residence and Improvement depicted horizontally and vertically, and the general plan of landscaping, all in the form and detail the ACC may require.

9.1.3 Design Guidelines. Declarant shall have the right, but shall have no obligation to, adopt Design Guidelines (in addition to those provided herein) and, during the Development Period, shall have the power from time to time, to adopt, amend, modify, or supplement the Design Guidelines. Upon expiration or termination of the Development Period, the ACC, or any sub-committee thereof created pursuant to Section 9.1.1, shall have the power from time to time, to adopt, to amend, modify, or supplement the Design Guidelines; provided, however, that any amendment to the Design Guidelines made by a sub-committee shall only apply to the Residences and Improvements under the jurisdiction of such sub-committee, and during the Development Period, any such amendment, modification or supplement shall be approved in advance and in writing by the Declarant. In the event of any conflict between the terms and provisions of the Design Guidelines and the terms and provisions of this Declaration, the terms and provisions of this Declaration shall control (except for the Landscaping Design Guidelines specifically provided in Section 9.1.3.1; such Landscaping Design Guidelines shall control in the event of a conflict with a provision of the Declaration, provided, however, all shall be read in concert, with all reasonable effort made to reconcile their respective provisions). In addition, the ACC shall have the power and authority to impose a fee for the review of plans, specifications and other documents and information submitted to it pursuant to the terms of this Declaration. Such charges shall be held by the ACC and used to defray the administrative expenses incurred by the ACC in performing its duties hereunder; provided, however, that any excess funds held by the ACC shall be distributed to the Association at the end of each calendar year. The ACC shall not be required to review any plans until a complete submittal package, as required by this Declaration (and the Design Guidelines, as applicable), is assembled and submitted to the ACC. Within thirty (30) days after the submission of plans and specifications pursuant to this Section, the ACC shall notify the submitting person/Owner of any other documents or information required by the ACC. In the absence of timely notice from the ACC requesting additional documents or other information, the submission shall be deemed complete on the thirtieth (30^{th}) day after submission. The ACC shall have the authority to adopt such additional procedural and substantive rules and guidelines (including, without limitation, the imposition of any requirements for certificates of compliance or completion relating to any Residence and Improvement and the right to approve in advance any contractor selected for the construction of any Residence and Improvement), not in conflict with this Declaration (and any applicable Dedicatory Instruments), as it may deem necessary or appropriate in connection with the performance of its duties hereunder. The Design Guidelines and any other standards adopted pursuant to this Section 9.1.3 (including Section 9.1.3.1) shall be effective beginning on the Recorded date.

9.1.3.1 **Landscaping Design Guidelines.** Notwithstanding any provision herein to the contrary, the landscaping for any development of a Lot shall comply (at the minimum) with **Exhibits**

C-1 and **C-2** attached hereto and incorporated herein for all purposes and shall be reviewed for written approval by the ACC prior to the development of a Lot.

9.1.4 Actions of the Architectural Control Committee. The ACC may, by resolution unanimously adopted in writing, designate one or more of its members, or an agent acting on its behalf, to take any action or perform any duties for and on behalf of the ACC, except the granting of variances. In the absence of such designation, the vote of a Majority of all of the members of the ACC shall constitute an act of the ACC.

9.1.5 Failure to Approve. In the event that any plans and specifications are submitted to the ACC as provided herein, and the ACC fails to approve such plans and specifications for a period of thirty (30) days following such submission of a complete submittal package, denial of such plans and specifications by the ACC shall be provided by written notice in accordance with Texas Property Code Section 209.00505.

9.1.6 Variances. The Board may grant variances, in its sole and absolute discretion, from compliance with any of the provisions of the Design Guidelines or this Declaration. All variances shall be evidenced in writing and shall be signed by at least a Majority of the Board. **EACH VARIANCE SHALL ALSO BE RECORDED;** provided however, that failure to Record a variance shall not affect the validity thereof or give rise to any claim or cause of action against the ACC, including the Declarant or its designee, the Association, or the Board. If a variance is granted, no violation of the covenants, conditions, or restrictions contained in this Declaration or the Design Guidelines, if any, shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such variance shall not operate to waive or amend any of the terms and provisions of this Declaration or the Design Guidelines, if any, for any purpose except as to the particular property and in the particular instance covered by the variance, and such variance shall not be considered to establish a precedent for any future waiver, modification, or amendment of the terms and provisions of this Declaration or the Design Guidelines, if any. Notwithstanding the above provisions in this Section 9.1.6, a variance shall not be approved unless prior written approval is also received from the Declarant during the Development Period and, under no circumstance, shall a variance be granted if it violates the Development Agreement and Development Documents while such are in full force and effect.

9.1.7 Duration of Approval. The approval of the ACC of any plans and specifications, and any variances granted by the Board, shall be valid for a period of one hundred and twenty (120) days only. If construction in accordance with such plans and specifications or variance is not commenced within such one hundred and twenty (120) day period and diligently prosecuted to completion within either: (i) one year after issuance of approval of such plans and specifications; or (ii) such other period thereafter as determined by the ACC, in its sole and absolute discretion, the Owner shall be required to resubmit such plans and specifications to the ACC or written request for a variance to the Board, and the ACC or the Board, as applicable, shall have the authority to re- evaluate such in accordance with this Section 9.1.7 and may, in addition, consider any change in circumstances which may have occurred since the time of the original approval.

9.1.8 No Waiver of Future Approvals. The approval of the ACC or Board to any plans or specifications for any work done or proposed in connection with any matter requiring the approval or consent of the ACC or Board shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any plans and specifications on any other matter, subsequently or additionally submitted for approval by the same or a different person, nor shall such approval or consent be deemed to establish a precedent for future approvals by the ACC or Board.

9.1.9 Appeal. An Owner may appeal any action of the ACC to the Board. The appealing Owner shall give written notice of the appeal to the Board within thirty (30) days after the ACC's action. The Board shall determine the appeal within thirty (30) days after timely notice of appeal is given. The determination by the Board is final.

9.1.10 Records. The ACC shall maintain written records of all requests submitted to it and of all actions taken. The Board shall maintain written records of all appeals of ACC actions and all determinations made.

9.1.11 Non-Liability. **NEITHER DECLARANT, THE BOARD, THE ARCHITECTURAL CONTROL COMMITTEE, NOR ANY MEMBER SHALL BE LIABLE TO ANY OWNER OR TO ANY OTHER PERSON FOR ANY LOSS, DAMAGE OR INJURY ARISING OUT OF THE PERFORMANCE OF THE ARCHITECTURAL CONTROL COMMITTEE'S DUTIES UNDER THIS DECLARATION. MOREOVER, THE DECLARANT, THE ASSOCIATION, THE BOARD, THE ACC, AND THEIR MEMBERS SHALL NOT BE LIABLE TO ANY PERSON SUBMITTING REQUESTS FOR APPROVAL OR TO ANY OWNER BY REASON OF ANY ACTION, FAILURE TO ACT, APPROVAL, DISAPPROVAL, OR FAILURE TO APPROVE OR DISAPPROVE ANY REQUEST.**

ARTICLE 10
MORTGAGE PROVISIONS

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Lots within the Property. The provisions of this Article apply to the Declaration and the Bylaws of the Association.

10.1 Notice of Action. An institutional holder, insurer, or guarantor of a first Mortgage which provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Lot to which its Mortgage relates (thereby becoming an **"Eligible Mortgage Holder"**)), shall be entitled to timely written notice of:

(i) Any condemnation loss or any casualty loss which affects a material portion of the Property or which affects any Lot on which there is an eligible Mortgage held, insured, or guaranteed by such Eligible Mortgage Holder;

(ii) Any delinquency in the payment of Assessments or charges owed for a Lot subject to the Mortgage of such Eligible Mortgage Holder, where such delinquency has continued for a period of sixty (60) days, or any other violation of the Dedicatory Instruments relating to such Lot or the Owner or Resident which is not cured within sixty (60) days; or

(iii) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

10.2 Examination of Books. The Association shall permit Mortgagees to examine the books and records of the Association during normal business hours.

10.3 Taxes, Assessments and Charges. All taxes, Assessments and charges that may become liens prior to first lien mortgages under Applicable Law shall relate only to the individual Lots and not to any other portion of the Property.

ARTICLE 11
EASEMENTS AND COMMON AREAS

11.1 Easements - General. Neither Declarant nor any utility company or authorized political subdivision using the easements referred to herein shall be liable for any damages done by them or their assigns, agents, employees or servants, to fences, shrubbery, trees, flowers, improvements or other property of the Owner situated on the land covered by such easements as a result of construction, maintenance or repair work conducted by such parties or their assigns, agents, employees or servants. Declarant expressly reserves the right to grant easements over, under and across any Lot in the Properties for the installation and maintenance of utility and drainage facilities; provided, however, any easement created by the Declarant pursuant to this provision shall not materially adversely affect the use and enjoyment of any Residence or the value of any Residence. Declarant further reserves unto itself, its agents, employees, servants, successors and assigns, the right of ingress and egress, on, over, in, and across the Properties in order to complete development of the Properties and the construction of all Residences. The rights reserved by Declarant in this paragraph shall be used in such a manner as not to unreasonably interfere with the use and enjoyment of any Residence in the Properties.

11.2 Right of Ingress and Egress. Declarant, its agents, employees, designees, successors and assigns shall have a right of ingress and egress over and the right of access to the Common Area to the extent necessary to use the Common Area and the right to such other temporary uses of the Common Area as may be required or reasonably desirable (as determined by Declarant in its sole discretion) in connection with the construction and development of the Property. The Property shall be subject to a perpetual non-exclusive easement for the installation and maintenance of, including the right to read meters, service or repair lines and equipment, and to do everything and anything necessary to properly maintain and furnish the Community Systems and the facilities pertinent and necessary to the same, which easement shall run in favor of Declarant. Declarant shall have the right, but not the obligation, to install and provide the Community Systems and to provide the services available through the Community Systems to any and all

Lots within the Property. Neither the Association nor any Owner shall have any interest therein. Any or all of such services may be provided either directly through the Association and paid for as part of the Assessments or directly to Declarant, any affiliate of Declarant, or a third party, by the Owner who receives the services. The Community Systems shall be the property of Declarant unless transferred by Declarant, whereupon any proceeds of such transfer shall belong to Declarant. Declarant shall have the right but not the obligation to convey, transfer, sell or assign all or any portion of the Community Systems or all or any portion of the rights, duties or obligations with respect thereto, to the Association or to any person or entity. The rights of Declarant with respect to the Community Systems installed by Declarant and the services provided through such Community Systems are exclusive, and no other person or entity may provide such services through the Community Systems installed by Declarant without the prior written consent of Declarant. In recognition of the fact that interruptions in cable television and other Community Systems services shall occur from time to time, no person or entity described above shall in any manner be liable, and no user of any Community System shall be entitled to any refund, rebate, discount or offset in applicable fees, for any interruption in Community Systems services, regardless of whether or not same is caused by reasons within the control of the then-provider of such services.

11.3 Reserved Easements. All dedications, limitations, restrictions and reservations shown on any Plat and all grants and dedications of easements, rights-of-way, restrictions and related rights made by Declarant or any third party prior to the Property becoming subject to this Declaration are incorporated herein by reference and made a part of this Declaration for all purposes as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant. Declarant reserves the right to relocate, make changes in, and additions to said easements, rights-of-way, dedications, limitations, reservations and grants for the purpose of most efficiently and economically developing the Property.

11.4 Roadway and Utility Easements. Declarant hereby reserves for itself and its assigns a perpetual non-exclusive easement over and across the Property for: (i) the installation, operation and maintenance of utilities and associated infrastructure to serve the Property and any other property owned by Declarant; (ii) the installation, operation and maintenance of cable lines and associated infrastructure for sending and receiving data and/or other electronic signals, security and similar services to serve the Property and any other property owned by Declarant; (iii) the installation, operation and maintenance of, walkways, pathways and trails, drainage systems, street lights and signage to serve the Property and any other property owned by Declarant; and (iv) the installation, location, relocation, construction, erection and maintenance of any streets, roadways, or other areas to serve the Property and any other property owned by Declarant. Declarant shall be entitled to unilaterally assign the easements reserved hereunder to any third party who owns, operates or maintains the facilities and Improvements described in (i) through (iv) of this Section. In addition, Declarant may designate all or any portion of the easements or facilities constructed therein as Common Area.

11.5 Entry and Fencing Easement. Declarant reserves for itself and the Association, an easement over and across the Property and any Common Area for the installation, maintenance, repair or replacement of certain subdivision entry facilities, walls, and/or fencing which serves the Property, the Common Area or any other property owned by the Declarant. Declarant shall have the right, from time to time, to Record a written notice which identifies the fencing and/or subdivision entry facilities fencing to

which the easement reserved hereunder applies. Declarant may designate all or any portion of the fencing and/or subdivision entry facilities as Common Area.

11.6 Landscape, Monumentation and Signage Easement. Declarant hereby reserves for itself and the Association, an easement over and across the Property and the Common Area for the installation, maintenance, repair or replacement of landscaping, monumentation and signage which serves the Property, the Common Area or any other property owned by the Declarant. Declarant shall have the right, from time to time, to Record a written notice which identifies the landscaping, monumentation or signage to which the easement reserved hereunder applies. Declarant may designate all or any portion of the landscaping, monumentation or signage as Common Area.

11.7 Easement for Special Events. The Declarant reserves for itself and the Association, and their successors, assigns, and designees, a perpetual, nonexclusive easement over the Common Area, for the purpose of conducting educational, cultural, artistic, musical and entertainment activities; and other activities of general community interest at such locations and times as the Declarant or the Association, in their reasonable discretion, deem appropriate. Members of the public may have access to such events. **EACH OWNER, BY ACCEPTING A DEED OR OTHER INSTRUMENT CONVEYING ANY INTEREST IN A LOT SUBJECT TO THIS DECLARATION ACKNOWLEDGES AND AGREES THAT THE EXERCISE OF THIS EASEMENT MAY RESULT IN A TEMPORARY INCREASE IN TRAFFIC, NOISE, GATHERING OF CROWDS, AND RELATED INCONVENIENCES, AND EACH OWNER AGREES ON BEHALF OF ITSELF AND THE RESIDENTS TO TAKE NO ACTION, LEGAL OR OTHERWISE, WHICH WOULD INTERFERE WITH THE EXERCISE OF SUCH EASEMENT.**

11.8 Solar Equipment Easement. Declarant hereby reserves for itself and the Association, and their successors, assigns, and designees, a perpetual, nonexclusive easement over and across the Property and Common Area for the installation, maintenance, repair or replacement of a rooftop solar electric generating system designed to deliver electric power to a particular Residence built on a Lot or Common Area. Declarant shall have the right, from time to time, to Record a written notice which identifies the solar equipment to which the easement reserved hereunder applies. Declarant shall be entitled to unilaterally assign the easements reserved hereunder to any third party.

11.9 Cellular Tower and Telecommunications Easement. Declarant hereby grants and reserves for itself and its assigns, an exclusive, perpetual and irrevocable easement, license and right to use any portion of the Common Area, or any portion of the Property which Declarant intends to designate as Common Area (the **"CTT Easement Area")** for the construction, installation, use, maintenance, repair, replacement, improvement, removal and operation of CTT Equipment. Declarant or its assignee shall have the right, from time to time, but no obligation, to Record a written notice which identifies the portion of the Common Area to which the CTT Easement Area pertains, and Declarant, or its assignee, may fence, install landscaping, or otherwise install improvements restricting access to the CTT Easement Area identified in such Recorded instrument. Neither the Association, nor any Owner other than the Declarant or its assignee hereunder, may use the CTT Easement Area in any manner which interferes with operation of the CTT Equipment. Declarant hereby reserves for itself and its assigns the right to use, sell, lease or assign all or any portion of the CTT Easement Area, for the construction, installation, use, maintenance, repair, replacement, improvement, removal and operation of the CTT Equipment. In addition, Declarant hereby

reserves for itself and its assigns a non-exclusive, perpetual and irrevocable easement over the Property for access to and from the CTT Easement Area and to construct, install, use, maintain, repair, replace, improve, remove, and operate, or allow others to do the same, any utility lines servicing the CTT Equipment. Declarant also reserves for itself and its assigns the right to select and contract with any third-party for the construction, installation, use, maintenance, repair, replacement, improvement, removal and operation of the CTT Equipment and to provide any telecommunication, cellular, video or digital service associated therewith. Declarant shall have and hereby reserves for itself and its assigns the sole and exclusive right to collect and retain any and all income and/or proceeds received from or in connection with use or services provided by the CTT Equipment and the rights described in this Section. The rights reserved to Declarant under this Section shall benefit only Declarant and its assigns, and no other Owner or successor-in-title to any portion of the Property shall have any rights to income derived from or in connection with the rights and easements granted in this Section, except as expressly approved in writing by Declarant. **EACH OWNER AND RESIDENT HEREBY RELEASES AND HOLDS HARMLESS THE DECLARANT AND ITS ASSIGNS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF ANY ACTS, ACTIONS OR ACTIVITIES PERMITTED BY DECLARANT ITS ASSIGNS UNDER THIS SECTION (INCLUDING ANY COST, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.** The provisions of this Section shall not be amended without the written and acknowledged consent of Declarant or the assignee of all or any portion of Declarant's rights hereunder.

11.10 Easement to Inspect and Right to Correct. For a period of ten (10) years after the expiration of the Development Period, Declarant reserves for itself and for the Declarant's architect, engineer, other design professionals, Homebuilder and general contractor the right, but not the duty, to inspect, monitor, test, redesign, correct, and relocate any structure, Improvement, or condition that may exist on any portion of the Property, including the Lots, and a perpetual nonexclusive easement of access throughout the Property to the extent reasonably necessary to exercise this right. The party exercising such rights shall promptly repair, at its sole expense, any damage resulting from the exercise of this right. By way of illustration but not limitation, relocation of mechanical or electrical facilities may be warranted by a change of circumstance, imprecise siting of the original facilities, or the desire or necessity to comply more fully with Applicable Law. This Section 11.10 may not be construed to create a duty for Declarant, the Association, or any architect, engineer, other design professionals, Homebuilder or general contractor, and may not be amended without Declarant's advanced written consent. **IN SUPPORT OF THIS RESERVATION, EACH OWNER, BY ACCEPTING AN INTEREST IN OR TITLE TO A LOT, HEREBY GRANTS TO DECLARANT AN EASEMENT OF ACCESS AND ENTRY OVER, ACROSS, UNDER, AND THROUGH THE PROPERTY, INCLUDING WITHOUT LIMITATION, ALL COMMON AREAS AND THE OWNER'S LOT AND ALL IMPROVEMENTS THEREON FOR THE PURPOSES CONTAINED IN THIS SECTION.**

11.11 Owner's Rights of Access and Enjoyment. Subject to the further provisions of this Section, every Member shall have a right and easement of enjoyment in and to all of the Common Area and

an access easement by and through any Common Area, and such right shall be appurtenant to and shall pass with the title to the Lot owned by such Member. Such rights shall be subject to the following: (a) The Association shall have the right to charge reasonable admission and other fees for the use of any facility situated upon the Common Area. (b) The Association shall have the right, without the approval of the Members, to borrow money and to mortgage, pledge, deed in trust, or hypothecate any or all of the Common Area as security for money borrowed or debts incurred. (c) The Association shall have the right to take such steps as are reasonably necessary to protect the Common Area against foreclosure of any such mortgage. (d) The Association shall have the right to suspend the enjoyment rights of any Member for any period during which any Assessment or other amount owed by such Member to the Association remains unpaid in excess of thirty (30) days. (e) The Association shall have the right to establish reasonable Rules and Regulations governing the Members' use and enjoyment of the Common Area, and to suspend the enjoyment rights of any Member for any period not to exceed sixty (60) days for any infraction of such Rules and Regulations. (f) The Association shall have the right, without the approval by the Members, to sell or convey all or any part of the Common Area and the right, to grant or dedicate easements in portions of the Common Area to public or private utility companies. (g) The Association shall have the right to enter into agreements with one or more persons pursuant to which individuals who are not Members of the Association are granted the right to use the Common Area and the facilities located thereupon upon payment of such fees as may be determined by the Board. (h) The right of the Declarant, or the Declarant's designee, to cause such Improvements and features to be constructed upon the Common Area, as determined from time to time by the Declarant, in the Declarant's sole and absolute discretion. (i) The right of the Declarant, during the Development Period, and the Board thereafter, to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for any purpose. (j) The right of the Declarant, during the Development Period, and the Board thereafter to grant easements or licenses over and across the Common Area.

Each Member shall have the right to extend his right of enjoyment to the Common Area to the members of his family, Residents, and to such guests or other persons as may be permitted by the Association. An Owner shall be deemed to have made a delegation of all rights to use the Common Area to the Residents of any rented/leased Residence.

AN OWNER MAY NOT ERECT OR ALTER ANY IMPROVEMENT ON, OR CLEAR, LANDSCAPE, OR DISTURB, ANY COMMON AREA EXCEPT AS APPROVED BY THE BOARD.

11.12 Easements for Utilities and Public Services. (a) There is hereby granted to the Association, and to any other public authority or agency, utility district, or public or private utility company, a perpetual easement upon, over, under, and across (i) the Common Area, and (ii) those portions of all Lots as are reasonably necessary, for the purpose of installing, replacing, repairing, maintaining, and using master television antenna and/or cable systems, security and similar systems, and all utilities, including, but not limited to, storm sewers, drainage systems and retention ponds, electrical, gas, telephone, water and sewer lines, street lights, street signs and traffic signs; provided, however, that such easements shall not unreasonably affect the ability to develop, market or the value of any Lot. To the extent possible, utility lines and facilities serving the Properties and located therein shall be located underground. By virtue of any such easement and facilities, it shall be expressly permitted for the providing utility company or other supplier or servicer, with respect to the portions of the Properties encumbered, (i) to erect and maintain pipes, lines, manholes, pumps, and other necessary equipment and facilities, (ii) to cut and remove any trees, bushes, or shrubbery, (iii) to excavate or fill, or (iv) to take any other similar action reasonably

necessary to provide economical and safe installation, maintenance, repair, replacement, and use of such utilities and systems. (b) There is also hereby granted to the City and to such other governmental authority or agency as shall from time to time have jurisdiction over the Properties (or any portion thereof) with respect to law enforcement and fire protection, the perpetual, non-exclusive right and easement upon, over and across all of the Properties (including the Common Areas) for purposes of performing such duties and activities related to law enforcement and fire protection in the Properties (and Common Areas) as shall be required or appropriate from time to time by such governmental authorities under Applicable Law. More specifically, this Declaration grants the city, other public agencies, political subdivisions, and public utilities written permission for access to the Common Areas at any time and without liability when on official business, as well as permission to remove any obstructions, if necessary, to obtain timely and practical access; any cost of such removal may be assessed to the Association, and in turn, may be assessed by the Association as an Individual Assessment to the Owner of the obstruction.

11.13 Easements for Association. There is hereby granted a general right and easement to the Association, its directors, officers, agents, and employees, including, but not limited to, any Manager employed by the Association and any employees of such Manager, to enter upon any Lot or any portion thereof in the performance of their respective duties or the enforcement of the provisions of this Declaration without liability for trespass. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance written notice to the Owner or Resident of the Residence directly affected thereby.

ARTICLE 12
DEVELOPMENT RIGHTS

12.1 Development by Declarant. It is contemplated that the Property shall be developed pursuant to a plan, which may, from time to time, be amended or modified. Declarant reserves the right, but shall not be obligated, to pursue the development, construction and marketing of the Property, the right to direct the size, shape, and composition of the Property, the right to create and/or designate Lots and Common Areas and to subdivide all or any portion of the Property pursuant to the terms of this Section 12.1, subject to any limitations imposed on portions of the Property by any applicable Plat. These rights may be exercised with respect to any portions of the Property and the Common Area. As each area is developed or dedicated, Declarant may designate the use, classification and such additional covenants, conditions and restrictions as Declarant may deem appropriate for that area.

12.2 Special Declarant Rights. Notwithstanding any provision of this Declaration to the contrary, at all times, Declarant shall have the right and privilege: (i) to erect and maintain advertising signs (illuminated or non-illuminated), sales flags, other sales devices and banners for the purpose of aiding the sale of Lots in the Property; (ii) to maintain Residences and Improvements upon Lots as sales, model, management, business and construction offices; and (iii) to maintain and locate construction trailers and construction tools and equipment within the Property and the Common Area. The construction, placement or maintenance of Residences and Improvements by Declarant shall not be considered a nuisance, and Declarant hereby reserves the right and privilege for itself to conduct the activities enumerated in this Section 12.2 until twenty-four (24) months after expiration or termination of the Development Period.

12.3 Addition of Land. Declarant may, at any time and from time to time (in its sole and absolute discretion), add additional lands to the Property. Upon the Recording of a notice of addition of land, such land shall be considered part of the Property for purposes of this Declaration, and such added lands shall be considered part of the Property subject to this Declaration and the terms, covenants, conditions, restrictions and obligations set forth in this Declaration, and the rights, privileges, duties and liabilities of the persons subject to this Declaration shall be the same with respect to such added land as with respect to the lands originally covered by this Declaration.

12.3.1 To add lands to the Property, Declarant shall be required only to Record a notice of addition of land containing the following provisions:

A reference to this Declaration, which reference shall state the document number or volume and initial page number wherein this Declaration is Recorded;

A statement that such land shall be considered Property for purposes of this Declaration, and that all of the terms, covenants, conditions, restrictions and obligations of this Declaration shall apply to the added land; and

A legal description of the added land.

12.3.2 The Owners of land in annexed property under this Section shall be entitled to use the Common Area in the same manner and to the same extent of the Owners of all other property subject to the jurisdiction of the Association. Such additional property shall be impressed with and subject to Assessments imposed hereby on an uniform basis, consistent with provisions of this Declaration.

12.4 Withdrawal of Land. Declarant may, at any time and from time to time (in its sole and absolute discretion), reduce or withdraw from the Property, and remove and exclude from the burden of this Declaration and the jurisdiction of the Association any portion of the Property. Upon any such withdrawal and removal this Declaration and the covenants conditions, restrictions and obligations set forth herein shall no longer apply to the portion of the Property withdrawn. To withdraw lands from the Property hereunder, Declarant shall be required only to Record a notice of withdrawal of land containing the following provisions:

12.4.1 A reference to this Declaration, which reference shall state the document number or volume and initial page number wherein this Declaration is Recorded;

12.4.2 A statement that the provisions of this Declaration shall no longer apply to the withdrawn land; and

12.4.3 A legal description of the withdrawn land.

12.5 Notice of Plat Recordation. Declarant may, at any time and from time to time, file a notice of Plat Recordation (a **"Notice of Plat Recordation"**). A Notice of Plat Recordation is Recorded for the purpose of more clearly identifying specific Lots subject to the terms and provisions of this Declaration after portions of the Property is made subject to a Plat. Declarant shall have no obligation to Record a Notice

of Plat Recordation and failure to Record a Notice of Plat Recordation shall in no event remove any portion of the Property from the terms and provisions of this Declaration.

12.6 Assignment of Declarant's Rights. Notwithstanding any provision in this Declaration to the contrary, Declarant may, by written instrument, assign, in whole or in part, any of its privileges, exemptions, rights and duties under this Declaration to any person or entity and may permit the participation, in whole, in part, exclusively, or non-exclusively, by any other person or entity in any of its privileges, exemptions, rights and duties hereunder.

ARTICLE 13
GENERAL PROVISIONS

13.1 Term. The terms, covenants, conditions, restrictions, easements, charges, and liens set out in this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by the Association, and every Owner, including Declarant, and their respective legal representatives, heirs, successors, and assigns, for a term beginning on the date this Declaration is Recorded, and continuing through and including January 1, 2065, after which time this Declaration shall be automatically extended for successive periods of ten (10) years unless a change (the word "change" meaning a termination, or change of term or renewal term) is approved in a resolution adopted by a Majority vote of Members owning at least sixty-seven percent (67%) of the Lots subject to the Declaration, voting in person or by proxy at a meeting duly called for such purpose, written notice of which shall be given to all Members at least thirty (30) days in advance and shall set forth the purpose of such meeting; provided, however, that such change shall be effective only upon the Recording of a certified copy of such resolution.

13.2 Eminent Domain. In the event it becomes necessary for any public authority to acquire all or any part of the Common Area for any public purpose during the period this Declaration is in effect, the Board is hereby authorized to negotiate with such public authority for such acquisition and to execute instruments necessary for that purpose. Should acquisitions by eminent domain become necessary, only the Board need be made a party, and in any event the proceeds received shall be held by the Association for the benefit of the Owners. In the event any proceeds attributable to acquisition of Common Area are paid to Owners, such payments shall be allocated on a per-Lot basis (not including exempt Lots pursuant to Sections 8.7.2 and 8.7.3) and paid jointly to the Owners and the holders of Mortgages or deeds of trust on the respective Lot.

13.3 Amendment. This Declaration may be amended or terminated by the Recording of an instrument executed and acknowledged by: (i) the Declarant acting alone, in its sole and absolute discretion (during the Development Period); or (ii) the president and secretary of the Association setting forth the amendment and certifying that such amendment has been approved by a Majority vote of Members owning at least sixty-seven percent (67%) of the Lots subject to the Declaration – provided that no amendment shall be effective without the written consent of Declarant, its successors or assigns, during the Development Period. This Section 13.3 may be subject to Texas Property Code Section 209.013 to the extent it applies to an amendment of this Declaration; such Section 209.013 provides, "A dedicatory instrument created by a developer of a residential subdivision or by a property owners' association in which the developer has a majority of the voting rights or that the developer otherwise controls under the terms of the dedicatory instrument may not be amended during the period between the time the developer loses the majority of the

voting rights or other form of control of the property owners' association and the time a new board of directors of the association assumes office following the loss of the majority of the voting rights or other form of control."

13.4 Enforcement. Except as otherwise provided herein, any Owner of a Lot, at such Owner's own expense, Declarant and the Association shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, charges and other terms now or hereafter imposed by the Dedicatory Instruments. The Association and/or the Declarant may initiate, defend or intervene in any action brought to enforce any Dedicatory Instruments. Such right of enforcement shall include both damages for and injunctive relief against the breach of any provision hereof. Every act or omission whereby any Dedicatory Instruments are violated, in whole or in part, is hereby declared to be a nuisance and may be enjoined or abated by any Owner of a Lot (at such Owner's own expense), Declarant or the Association. Any violation of any Applicable Law pertaining to the ownership, occupancy, or use of any portion of the Property is hereby declared to be a violation of this Declaration and subject to all of the enforcement procedures set forth herein. Failure to enforce any right, provision, covenant, or condition set forth in the Dedicatory Instruments shall not constitute a waiver of the right to enforce such right, provision, covenants or condition in the future. Failure of the Declarant or the Association to enforce the terms and provisions of the Dedicatory Instruments shall in no event give rise to any claim or liability against the Declarant, the Association, or any of their partners, directors, officers, or agents. **EACH OWNER, BY ACCEPTING TITLE TO ALL OR ANY PORTION OF THE PROPERTY, HEREBY RELEASES AND SHALL HOLD HARMLESS EACH OF THE DECLARANT, THE ASSOCIATION, AND THEIR PARTNERS, DIRECTORS, OFFICERS, OR AGENTS FROM AND AGAINST ANY DAMAGES, CLAIMS OR LIABILITY ASSOCIATED WITH THE FAILURE OF THE DECLARANT OR THE ASSOCIATION TO ENFORCE THE DEDICATORY INSTRUMENTS.**

13.5 No Warranty of Enforceability. Declarant makes no warranty or representation as to the present or future validity or enforceability of the Dedicatory Instruments. Any Owner acquiring a Lot in reliance on one or more of the Dedicatory Instruments shall assume all risks of the validity and enforceability thereof and, by acquiring the Lot, agrees to hold Declarant harmless therefrom.

13.6 Severability. If any provision of this Declaration is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect the validity of any other provision of this Declaration, or, to the extent permitted by Applicable Law, the validity of such provision as applied to any other person or entity.

13.7 Conflicts. If there is any irreconcilable conflict between the provisions of this Declaration, the Certificate, the Bylaws, or any Rules and Regulations adopted pursuant to the terms of such documents, the provisions of this Declaration, the Certificate, the Bylaws, and the Rules and Regulations, in such order, shall govern; provided, however, all shall be read in concert, with all reasonable effort made to reconcile their respective provisions. Notwithstanding the foregoing, the terms and provisions of this Declaration (and Dedicatory Instruments) are subordinate to Applicable Law. Generally, the terms and provisions of this Declaration (and Dedicatory Instruments) are enforceable to the extent they do not violate or conflict with Applicable Law.

13.8 Gender. Whenever the context so requires, all words herein in the male gender shall be deemed to include the female or neuter gender, all singular words shall include the plural, and all plural words shall include the singular.

13.9 Acceptance by Owners. EACH OWNER OF A LOT OR OTHER REAL PROPERTY INTEREST IN THE PROPERTY, BY THE ACCEPTANCE OF A DEED OF CONVEYANCE, OR EACH SUBSEQUENT PURCHASER, ACCEPTS THE SAME SUBJECT TO ALL TERMS, RESTRICTIONS, CONDITIONS, COVENANTS, RESERVATIONS, EASEMENTS, LIENS AND CHARGES, AND THE JURISDICTION RIGHTS AND POWERS CREATED OR RESERVED BY THIS DECLARATION OR TO WHOM THIS DECLARATION IS SUBJECT, AND ALL RIGHTS, BENEFITS AND PRIVILEGES OF EVERY CHARACTER HEREBY GRANTED, CREATED, RESERVED OR DECLARED. FURTHERMORE, EACH OWNER AGREES THAT NO ASSIGNEE OR SUCCESSOR TO DECLARANT HEREUNDER SHALL HAVE ANY LIABILITY FOR ANY ACT OR OMISSION OF DECLARANT WHICH OCCURRED PRIOR TO THE EFFECTIVE DATE OF ANY SUCH SUCCESSION OR ASSIGNMENT. ALL IMPOSITIONS AND OBLIGATIONS HEREBY IMPOSED SHALL CONSTITUTE COVENANTS RUNNING WITH THE LAND WITHIN THE PROPERTY, AND SHALL BIND ANY PERSON HAVING AT ANY TIME ANY INTEREST OR ESTATE IN THE PROPERTY, AND SHALL INURE TO THE BENEFIT OF EACH OWNER IN LIKE MANNER AS THOUGH THE PROVISIONS OF THIS DECLARATION WERE RECITED AND STIPULATED AT LENGTH IN EACH AND EVERY DEED OF CONVEYANCE.

13.10 Damage and Destruction. The Association shall undertake the following actions subsequent to damage or destruction to all or any part of the Common Area covered by insurance:

13.10.1 Claims. Promptly after damage or destruction by fire or other casualty to all or any part of the Common Area covered by insurance, the Board, or its duly authorized agent, shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair of the damage. Repair, as used in this Section, means repairing or restoring the Common Area to substantially the same condition as existed prior to the fire or other casualty.

13.10.2 Repair Obligations. Any damage to or destruction of the Common Area shall be repaired unless a Majority of the Board decides within sixty (60) days after the casualty not to repair. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made available.

13.10.3 Restoration. In the event that it should be determined by the Board that the damage or destruction of the Common Area shall not be repaired and no alternative Improvements are authorized, then the affected portion of the Common Area shall be restored to its natural state and maintained as an undeveloped portion of the Common Area by the Association in a neat and attractive condition.

13.10.4 Special Assessment. If insurance proceeds are paid to restore or repair any damaged or destroyed Common Area, and such proceeds are not sufficient to defray the cost of such repair or restoration, the Board shall levy a Special Assessment, as provided in Article 8, against all Owners' Lots.

13.10.5 Proceeds Payable to Owners. In the event that any proceeds of insurance policies are paid to Owners as a result of any damage or destruction to any Common Area, such payments shall be allocated based on a per-Lot basis (not including exempt Lots pursuant to Sections 8.7.2 and 8.7.3) and paid jointly to the Owners and the holders of Mortgages or deeds of trust on their Lots.

13.11 No Partition. Except as may be permitted in this Declaration or amendments thereto, no physical partition of the Common Area or any part thereof shall be permitted, nor shall any person acquiring any interest in the Property or any part thereof seek any such judicial partition unless the portion of the Property or Common Area in question has been removed from the provisions of this Declaration pursuant to Section 12.4 above. This Section 13.11 shall not be construed to prohibit the Board from acquiring and disposing of tangible personal property or from acquiring title to real property that may or may not be subject to this Declaration.

13.12 View Impairment. Neither Declarant nor the Association guarantee or represent that any view over and across the Lots, or any open space or Common Area within the Property shall be preserved without impairment. Neither the Declarant, the ACC, nor the Association shall have any obligation to relocate, prune, thin trees or perform other landscaping. The Association (with respect to any Common Area) shall have the right to add trees and other landscaping from time to time, subject to Applicable Law. There shall be no express or implied easements for view purposes or for the passage of light and air.

13.13 Safety and Security. Each Owner and Resident of a Lot, and their respective guests and invitees, shall be responsible for their own personal safety and the security of their property within the Property and the Common Area. The Association may, but shall not be obligated to, maintain or support certain activities within the Property and the Common Area designed to promote or enhance the level of safety or security which each person provides for himself or herself and his or her property. However, neither the Association nor Declarant shall in any way be considered insurers or guarantors of safety or security within the Property or the Common Area, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

No representation or warranty is made that any systems or measures, including security monitoring systems or any mechanism or system for limiting access to the Property or the Common Area, cannot be compromised or circumvented; or that any such system or security measures undertaken shall in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands, and shall be responsible for informing any Residents of such Owner's Lot that the Association, its Board and committees, and the Declarant are not insurers or guarantors of security or safety and that each person within the Property assumes all risks of personal injury and loss or damage to the Property, including any Residences or Improvements constructed upon any Lot and the contents thereof, resulting from acts of third parties.

13.14 Notices. ANY NOTICE PERMITTED OR REQUIRED TO BE GIVEN TO ANY PERSON BY THIS DECLARATION SHALL BE IN WRITING AND MAY BE DELIVERED EITHER PERSONALLY OR BY MAIL, OR AS OTHERWISE REQUIRED BY APPLICABLE LAW. NOTICE BY MAIL IS DEEMED DELIVERED (WHETHER ACTUALLY RECEIVED OR NOT) WHEN PROPERLY DEPOSITED WITH THE UNITED STATES POSTAL SERVICE, ADDRESSED (A) TO A MEMBER, AT THE MEMBER'S LAST KNOWN ADDRESS ACCORDING TO THE ASSOCIATION'S RECORDS, AND (B) TO THE ASSOCIATION, THE BOARD, THE ACC, OR A MANAGING AGENT AT THE ASSOCIATION'S PRINCIPAL OFFICE OR ANOTHER ADDRESS DESIGNATED IN A NOTICE TO THE MEMBERS. UNLESS OTHERWISE REQUIRED BY LAW OR THE DEDICATORY INSTRUMENTS, ACTUAL NOTICE, HOWEVER DELIVERED, IS SUFFICIENT. SUCH ADDRESS MAY BE CHANGED FROM TIME TO TIME BY NOTICE IN WRITING GIVEN BY SUCH PERSON TO THE ASSOCIATION.

13.15 Mining and Drilling. Except for the Third Party Oil, Gas and Mineral Interests defined below, no other portion of the Property may be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate, or earth. This provision shall not be construed to prevent the excavation of rocks, stones, sand, gravel, aggregate, or earth or the storage of such material for use as fill provided that such activities are conducted in conjunction with the construction of Improvements and/or the development of the Property by the Declarant. Furthermore, this provision shall not be interpreted to prevent the drilling of water wells approved in advance by the Board which are required to provide water to all or any portion of the Property. All water wells shall also be approved in advance by the Board and any applicable regulatory authority. This Section 13.15 shall not apply to minerals, resources and groundwater, or some portion thereof or some interest therein, that may have been conveyed or reserved by third parties prior to Declarant's ownership of the Property (the **"Third Party Oil, Gas and Mineral Interests"**). No representation or warranty, express or implied, is made as to the ownership of the minerals, resources and groundwater or any portion thereof or any interest therein.

13.16 Declarant and Board Fine Authority; Corrective Action. Declarant (during the Development Period) or Board may assess fines against an Owner for violations of the Dedicatory Instruments which have been committed by an Owner, a Resident, or any guests, agents, family members, or invitees of an Owner or Resident. The Declarant/Board uses fines to discourage violations of the Dedicatory Instruments, and to encourage compliance when a violation occurs - not to punish violators or generate revenue for the Declarant. Although a fine may be an effective and efficient remedy for certain types of violations or violators, it is only one (1) of several methods available to the Declarant or Board for enforcing the Dedicatory Instruments. An Owner is liable for fines levied by the Declarant or Board for violations of the Dedicatory Instruments by the Owner, a Resident, or any guests, agents, family members or invitees of the Owner or Resident. Regardless of who commits the violation, the Declarant or Board shall direct its communications to the Owner, although the Declarant or Board may send copies of its notices to the Residents. Any fines pursuant to this section shall comply with any Enforcement Policy, adopted by the Association and amended from time to time.

Notwithstanding the provisions contained herein, where a violation of the Dedicatory Instruments is determined to exist, the Manager for the Association, with the approval of the Board, may undertake to

cause the violation to be corrected, removed or otherwise abated by qualified contractors if the Association, in its reasonable judgment, determines that such violation may be readily corrected, removed, or abated without undue expense and without breach of the peace. Such corrective action shall also be in accordance with this Declaration, the Bylaws, any Enforcement Policy, and any other Dedicatory Instruments, adopted by the Association and amended from time to time.

13.17 Management Certificate. The Association shall comply with Texas Property Code Section 209.004 regarding management certificates (and amended management certificates).

13.18 Merger and Consolidation. Upon a merger or consolidation of the Association with another non-profit corporation organized for the same or similar purposes, the Association's properties, rights, and obligations may be transferred to the surviving or consolidated association, or alternatively, the properties, rights and obligations of another association may be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants, conditions and restrictions established by this Declaration, together with the covenants, conditions and restrictions applicable to the properties of the other association as one scheme. No merger or consolidation shall be permitted except with the approval by two-thirds (2/3rds) vote of the Class "A" Members present in person or by proxy at a meeting called for such purpose and, until the termination of the Class "B" Membership, the Declarant.

13.19 Dissolution. The Association may be dissolved with the approval by two-thirds (2/3rds) vote of the Class "A" Members present in person or by proxy at a meeting called for such purpose and, until the termination of the Class "B" Membership, the Declarant. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

13.20 Notice of Sale or Transfer of Title. In the event that an Owner sells or otherwise transfers title to his or her Lot, such Owner shall provide the Association with a copy of the executed instrument of conveyance and give the Association written notice of the name and address of the (f) purchaser or transferee, the date of such transfer of title, and such other information as the Board of Directors may reasonably require. Until such written notice is received by the Association, the transferor shall continue to be jointly and severally responsible for all obligations of the Owner of the Lot hereunder, including payment of Assessments, notwithstanding the transfer of title to the Lot. The Board may require payment of a transfer fee to defray the costs incurred in changing its records to reflect the new Owner; provided, however, the following transfers are exempt from such fees:

(i) by the Declarant;

(ii) by a Homebuilder;

(iii) by a co-Owner to any Person who was a co-Owner immediately prior to such transfer;

(iii) to the Owner's estate, surviving spouse, or child upon the death of the Owner;

(iv) to any entity wholly owned by the grantor;

(v) to a Mortgagee or the designee of a Mortgagee in lieu of foreclosure or upon foreclosure of a Mortgage;

(vi) to an interim Owner in connection with an employer relocation agreement; or

(vii) any other exemption described in Section 8.4.

ARTICLE 14
DISPUTE RESOLUTION

14.1 Introduction and Definitions. The Association, the Owners, Declarant, Homebuilders, and all persons subject to this Declaration, and each person not otherwise subject to this Declaration who agrees to submit to this Article by written instrument delivered to the Claimant, which may include, but is not limited to, a Homebuilder, a general contractor, sub-contractor, design professional, or other person who participated in the design or construction of Lots, Common Area, or any Improvement within, serving or forming a part of the Property (individually, a **"Party"** and collectively, the **"Parties"**) agree to encourage the amicable resolution of disputes involving the Property and the Common Area to avoid the emotional and financial costs of litigation and arbitration if at all possible. Accordingly, each Party hereby covenants and agrees that this Article applies to all Claims as hereafter defined. Notwithstanding anything contained in this Article, any Claim brought by an Owner related to a Residence that is subject to a warranty agreement provided by the Declarant or Homebuilder shall not be subject to this Article and shall be governed by the warranty agreement, unless the Parties agree to have the dispute governed by this Article. This Article may only be amended with the prior written approval of the Declarant, the Association (acting through a Majority of the Board), and Owners holding 100% of the votes in the Association. As used in this Article only, the following words, when capitalized, have the following specified meanings:

(i) **"Claim"** means:

(A) Claims relating to the rights and/or duties of Declarant, the Association, or the ACC, under the Dedicatory Instruments.

(B) Claims relating to the acts or omissions of the Declarant, the Association or a Board member or officer of the Association during Declarant's control and administration of the Association, and any claim asserted against the ACC.

(C) Claims relating to the design or construction of the Common Area or any Improvements located within or on Common Area.

(ii) **"Claimant"** means any Party having a Claim against any other Party.

(iii) **"Respondent"** means any Party against which a Claim has been asserted by a Claimant.

14.2 Mandatory Procedures. Claimant may not initiate any proceeding before any judge, jury, arbitrator or any judicial or administrative tribunal seeking redress of resolution of its Claim until Claimant has complied with the procedures of this Article. As provided in Section 14.8 below, a Claim shall be resolved by binding arbitration.

14.3 Claim Affecting Common Areas. In accordance with Section 14.1 of this Declaration, the Association does not have the power or right to institute, defend, intervene in, settle, or compromise litigation, arbitration or other proceedings: (i) in the name of or on behalf of any Lot Owner (whether one or more); or (ii) pertaining to a Claim, as defined in Section 14.1 above, relating to the design or construction of Improvements on a Lot (whether one or more). Additionally, no Lot Owner shall have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings relating to the design or construction of the Common Area. Each Lot Owner, by accepting an interest in or to title to a Lot, hereby grants to the Association the exclusive right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings relating to the design or construction of the Common Area. In the event the Association asserts a Claim related to the Common Area, as a precondition to providing the Notice defined in Section 14.5, initiating the mandatory dispute resolution procedures set forth in this Article, or taking any other action to prosecute a Claim related to the Common Area, the Association shall:

14.3.1 Obtain Owner Approval of Engagement. Unless otherwise approved by Members holding eighty percent (80%) of the votes in the Association, the Association, acting through its Board, shall in no event have the authority to engage a law firm or attorney to prosecute a Claim relating to the design or construction of the Common Area if the agreement between the Association and law firm or attorney includes any provision or requirement that would obligate the Association to pay any costs, expenses, fees, or other charges to the law firm or attorney, including but not limited to, costs, expenses, fees, or other charges payable by the Association: (i) if the Association terminates the engagement with the law firm or attorney or engages another firm or third-party to assist with the Claim; (ii) if the Association agrees to settle the Claim for a cash payment or in exchange for repairs or remediation performed by the Respondent or any other third-party; (iii) if the Association agrees to pay interest on any costs or expenses incurred by the law firm or attorney; and/or for consultants, expert witnesses, and/or general contractors hired by the law firm or attorney. For avoidance of doubt, it is intended that Members holding eighty percent (80%) of the votes in the Association shall approve the law firm and attorney who shall prosecute the Claim and the written agreement between the Association and the law firm and/or attorney.

The approval of the Members required under this Section shall be obtained at a meeting of Members called in accordance with the Bylaws. The notice of Member meeting shall be provided pursuant to the Bylaws but the notice shall also include: (a) the name of the law firm and attorney; (b) a copy of the proposed written agreement between the Association and the law firm and/or attorney; (c) a narrative summary of the types of costs, expenses, fees, or other charges that may be required to be paid by the Association; (d) the conditions upon which such types of costs, expenses, fees, or other charges are required to be paid by the Association; (e) an estimate of the costs, expenses, fees, or other charges that may be required to be paid by the Association if the conditions for payment occur, which estimate shall be expressed as a range for each type of cost, expense, fee, or other charge; and (f) a description of the process the law

firm and/or attorney shall use to evaluate the Claim and whether destructive testing shall be required (i.e., the removal of all or portions of the Common Area or Improvements on the Property). If destructive testing shall be required or is likely to occur, the notice shall include a description of the destructive testing, likely locations of the destructive testing, whether the Owner's use of their Lots or the Common Area shall be affected by such testing, and if the destructive testing occurs the means or method the Association shall use to repair the Common Area or Improvements affected by such testing and the estimated costs thereof. The notice required by this paragraph shall be prepared and signed by a person other than the law firm or attorney who is a party to the proposed agreement being approved by the Members. In the event Members holding eighty percent (80%) of the votes in the Association approve the law firm and/or attorney who shall prosecute the Claim and the written agreement between the Association and the law firm and/or attorney, the Board shall have the authority to engage the law firm and/or attorney and enter into the written agreement approved by the Members.

14.3.2 Provide Notice of the Inspection. As provided in Section 14.3.3 below, a Common Area Report is required which is a written inspection report issued by the Inspection Company. Before conducting an inspection that is required to be memorialized by the Common Area Report, the Association shall have provided at least ten (10) days prior written notice of the date on which the inspection shall occur to each Respondent which notice shall identify the Inspection Company preparing the Common Area Report, the specific Common Areas to be inspected, and the date and time the inspection shall occur. Each Respondent may attend the inspection, personally or through an agent.

14.3.3 Obtain a Common Area Report. The Common Area Report shall be obtained by the Association - a written independent third-party report for the Common Area (the **"Common Area Report"**) from a professional engineer licensed by the Texas Board of Professional Engineers with an office located in Medina County, Texas (the **"Inspection Company"**). The Common Area Report shall include: (i) a description with photographs of the Common Area subject to the Claim; (ii) a description of the present physical condition of the Common Area subject to the Claim; (iii) a detailed description of any modifications, maintenance, or repairs to the Common Area performed by the Association or a third-party, including any Respondent; and (iv) specific and detailed recommendations regarding remediation and/or repair of the Common Area subject to the Claim. For the purpose of subsection (iv) of the previous sentence, the specific and detailed recommendations shall also include the specific process, procedure, materials, and/or Improvements necessary and required to remediate and/or repair the deficient or defective condition identified in the Common Area Report and the estimated costs necessary to effect such remediation and/or repairs. The estimate of costs required by the previous sentence shall be obtained from third-party contractors with an office located in Medina County, Texas, and each such contractor providing the estimate shall hold all necessary or required licenses from the Texas Department of Licensing and Regulation or otherwise required by Applicable Law for the work to which the cost estimate relates.

The Common Area Report shall not satisfy the requirements of this Section and is not an "independent" report if: (a) the Inspection Company has an arrangement or other agreement to provide consulting and/or engineering services with the law firm or attorney that presently represents the Association or proposes to represent the Association; (b) the costs and expenses for preparation of the Common Area Report are not required to be paid directly by the Association to the Inspection Company at the time the Common Area Report is finalized and delivered to the Association; or (c) the law firm or

attorney that presently represents the Association or proposes to represent the Association has agreed to reimburse (whether unconditional or conditional and based on the satisfaction of requirements set forth in the Association's agreement with the law firm or attorney) the Association for the costs and expenses for preparation of the Common Area Report. For avoidance of doubt, an "independent" report means that the Association has independently contracted with the Inspection Company on an arms-length basis based on customary terms for the preparation of engineering reports and that the Association shall directly pay for the report at the time the Common Area Report is finalized and delivered to the Association.

14.3.4 Provide a Copy of Common Area Report to all Respondents and Owners. Upon completion of the Common Area Report, and in any event no later than three (3) days after the Association has been provided a copy of the Common Area Report, the Association shall provide a full and complete copy of the Common Area Report to each Respondent and to each Owner. The Association shall maintain a written record of each Respondent and Owner who was provided a copy of the Common Area Report which shall include the date the report was provided. The Common Area Report shall be delivered to each Respondent by hand- delivery and to each Owner by mail.

14.3.5 Provide a Right to Cure Defects and/or Deficiencies Noted on Common Area Report. Commencing on the date the Common Area Report has been completed and continuing for a period of ninety (90) days thereafter, each Respondent shall have the right to: (i) inspect any condition identified in the Common Area Report; (ii) contact the Inspection Company for additional information necessary and required to clarify any information in the Common Area Report; and (iii) correct any condition identified in the Common Area Report. As provided in Section 11.9 above, the Declarant has an easement throughout the Property for itself, and its successors, assigns, architects, engineers, other design professionals, each Homebuilder, other builders, and general contractors that may be utilized during such ninety (90) day period and any additional period needed thereafter to correct a condition identified in the Common Area Report.

14.3.6 Hold Owner Meeting and Obtain Approval. In addition to obtaining approval from Members for the terms of the attorney or law firm engagement agreement, the Association shall obtain approval from Members holding eighty percent (80%) of the votes in the Association to provide the Notice described in Section 14.5, initiate the mandatory dispute resolution procedures set forth in this Article, or take any other action to prosecute a Claim, which approval from Members shall be obtained at a meeting of Members called in accordance with the Bylaws. The notice of meeting required hereunder shall be provided pursuant to the Bylaws but the notice shall also include: (i) the nature of the Claim, the relief sought, the anticipated duration of prosecuting the Claim, and the likelihood of success; (ii) a copy of the Common Area Report; (iii) a copy of any engagement letter between the Association and the law firm and/or attorney selected by the Association to assert or provide assistance with the Claim; (iv) a description of the attorney fees, consultant fees, expert witness fees, and court costs, whether incurred by the Association directly or for which the Association may be liable as a result of prosecuting the Claim; (v) a summary of the steps previously taken by the Association to resolve the Claim; (vi) a statement that initiating the lawsuit or arbitration proceeding to resolve the Claim may affect the market value, marketability, or refinancing of a Lot while the Claim is prosecuted; and (vii) a description of the manner in which the Association proposes to fund the cost of prosecuting the Claim. The notice required by this paragraph shall be prepared and signed by a person who is not (a) the attorney who represents or shall represent the Association in the Claim; (b) a member of the law firm of the attorney who represents or shall

represent the Association in the Claim; or (c) employed by or otherwise affiliated with the law firm of the attorney who represents or shall represent the Association in the Claim. In the event Members approve providing the Notice described in Section 14.5, or taking any other action to prosecute a Claim, the Members holding a Majority of the votes in the Association, at a special meeting called in accordance with the Bylaws, may elect to discontinue prosecution or pursuit of the Claim.

14.3.7 Provide Officer Certification. Within ten (10) days after a vote of Members called pursuant to this Article, the secretary or another officer of the Association shall provide to Declarant and any Respondent (if different than Declarant): (i) a true and correct copy of the meeting notice provided to Members, for the meeting at which such vote was taken; (ii) copies of the ballots cast at such meeting (whether in person, electronic, or by proxy); (iii) a certification, executed by the issuing officer of the Association that: (a) the information set forth in (i) and (ii) hereinabove is true and correct; (b) the meeting notice provided to Members was provided in accordance with this Article; and (c) the vote was held in accordance with the Bylaws and this Article.

14.4 Claim by Lot Owners. Pursuant to Section 14.3 above, an Owner does not have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings relating to the design or construction of the Common Area. In the event that a court of competent jurisdiction or arbitrator determines that an Owner does have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings relating to the design or construction of the Common Area, such Owner shall be required, since a Claim affecting the Common Area could affect all Owners, as a precondition to providing the Notice defined in Section 14.5, initiating the mandatory dispute resolution procedures set forth in this Article, or taking any other action to prosecute a Claim, to comply with the requirements imposed by the Association in accordance with Section 14.3.2 (Provide Notice of Inspection), Section 14.3.3 (Obtain a Common Area Report), Section 14.3.4 (Provide a Copy of Common Area Report to all Respondents and Owners), Section 14.3.5 (Provide Right to Cure Defects and/or Deficiencies Noted on Common Area Report), Section 14.3.6 (Owner Meeting and Approval), Section 14.3.7 (Officer Certification), and Section 14.5 (Notice). Additionally, class action proceedings are prohibited, and no Owner shall be entitled to prosecute, participate, initiate, or join any litigation, arbitration or other proceedings as a class member or class representative in any such proceedings under this Declaration.

14.5 Notice. Claimant shall notify Respondent in writing of the Claim (the **"Notice"**), stating plainly and concisely: (i) the nature of the Claim, including date, time, location, persons involved, and Respondent's role in the Claim; (ii) the basis of the Claim (i.e., the provision of the Dedicatory Instruments or other authority out of which the Claim arises); (iii) what Claimant wants Respondent to do or not do to resolve the Claim; and (iv) that the Notice is given pursuant to this Section. For Claims governed by Chapter 27 of the Texas Property Code, the time period for negotiation in Section 14.6 below, is equivalent to the sixty (60) day period under Section 27.004 of the Texas Property Code. If a Claim is subject to Chapter 27 of the Texas Property Code, the Claimant and Respondent are advised, in addition to compliance with Section 14.6, to comply with the terms and provisions of Section 27.004 of the Texas Property Code during such sixty (60) day period. Section 14.6 does not modify or extend the time period set forth in Section 27.004 of the Texas Property Code. Failure to comply with the time periods or actions specified in Section 27.004 of the Texas Property Code could affect a Claim if the Claim is subject to Chapter 27 of the Texas Property Code. The one hundred and twenty (120) day period for mediation set forth in Section 14.7 below,

is intended to provide the Claimant and Respondent with sufficient time to resolve the Claim in the event resolution is not accomplished during negotiation. If the Claim is not resolved during negotiation, mediation pursuant to Section 14.7 is required without regard to the monetary amount of the Claim.

If the Claimant is the Association, the Notice shall also include: (a) if the Claim relates to the design or construction of the Common Area, a true and correct copy of the Common Area Report and any and all other reports, studies, analyses, and recommendations obtained by the Association related to the Common Area; (b) a copy of any engagement letter between the Association and the law firm and/or attorney selected by the Association to assert or provide assistance with the Claim; (c) if the Claim relates to the design or construction of the Common Area, reasonable and credible evidence confirming that Members holding eighty percent (80%) of the votes in the Association approved the law firm and attorney and the written agreement between the Association and the law firm and/or attorney in accordance with Section 14.3.1; (d) a true and correct copy of the special meeting notice provided to Members in accordance with Section 14.3.6 above; and (e) reasonable and credible evidence confirming that Members holding eighty percent (80%) of the votes in the Association approved providing the Notice. If the Claimant is not the Association and pertains to the Common Areas, the Notice shall also include a true and correct copy of the Common Area Report.

14.6 Negotiation. Claimant and Respondent shall make every reasonable effort to meet in person to resolve the Claim by good faith negotiation. Within sixty (60) days after Respondent's receipt of the Notice, Respondent and Claimant shall meet at a mutually acceptable place and time to discuss the Claim. If the Claim involves all or any portion of the Property, then at such meeting or at some other mutually-agreeable time, Respondent and Respondent's representatives shall have full access to the Property that is subject to the Claim for the purposes of inspecting the Property.

14.7 Mediation. If the parties negotiate, but do not resolve the Claim through negotiation within one-hundred twenty (120) days from the date of the Notice (or within such other period as may be agreed on by the parties), Claimant shall have thirty (30) additional days within which to submit the Claim to mediation under the auspices of a mediation center or individual mediator on which the parties mutually agree. The mediator shall have at least five (5) years of experience serving as a mediator and shall have technical knowledge or expertise appropriate to the subject matter of the Claim. If Claimant does not submit the Claim to mediation within the 30-day period, Respondent shall submit the Claim to mediation in accordance with this Section 14.7. If the Parties do not settle the Claim within thirty (30) days after submission to mediation, Respondent or Claimant may initiate arbitration proceedings in accordance with Section 14.8.

14.8 Binding Arbitration-Claims. All Claims shall be settled by binding arbitration. Claimant or Respondent may, by summary proceedings (e.g., a plea in abatement or motion to stay further proceedings), bring an action in court to compel arbitration of any Claim not referred to arbitration as required by this Section.

14.8.1 Governing Rules. If a Claim has not been resolved after mediation in accordance with Section 14.7, the Claim shall be resolved by binding arbitration in accordance with the terms of this Section 14.8 and the American Arbitration Association (the **"AAA"**) Construction Industry Arbitration Rules and

Mediation Procedures and, if applicable, the rules contained in the AAA Supplementary Procedures for Consumer Related Disputes, as each are supplemented or modified by the AAA (collectively, the Construction Industry Arbitration Rules and Mediation Procedures and AAA Supplementary Procedures for Consumer Related Disputes are referred to herein as the **"AAA Rules"**). In the event of any inconsistency between the AAA Rules and this Section 14.8, this Section 14.8 shall control. Judgment upon the award rendered by the arbitrator shall be binding and not subject to appeal, but may be reduced to judgment or enforced in any court having jurisdiction. Notwithstanding any provision to the contrary or any applicable rules for arbitration, any arbitration with respect to Claims arising hereunder shall be conducted by a panel of three (3) arbitrators, to be chosen as follows:

(i) One arbitrator shall be selected by Respondent, in its sole and absolute discretion;

(ii) One arbitrator shall be selected by the Claimant, in its sole and absolute discretion; and

(iii) One arbitrator shall be selected by mutual agreement of the arbitrators having been selected by Respondent and the Claimant, in their sole and absolute discretion.

14.8.2 Exceptions to Arbitration; Preservation of Remedies. No provision of, nor the exercise of any rights under, this Section 14.8.2 shall limit the right of Claimant or Respondent, and Claimant and the Respondent shall have the right during any Claim, to seek, use, and employ ancillary or preliminary remedies, judicial or otherwise, for the purposes of realizing upon, preserving, or protecting upon any property, real or personal, that is involved in a Claim, including, without limitation, rights and remedies relating to: (i) exercising self-help remedies (including set-off rights); or (ii) obtaining provisions or ancillary remedies such as injunctive relief, sequestration, attachment, garnishment, or the appointment of a receiver from a court having jurisdiction before, during, or after the pendency of any arbitration. The institution and maintenance of an action for judicial relief or pursuit of provisional or ancillary remedies or exercise of self-help remedies shall not constitute a waiver of the right of any party to submit the Claim to arbitration nor render inapplicable the compulsory arbitration provisions hereof.

14.8.3 Statute of Limitations. All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding under this Section.

14.8.4 Scope of Award; Modification or Vacation of Award. The arbitrator shall resolve all Claims in accordance with Applicable Law. The arbitrator may grant any remedy or relief that the arbitrator deems just and equitable and within the scope of this Section 14.8.4 and subject to Section 14.9 below; provided, however, attorney's fees and costs may not be awarded by the arbitrator to either Claimant or Respondent. In addition, for a Claim, or any portion of a Claim governed by Chapter 27 of the Texas Property Code, or any successor statute, in no event shall the arbitrator award damages which exceed the damages a Claimant would be entitled to under Chapter 27 of the Texas Property Code, except that the arbitrator may not award attorney's fees and/or costs to their Claimant or Respondent. In all arbitration proceedings, the arbitrator shall make specific, written findings of fact and conclusions of law. In all arbitration proceedings the parties shall have the right to seek vacation or modification of any award that is based in whole, or in part, on: (i) factual findings that have no legally or factually sufficient evidence, as those terms are defined in Texas law; (ii) conclusions of law that are erroneous; (iii) an error of Applicable

Law; or (iv) a cause of action or remedy not expressly provided under Applicable Law. In no event may an arbitrator award speculative, special, exemplary, treble, or punitive damages for any Claim.

14.8.5 Other Matters. To the maximum extent practicable, an arbitration proceeding hereunder shall be concluded within one hundred and eighty (180) days of the filing of the Claim for arbitration. Arbitration proceedings hereunder shall be conducted in Medina County, Texas. Unless otherwise provided by this Section 14.8.5, the arbitrator shall be empowered to impose sanctions and to take such other actions as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the Texas Rules of Civil Procedure and Applicable Law. Claimant and Respondent agree to keep all Claims and arbitration proceedings strictly confidential, except for disclosures of information required in the ordinary course of business of the parties or by Applicable Law. In no event shall Claimant or Respondent discuss with the news media or grant any interviews with the news media regarding a Claim or issue any press release regarding any Claim without the written consent of the other parties to the Claim.

14.9 Allocation Of Costs. Notwithstanding any provision in this Declaration to the contrary, each Party bears all of its own costs incurred prior to and during the proceedings described in the Notice, Negotiation, Mediation, and Arbitration sections above, including its attorney's fees. Respondent and Claimant shall equally divide all expenses and fees charged by the mediator and arbitrator.

14.10 General Provisions. A release or discharge of Respondent from liability to Claimant on account of the Claim does not release Respondent from liability to persons who are not party to Claimant's Claim.

14.11 Period of Limitation.

14.11.1 For Actions by an Owner or Resident. The exclusive period of limitation for any of the Parties to bring any Claim, shall be the earliest of: (i) for Claims alleging construction defect or defective design, two (2) years and one (1) day from the date that the Owner or Resident discovered or reasonably should have discovered evidence of the Claim; (ii) for Claims other than those alleging construction defect or defective design, four (4) years and one (1) day from the date that the Owner or Resident discovered or reasonably should have discovered evidence of the Claim; or (iii) the applicable statute of limitations for such Claim. In the event that a court of competent jurisdiction determines that an Owner does have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings relating to the design or construction of the Common Area, the exclusive period of limitation for a Claim of construction defect or defective design of the Common Areas, shall be the earliest of: (a) two (2) years and one (1) day from the date that the Owner or the Association discovered or reasonably should have discovered evidence of the Claim; or (b) the applicable statute of limitations for such Claim. In no event shall this Section 14.11.1 be interpreted to extend any period of limitations.

14.11.2 For Actions by the Association. The exclusive period of limitation for the Association to bring any Claim, including, but not limited to, a Claim of construction defect or
defective design of the Common Areas, shall be the earliest of: (i) for Claims alleging construction defect or defective design, two (2) years and one (1) day from the date that the Association or its Manager, Board members, officers or agents discovered or reasonably should have discovered evidence of the Claim; (ii) for Claims other than those alleging construction defect or defective design of the Common Areas, four (4) years

and one (1) day from the date that the Association or its Manager, Board members, officers or agents discovered or reasonably should have discovered evidence of the Claim; or (iii) the applicable statute of limitations for such Claim. In no event shall this Section 14.11.2 be interpreted to extend any period of limitations.

14.12 Funding the Resolution of Claims. The Association shall levy a Special Assessment to fund the estimated costs to resolve a Claim pursuant to this Article. The Association may not use its annual operating income or reserve funds to fund the costs to resolve a Claim unless the Association has previously established and funded a dispute resolution fund.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Declarant executes this **DECLARATION** as of the _____ day of _____ 20_____.

BY:

KF Flat Creek, LP,

a Texas limited partnership

BY:

King Fish Development, LLC,

a Texas limited liability company,

its General Partner

By: _____

Name: _____

Title: _____

Date: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____, the ___ _____ of King Fish Development, LLC, a Texas limited liability company, the general partner of KF Flat Creek, LP, a Texas limited partnership, on behalf of said limited liability company and limited partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this __day of_____ 202_.

[SEAL]

_____
Notary Public, State of Texas
Printed Name: _____
My Commission Expires: _____

EXHIBIT A

METES AND BOUNDS DESCRIPTION

EXHIBIT B

PRELIMINARY CONCEPT PLAN

(as may be amended from time to time)

EXHIBIT C -1

LANDSCAPING DESIGN GUIDELINES

- **Landscaping Requirements for 50' Lots:**
  - Minimum of 100 square foot mulched landscape bed in the front yard.
  - Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
  - Minimum of ten (10) one (1) gallon plants in the front yard.
  - Minimum of six (6) three (3) gallon plants in the front yard.
  - Minimum of one (1) two-inch (2") caliper hardwood tree shall be planted within the rear yard inside of any fencing.
  - Minimum of one (1) two-inch (2") caliper hardwood tree shall be planted within the front yard or side yard in front of any fencing.
  - Landscape irrigation system for entire front and rear yard shall be installed.
  - Any Lots which are corner lots or side open space lots shall include the following:
    - Minimum of 100 square foot mulched landscape bed in the front yard.
    - Minimum of 100 square foot mulched landscape bed in the side yard.
    - Front yard and rear yard shall be fully sodded, except for landscape bed(s).
    - Minimum of fifteen (15) one (1) gallon plants in the front yard.
    - Minimum of ten (10) five (5) gallon plants in the front yard.
    - Minimum of three (3) two-inch (2") caliper hardwood trees, planted not less than twelve feet (12') apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
    - Minimum of six (6) one (1) gallon plants in the side yard.
    - Minimum of five (5) five (5) gallon plants in the side yard.
    - Landscape irrigation system for entire front yard, side yard and rear yard shall be installed.

- **Landscaping Requirements for 60' Lots:**
  - Minimum of 125 square foot mulched landscape bed in the front yard.
  - Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
  - Minimum of twelve (12) one (1) gallon plants in the front yard.
  - Minimum of eight (8) three (3) gallon plants in the front yard.
  - Minimum of one (1) two-inch (2") caliper hardwood tree shall be planted within the rear yard inside of any fencing.
  - Minimum of two (2) two-inch (2") caliper hardwood trees shall be planted within the front yard or side yard in front of any fencing.
  - Landscape irrigation system for entire front and rear yard shall be installed.
  - Any Lots which are corner lots or side open space lots shall include the following:
    - Minimum of 125 square foot mulched landscape bed in the front yard.
    - Minimum of 125 square foot mulched landscape bed in the side yard.
    - Front yard and rear yard shall be fully sodded, except for landscape bed(s).
    - Minimum of eighteen (18) one (1) gallon plants in the front yard.
    - Minimum of twelve (12) five (5) gallon plants in the front yard.
    - Minimum of three (3) two-inch (2") caliper hardwood trees, planted not less than twelve feet (12') apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
    - Minimum of eight (8) one (1) gallon plants in the side yard.
    - Minimum of seven (7) five (5) gallon plants in the side yard.
    - Landscape irrigation system for entire front yard, side yard and rear yard shall be installed.

EXHIBIT C – 2

LANDSCAPING DESIGN GUIDELINES

• **Landscaping Requirements for 70' Lots:**

o Minimum of 150 square foot mulched landscape bed in the front yard.
o Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
o Minimum of fifteen (15) one (1) gallon plants in the front yard.
o Minimum of ten (10) three (3) gallon plants in the front yard.
o Minimum of one (1) two-inch (2") caliper hardwood tree shall be planted within the rear yard inside of any fencing.
o Minimum of two (2) two-inch (2") caliper hardwood trees shall be planted within the front yard or side yard in front of any fencing.
o Landscape irrigation system for entire front and rear yard shall be installed.
o Any Lots which are corner lots or side open space lots shall include the following:
- Minimum of 150 square foot mulched landscape bed in the front yard.
- Minimum of 150 square foot mulched landscape bed in the side yard.
- Front yard and rear yard shall be fully sodded, except for landscape bed(s).
- Minimum of twenty (20) one (1) gallon plants in the front yard.
- Minimum of fourteen (14) five (5) gallon plants in the front yard.
- Minimum of three (3) two-inch (2") caliper hardwood trees, planted not less than twelve feet (12') apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
- Minimum of eight (8) one (1) gallon plants in the side yard.
- Minimum of seven (7) five (5) gallon plants in the side yard.
- Landscape irrigation system for entire front yard, side yard and rear yard shall be installed.

EXHIBIT D

SUMMARY OF DEDICATORY INSTRUMENTS

DEDICATORY INSTRUMENTS	
Declaration (Recorded)	Creates obligations that are binding upon the Association and all present and future Owners of Property.
Certificate of **Formation** (Recorded, and as filed under the Texas Secretary of State File No. 805638687)	Establishes the Association as a Texas nonprofit corporation.
Bylaws (Recorded)	Governs the Association's internal affairs, such as elections, meetings, etc.
Alternative Payment Plan Guidelines (Recorded)	Guidelines establishing an alternative payment schedule by which an Owner may make partial payments to the Association for delinquent Assessments or any other amount owed to the Association.
Records Production and Copying Policy (Recorded)	Governs the reasonable examination of books and records of the Association.
Records Retention Policy (Recorded)	Identifies how long each document of the Association is retained.
Management Certificate (Recorded and electronically filed with the Texas Real Estate Commission)	Provides information about the management of the Association.
Community Manual (if adopted, Recorded)	Establishes Rules and Regulations and policies governing the Association.
Design Guidelines (Recorded)	Governs the design and architectural standards for the construction of Residences, Improvements and/or any modifications thereto. The Declarant shall have no obligation to adopt the Design Guidelines.
Rules and Regulations (if adopted, Recorded)	Regulates the use of property, activities, and conduct within the Property or the Common Area.
Board Resolutions (if adopted, Recorded)	Establishes rules, policies, and procedures for the Property, Owners and Association.
Enforcement Policy (Recorded)	Establishes a policy regarding the levying of fines by the Association.
Development Agreement (Recorded)	Provides certain regulatory terms for the Property's residential development, including associated public infrastructure and other public and private improvements.
Maintenance Agreement (Recorded)	Provides the terms for the Association's ongoing maintenance of public parkland and storm drainage improvements.

[redacted] 123.23 Acres, called Tract 1 – Page 1 of 2

State of Texas
County of Medina

Field notes for a tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 1/2 inch steel rod monument, found for the Northwest corner of said 153.76 acre tract of land, being the Northeast corner of a 278.896 acre tract of land, described in volume 875, page 486, of the Deed Records, Medina County, Texas, and lying on the South line of a 297.28 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018001053, of the Official Public Records, Medina County, Texas, said point of beginning being the Northwest corner of this tract of land;

Thence South 89° 29' 57" East, 1150.67 feet, along the North line of said 154.17 acre tract of land, being the South line of said 297.28 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said 154.17 acre tract of land, being the Northwest corner of Tract 1, of the John Fischer Estate Lands Division, described in an instrument, recorded in Volume 290, Page 949 of the Official Public Records of Medina County, Texas, said point being the Northeast corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

South 00° 01' 14' West, 1417.67 feet, being the West line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for Southwest corner of said Tract 1, being the Northwest corner of a 41.58 acre tract of land, called Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 05' 34" West, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 2, being the Northwest corner of a 41.46 acre tract of land, called Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 00' 30" East, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 3, being the Northwest corner of a 48.41 acre tract of land, called Tract 4, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 13' 48" East, 805.06 feet, along the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, said point being an angle point of this tract of land;

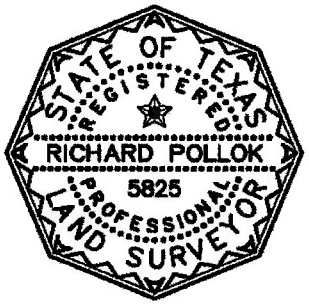
South 00° 12' 35" West, 437.26 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of Tract 5, of said John Fischer Estate Lands Division, the Southeast corner of a 123.23 acre tract of land, surveyed this same day, and the Northeast corner of a 30.53 acre tract of land, surveyed this same day, said point being the Southeast corner of this tract of land;

Thence South 89° 46' 17" West, 1152.72 feet, across said 154.17 acre tract of land, along the North line of said 30.53 acre tract of land, to a point marked by a 5/8 inch steel rod monument, with a cap stamped Rakowitz Engineering and Surveying, set on the West line of said 154.17 acre tract of land, for the Northwest corner of said 30.53 acre tract of land, and lying on the East line of said 278.896 acre tract of land, said point being the Southwest corner of this tract of land;

Thence North 00° 01' 54" East, 4671.00 feet, along the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 123.23 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.



Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

State of Texas
County of Medina

Field notes for a tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 4, being the Northeast corner of Tract 7, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, and lying on the West line of a 36.1 acre tract of land, described in an instrument, recorded in Clerk's File No. 2019007476, Deed Records, Medina County, Texas, said point of beginning being the Southeast corner of this tract of land;

Thence South 89° 44' 30" West, 1193.70 feet, along the South line of said Tract 4, being the North line of said Tract 7 and continuing along the North line of Tract 6, of said John Fischer Estate Lands Division, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 4, being the Northwest corner of said Tract 6, said point being a reentrant corner of this tract of land;

Thence South 00° 00' 47" West, 308.57 feet, along an East line of said Tract 4, being the West line of said Tract 6, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 4, being the Northeast corner of Tract 5, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 89° 46' 17" West, 801.70 feet, along the South line of said Tract 4, being the North line of said Tract 5, to a point marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of said Tract 5, The Southeast corner of a 123.23 acre tract of land, surveyed this same day, the Northeast corner of a 30.53 acre tract of land, surveyed this same day, and lying on the East line of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, Medina County, Texas, said point being the Southwest corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

North 00° 12' 35" East, 437.26 feet, being the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, being an angle point for said 154.17 acre tract of land, an angle point of said 123.23 acre tract of land, said point being an angle point of this tract of land;

North 00° 13' 48" West, 805.06 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 4, being the Southwest corner of Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 00' 30" West, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 3, being the Southwest corner of Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 05' 34" East, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 2, being the Southwest corner of Tract 1, of said John Fischer Estate Lands Division, said point being the Northwest corner of this tract of land;

Thence North 89° 46' 37" East, 1254.28 feet, along the North line of said Tract 2, being the South line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 2, being the Southeast corner of said Tract 1, and lying on the West line of a 50.96 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01' 54" East, 470.56 feet, along an East line of said Tract 2, being the West line of said 50.96 acre tract of land, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 2, being the Southwest corner of said 50.96 acre tract of land, said point being a reentrant corner of this tract of land;

Thence South 89° 54' 29" East, 721.96 feet, along a North line of said Tract 2, being the South line of said 50.96 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said Tract 2, being the Northwest corner of a 4.17 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being the Northeast corner of this tract of land;

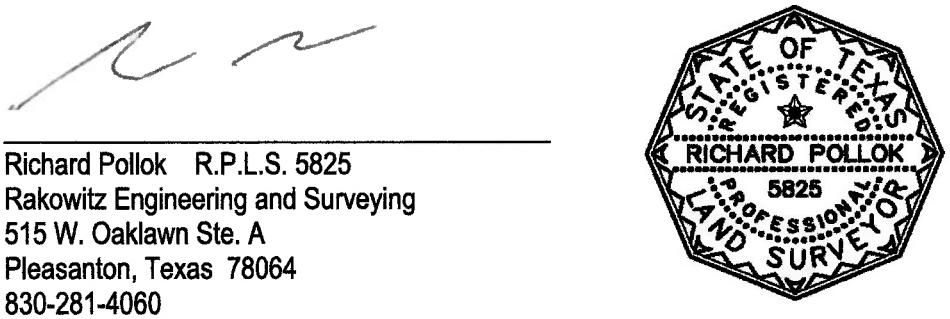
Thence South 00° 37' 18" East, 612.81 feet, along the East line of said Tract 2, being the West line of said 4.17 acre tract of land, and a 10.07 acre tract of land, described in an instrument, recorded in Clerk's File No. 2017005350, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 2, being the Northeast corner of said Tract 3, said point being an angle point of this tract of land;

Thence South 00° 29' 41" East, 907.75 feet, along the East line of said Tract 3, being the West line of said 10.07 acre tract of land, and a 6.587 acre tract of land, described in an instrument, recorded in Volume 321, Page 615, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of Tract 2, being the Northeast corner of said Tract 4, said point being an angle point of this tract of land;

Thence South 00° 16' 27" East, 934.20 feet, along the East line of said Tract 4, being the West line of said 6.587 acre tract of land, and continuing along the West line of a 0.925 acre tract of land, described in an instrument, recorded in Volume 403, Page 139, Deed Records, Medina County, Texas, and continuing along the West line of said 36.1 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 254.69 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.

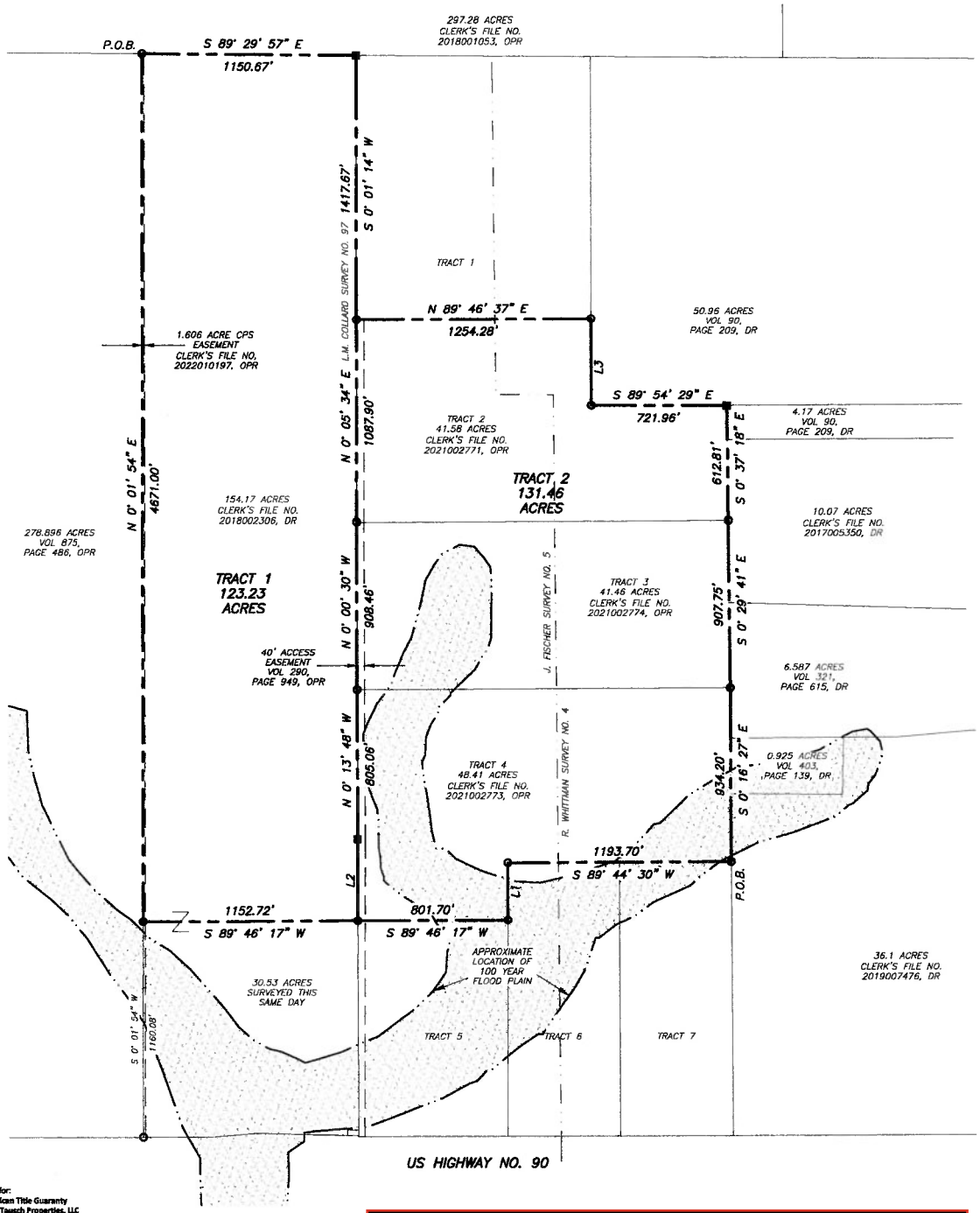


Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

PLAT OF SURVEY

OF

A 123.23 ACRE TRACT OF LAND, CALLED TRACT 1, BEING A PORTION OF A 153.76 ACRE TRACT OF LAND, CALLED 154.17, AND A 131.46 ACRE TRACT OF LAND, CALLED TRACT B, BEING ALL OF A 41.58 ACRE TRACT OF LAND, CALLED TRACT 2, ALL OF A 41.46 ACRE TRACT OF LAND, CALLED TRACT 3, AND ALL OF A 48.41 ACRE TRACT OF LAND, CALLED TRACT 4, OF THE JOHN FISCHER ESTATE LANDS DIVISION, LYING IN THE JOSEPH FISCHER SURVEY NO. 5, ABSTRACT NO. 1269, THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, AND THE ROMANUS WHITMAN SURVEY NO. 4, ABSTRACT NO. 1348, MEDINA COUNTY, TEXAS



1" = 400'

THE BASIS OF BEARING ON THIS PLAT IS GRID NORTH, TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83 (2011), SOUTH CENTRAL ZONE

Line Table		
Line #	Length	Direction
L1	308.57	S0° 09' 47"W
L2	437.26	N0° 12' 35"E
L3	470.56	S0° 01' 54"E

LEGEND

- Set 5/8 inch steel rod monument with cap stamped Rakowitz Engineering & Surveying
- Found 5/8 inch steel rod monument
- TxDot brass disk monument
- Fence corner post
- A calculated point
- Boundary line
- Adjoiner
- Barbed wire fence
- OHE — OHE — Overhead electric

Prepared for:
First American Title Guaranty
Dickerson Tausch Properties, LLC
Crown Money, LLC
KF Flat Creek, LP

REFERENCES:

DEED:
Clerk's File No. 2021002771, OPR
Clerk's File No. 2018002906, OPR
Clerk's File No. 2021002773, OPR
Clerk's File No. 2021002774, OPR
Flood plain panel #48325C0530D
Issued date: 5-15-2020

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that this plat was prepared from an actual survey done by me or under my direct supervision, and that to the best of my knowledge and belief it is a true and correct representation of said survey. This survey substantially complies with the current Texas Society of Professional Surveyors Manual of Practice requirements for a Category 1A, Condition 2.

STATE OF TEXAS
REGISTERED
RICHARD POLLOK
5825
PROFESSIONAL
LAND SURVEYOR

[redacted]

Rakowitz
ENGINEERING & SURVEYING
830.281.4080 515 W. OAKLAWN STE A PLEASANTON, TX 78064

Date of survey: April 25,
Update of survey: August 1
Job No. 22-2818B

DEVELOPMENT SUMMARY						
AREA/PHASE	LAND USE	AREA (Ac.)	DENSITY (DU/Ac.)	UNITS/LOTS	OPEN SPACE REQ. (Ac.)	OPEN SPACE PROVIDED (Ac.)
AM	AMENITY CENTER	10.70				10.70
OS	OPEN SPACE AREAS	6.29				6.29
FLP	FLOODPLAIN	15.01				15.01
LDA	LOCAL DRAIN AREAS	4.49				-
DET	DETENTION AREAS	9.21				-
RES-1	SINGLE-FAMILY RESIDENTIAL	16.99	4.24	72	3.40	0.17
RES-2	SINGLE-FAMILY RESIDENTIAL	16.14	3.66	59	3.23	0.16
RES-3	SINGLE-FAMILY RESIDENTIAL	15.94	4.77	76	3.19	0.16
RES-4	SINGLE-FAMILY RESIDENTIAL	64.41	3.66	236	12.88	0.64
RES-5	SINGLE-FAMILY RESIDENTIAL	76.92	2.94	226	15.38	0.77
ROW	ARTERIAL RIGHT OF WAY	14.24				
CS	CITY SERVICES-WATERTOWER SITE	4.35				4.35
	TOTAL	254.69		669	38.08	38.25

1.6 AC
1.5 AC
10.7 AC
0.6 AC
1.4 AC
1.2 AC
0.9 AC
0.94 AC
1.0 AC
Roadway by Others
US HIGHWAY 90

KINGFISH
REAL ESTATE | DEVELOPMENT | CONSULTING

FLAT CREEK SUBDIVISION CONCEPTUAL LAND USE SITE PLAN

CITY OF CASTROVILLE - MEDINA COUNTY - TEXAS

August 15, 2023 - Ver M

FLAT CREEK CASTROVILLE PROPERTY OWNERS' ASSOCIATION, INC.

PUBLIC IMPROVEMENT MAINTENANCE AGREEMENT

This Public Improvement Maintenance Agreement (this *Agreement*) is made and entered into on this the ___ day of _____, 202___, by and between **City of Castroville, Texas** (the *City*), a Type A general law municipality, and **Flat Creek Castroville Property Owners' Association** (the *Association*), a Texas property owners association organized and existing under laws of the State of Texas and having the powers and limitations provided under Title 11 of the Texas Property Code, for the purpose for providing the terms for the Association's maintenance of public parkland and storm drainage improvements within the hereinafter-defined District. The City and the Association are herein referred to individually as a *Party* and, together, as the *Parties*.

W I T N E S S E T H

WHEREAS, the City has, pursuant to applicable law, created the **Castroville East Side Public Improvement District No. 2** (the *District*) on approximately 254.69 acres of land located within the City (such land, as more particularly described on Exhibit "A" attached hereto and made a part hereof, the *Land*) to facilitate its development for use as mixed use residential and commercial master planned community (the such development, the *Project*); and

WHEREAS, through the District, the City will provide, by revenues resultant from assessments levied and imposed on certain property within the District, a mechanism for payment of a portion of the costs of certain public improvements within the District that are necessary and incidental to Project development; and

WHEREAS, as a condition to its creation of the District and provision of the aforementioned mechanism to finance a portion of the costs of public improvements within the District, the City requires that the ongoing maintenance obligations of the hereinafter-defined Public Improvements be assumed by a non-City entity associated with the Project or the related costs be paid by or from District-associated resources to prevent these costs resultant from Project development, which the City has facilitated, from becoming a burden on the general revenues of the City and its residents and property owners that do not reside within or directly enjoy the benefits resultant from the District; and

WHEREAS, the Developer has created the Association to provide services related to the developed Project as specified in its bylaws, including the ongoing maintenance of the Public Improvements in accordance with the provisions of this Agreement and payment of the associated costs from its fees collected from property owners within the District and subject to the Association's jurisdiction; and

WHEREAS, entry into this Agreement satisfies the City's condition to the District creation and utilization of its available powers to provide a mechanism for financing a portion of the costs of certain public improvements within the District, as described above; and

WHEREAS, the Parties, for the mutual consideration hereinafter stated, desire to enter into this Agreement, pursuant to which the Association assumes responsibility for maintaining the Public Improvements (which includes payment of the associated costs of such maintenance); and

NOW, THEREFORE, THE PARTIES AGREE TO THE FOLLOWING:

SECTION 1. Definition of Certain Terms. For purposes of this Agreement, the following terms shall have the ascribed meanings:

a. *Consultant's Plan* has the meaning ascribed thereto in the Development Agreement, dated as _____, between the City and the Developer pertaining to the Project.

b. *Developer* shall mean _____, a Texas _____.

c. *Engineer* shall mean _____.

d. *Parkland* shall mean common areas and other land within the District dedicated to the City by the Developer and established as property available to the general public for recreational use (to specifically include promenades, plazas, and bridges over permanent water features).

e. *Public Improvements* shall mean, collectively, the Parkland and the Storm Drainage Improvements.

f. *Storm Drainage Improvements* shall mean trench excavation and embedment, trench safety, concrete box culverts, reinforced concrete pipe, manholes, junction boxes, drainage inlets, headwall and wingwall structures, related earthwork, excavation, erosion control, detention ponds, and all other necessary appurtenances required to capture storm water runoff generated within the District.

SECTION 2. Association Agreement to Maintain Public Improvements.

a. *General*. The Association hereby exclusively agrees, at its sole cost and expense, to maintain the Public Improvements.

b. *Storm Drainage Improvements*. Maintaining Storm Drainage Improvements shall mean keeping in good structural condition all Storm Drainage Improvements and repairing and addressing any defects in or to the Storm Drainage Improvements that, if left unrepaired or unaddressed, might impair their hydraulic capacity or structural soundness, to include:

i. Maintaining access to the Storm Drainage Improvements for maintenance and inspection;

ii. Repairing defects in the storm drainage piping system, including leaking pipe joints, deflection of flexible pipe diameter in excess of 5%, pipe structural failure, or other defects;

iii. Removing obstructions from any inlet and outlet structures;

iv. Repairing concrete channel lining, pilot channels, rock rip-rap (including replacement, as needed, to maintain rock layer thickness, as designed), gabions or any other channel lining material and to repair any defects in the channel lining material including undermining, excessive cracking and settlement, structural failure, or other defects;

v. Repairing channels, ditches and detention or retention ponds and to repair erosion in same by backfilling the eroded area and re-establishing protective vegetation or by armoring the eroded area with gabions, rock rip-rap, concrete or other material approved by the Engineer;

vi. At least annually, removing willows, cottonwoods or other "woody" vegetation from channels, ditches, detention ponds and retention ponds;

vii. As frequently as required to prevent grassy vegetation from exceeding a height of more than one foot, mowing ditches, earthen channels and detention or retention ponds;

viii. Removing, as needed, accumulated debris, trash or sediment (with sediment accumulations in detention ponds not to exceed 18-inches before removal is required); and

ix. Maintaining minimum water levels in Storm Drainage Improvements intended upon construction to permanently hold water (as indicated in the Consultant's Plan).

The Association shall periodically (as needed based on weather conditions, but no less frequently than every 90 days) inspect or cause the inspection of all Storm Drainage Improvements to determine the necessity of action to address needed maintenance or repair. Remedial action shall be taken within 30 days of the Association's awareness of an issue (meaning that the Association shall commence necessary maintenance or repairs within 30 days of such awareness and diligently work toward their completion). At least annually, the Association shall commission the Engineer to complete a written inspection report concerning the condition and functionality of the Storm Drainage Improvements, deliver a copy of such report to the City, and take action, as described above, within 30 days of delivery of such report to address any identified deficiencies in, or recommendations concerning functionality or performance of, the Storm Drainage Improvements.

c. Parkland. Maintaining the Parkland shall mean at all times keeping and maintaining, or causing to be kept and maintained, the Parkland (including any improvements thereon and all other buildings and improvements erected therein) in a good state of appearance and repair (except for reasonable wear and tear), to include:

i. Maintening grass height according to species and variety of grass;

ii. Regularly mowing, aerating, fertilizing, seeding or reseeding, resodding and controlling weeds in areas that are seeded or sodded;

iii. Pruning all trees and shrubs, as needed;

iv. Maintaining an adequate number of trash cans (based on frequency of use and in plentiful quantity to hold all trash usually generated between servicing without overflowing) and emptying the same on at least a daily basis;

v. Sweeping the area on daily basis to remove and keep the area free of trash;

vi. Removing graffiti on any surface withing 24 hours of the incident;

vii. Remediating, upon discovery, insect, rodent, and invasive species infestations;

viii. Cleaning sidewalks and pavilions so that at no time is there an accumulation of sand, dirt, or leaves;

ix. Maintaining playground equipment, play areas, fields, sports courts, lighting systems, and flagpoles to ensure the equipment and spaces are in safe, clean, operating condition and free and clear of hazards and hazardous conditions;

x. Cleaning and sanitizing all restrooms and drinking fountains on a daily basis or more frequently, as and when required;

xi. Stocking all restrooms at a minimum of once per day or more frequently as needs arise;

xii. Providing and maintaining adequate security lighting and signage (to include wayfinding and mile markers on trail systems) free of loose rivets, missing text, graffiti, and other conditions that makes interpretation difficult or impossible;

xiii. Maintaining in good repair any trail system, to include elimination of all trip hazards, remediating impacts of erosion, periodic resurfacing, elimination of buildup of soil or debris that prevents water flow, and maintenance of an 8' vertical clearance; and

xiv. Upon discovery, eliminating user created "trails".

The Association shall, as frequently as necessary to maintain a safe and sanitary environment, inspect or cause the inspection of all Parkland to determine the necessity of action to address needed maintenance or repair. Remedial action shall be taken as and when needed and shall be diligently continued through satisfactory conclusion to address matters requiring attention with respect to Parkland maintenance.

SECTION 3. Annual Budget. The Association shall annually budget for the anticipated costs of maintaining the Public Improvements, which shall include (i) the costs of any necessary repair plan herein described coming due in the reporting period covered by such annual budget and (ii) adequate annual reserves to provide sufficient available sources of periodic major maintenance and capital repair and replacement of Public Improvements. Until such time as the Association has obtained sufficient experience to formulate the anticipated Public Improvements maintenance costs unassisted (herein determined to mean preparation of at least three annual budgets after the warranties for dedicated Public Improvements have expired), the Association shall enlist the Engineer's assistance in preparing the Public Improvements maintenance cost component of its annual budget.

SECTION 4. Payment of Public Improvements Maintenance Costs. To pay the costs of maintaining the Public Improvements, the Association shall either (i) charge an annual fee to its property owners or (ii) collect funds from the Developer in an amount at least equal to such budgeted annual maintenance costs. In determining the annual fee, the Association may take into account other funds then-available to the Association to pay such annual Public Improvements maintenance costs including funds collected from the Developer. In the event that unforeseen circumstances shall arise during the course of a financial reporting that necessitate additional funding to pay the costs of maintaining Public Improvements (including reimbursement of the City for costs of emergency repairs made pursuant to Section 5 below), the Association shall either (i) impose upon its property owners a special assessment (which is a charge on such property owners separate and distinct from any assessment thereon levied by the City pursuant to Chapter 372, as amended, Texas Local Government Code) or (ii) collect funds from the Developer in an aggregate amount sufficient to pay such unanticipated and unbudgeted Public Improvements maintenance costs.

SECTION 5. City Inspection of Public Improvements; Emergency Repairs. The City may, from time to time, but not more frequently than every 12 months, review the state of repair, condition, and cleanliness of the Public Improvements and provide a written report of its findings to the Association. If the City, in its review, finds the condition of the Public Improvements to not meet its standards for other similar public improvements owned and maintained by the City or in accordance with their original specifications applicable at the time of their respective construction , then the City shall detail and deliver in writing to the Association the specific instances of failure. The Association shall have 30 days from

receipt of this written notice to address or object to the specific failures in Public Improvements maintenance identified by the City.

If the City is made aware of emergency safety conditions relative to a Public Improvement, the City will notify the Association and request that the necessary repairs to mitigate the identified safety condition(s) be completed. Upon notification, the Association shall have 3 days to mitigate the identified safety condition(s). If, however the Association is unable to or fails to begin addressing the identified safety condition(s) within a reasonable time after notification, then the City may make repairs to Public Improvements as needed and without further notification to the Association or the owners of property within the District to address the conditions of emergency or safety. Within 30 days of completion of emergency repairs to Public Improvements, the City shall notify the Association of the reasons for its making the repairs and the costs thereof.

SECTION 6. City Funding of Public Improvements Maintenance Costs. The Parties intend that Association revenues realized in accordance with Section 4 hereof shall be sufficient to cover the costs of the Public Improvements. The Parties acknowledge, however, that the City may include as a component of its "maintenance assessment" levied and imposed on assessable property within the District pursuant to the District's Service and Assessment Plan, prepared and updated from time to time by the City Council of the City in accordance with applicable Texas law, the costs of maintaining the Public Improvements in the event the Association is unable or unwilling to fulfill its duties and obligations pursuant to the terms of this Agreement.

SECTION 7. Power and Authority. Each Party represents to the other that it has full power and authority to execute, deliver and perform its obligations hereunder and that the respective governing body of each Party has taken all necessary action on its part required to authorize the execution and delivery hereof and its performance hereunder.

SECTION 8. Notices. Except as otherwise provided herein, it shall be sufficient service of any notice, request, demand, authorization, direction, consent, waiver or other paper required or permitted by this Agreement to be made, given or furnished to or filed with the following persons, if the same shall be delivered in person or duly mailed by first-class mail, postage prepaid or duly transmitted by electronic mail, at the following physical or email addresses:

(a) **To Association at:**

Flat Creek Castroville Property Owners' Association, Inc.,
a Texas non-profit corporation
2611 N Loop 1604 W, Suite 100
San Antonio, Texas 78258

with a copy to:

KF Flat Creek, LP,
a Texas limited partnership
2722 West Bitters Road, Suite 106
San Antonio, Texas 78248

with a copy to:

Melissa Killen
Killen, Griffin & Farrimond, PLLC
10101 Reunion Place, Suite 250
San Antonio, Texas 78216
Email: melissa@kgftx.com

(b) **To City at:**

City of Castroville, Texas
Attn: City Administrator
1209 Fiorella Street
Castroville, Texas 78009

with a copy to:

Clay Binford
McCall, Parkhurst & Horton L.L.P.
112 E. Pecan Street, Suite 1310
San Antonio, Texas 78205
Phone: 210-225-2819
Email: cbinford@mphlegal.com

If, because of the temporary or permanent suspension of mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such delivery of notice in lieu thereof as shall be made with the approval of the City shall constitute a sufficient notice.

SECTION 9. Severability. If any terms or provisions of this Agreement or the application of any terms or provisions of this Agreement to a particular situation, are held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this Agreement or the application of such terms or provisions of this Agreement to other situations, will remain in full force and effect unless amended or modified by mutual consent of the Parties; provided that, if the invalidation, voiding or unenforceability would deprive either Party of material benefits derived from this Agreement, or make performance under this Agreement unreasonably difficult, then the Parties will meet and confer and will make good faith efforts to amend or modify this Agreement in a manner that is mutually acceptable to the Parties.

SECTION 10. Amendment. No amendment, modification, or alteration of the terms of this Agreement will be binding unless it is in writing, dated subsequent to the date of this Agreement, and duly executed by the Parties.

SECTION 11. Binding Agreement; Successors and Assigns. This Agreement will be binding upon and inure to the benefit of each of the Parties and their respective successors and permitted assigns.

SECTION 12. Correction of Technical Errors. If, by reason of inadvertence, and contrary to the intention of the Parties, errors are herein made in the legal descriptions or the references thereto or within any exhibit with respect to the legal descriptions, in the boundaries of any parcel in any map or drawing which is an exhibit, or in the typing of this Agreement or any of its exhibits or any other similar matters, the Parties by mutual agreement may correct such error by memorandum executed by them without the necessity of amendment of this Agreement.

SECTION 13. Governing Law and Venue. The laws of the State and the rules and regulations issued pursuant thereto shall govern the validity, construction, enforcement, and interpretation of this Agreement, without regard to conflict of law provisions. All claims, disputes and other matters in question arising out of or relating to this Agreement, or the breach thereof, shall be decided by proceedings instituted and litigated in a State court of competent jurisdiction sitting in Medina County, Texas, and the Parties hereto expressly consent to the venue and jurisdiction of such court. Any provision included or incorporated herein by reference that conflicts with said laws, rules and regulations shall be null and void and shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise.

SECTION 14. No Waiver of Sovereign Immunity. NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED TO WAIVE THE SOVEREIGN IMMUNITY OF THE CITY. THE CITY IS ENTERING INTO THIS AGREEMENT IN ITS GOVERNMENTAL FUNCTION AND CAPACITY AND THIS AGREEMENT DOES NOT CONSTITUTE AN EXERCISE OF THE CITY'S REGULATORY POWERS (E.G., REGULATORY APPROVALS OR IN ANY OTHER REGULATORY CAPACITY). THE ASSOCIATION ACKNOWLEDGES THAT THE CITY CANNOT CONTRACT IN ANY MANNER REGARDING THE EXERCISE, AND NOTHING CONTAINED HEREIN CONSTITUTES THE CITY'S EXERCISE, OF ITS REGULATORY POWERS OR A WAIVER OF ITS SOVEREIGN IMMUNITY PROTECTIONS.

SECTION 15. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed original and all of which, when taken together, shall constitute one and the same document.

SECTION 16. No Personal Liability. None of the members of the City Council, the Association's governing body, or any officer, agent, or employee of either Party shall be charged personally by the other Party with any liability, or be held liable to the other Party under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach, of this Agreement.

SECTION 17. Recordation. This Agreement, upon execution by both Parties, shall be recorded in the real property records maintained by the City Clerk of Medina County.

SECTION 18. Effective Term. This Agreement shall be effective as of its date, shall be perpetual and shall encumber and run with the Land.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, this Public Improvement Maintenance Agreement has been duly executed as of the date of the acknowledgement below, to be effective on the date first above written.

BY:

CITY OF CASTROVILLE, TEXAS

By:
Name:
Title:

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the _____day of _____, 202__, by _____, _____of Castroville, Texas, a Type A general law municipality and a political subdivision of the State of Texas, on behalf of Castroville, Texas.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ___ day of _____, 20__

[SEAL]

_____
Notary Public, State of Texas
Printed Name: _____
My Commission Expires: _____

IN WITNESS WHEREOF, this Public Improvement Maintenance Agreement has been duly executed as of the date of the acknowledgement below, to be effective on the date first above written.

BY:

Flat Creek Castroville Property Owners' Association, Inc.,

a Texas nonprofit corporation

By: Approval of Initial Directors:

By: _____

Name: _____
Title: President

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____, the _____ of the Flat Creek Castroville Property Owners' Association, Inc., a Texas nonprofit corporation, on behalf of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ___ day of _____, 20__

[SEAL]

_____
Notary Public, State of Texas
Printed Name: _____
My Commission Expires: _____

CERTIFICATION

I hereby certify that I am the duly elected and acting President of the Association and that this Policy was approved by not less than a majority vote of the Board of Directors and now appears in the books and records of the Association, which is to be recorded in the Official Public Records of Real Property of Medina County, Texas.

TO CERTIFY which witness my hand this _____ day of _____ 20___.

BY:

FLAT CREEK CASTROVILLE PROPERTY OWNERS' ASSOCIATION, INC.,

a Texas nonprofit corporation

By: _____

Name: _____
Title: President

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____, the _____ of the Flat Creek Castroville Property Owners' Association, Inc., a Texas nonprofit corporation, on behalf of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ___ day of _____, 20__

[SEAL]

_____
Notary Public, State of Texas
Printed Name: _____
My Commission Expires: _____

DECLARANT CONSENT

(in accordance with the Declaration and Bylaws for the Flat Creek Castroville Property Owners' Association)

If the Declarant Control Period or Development Period are in effect, the Declarant expressly consents to the adoption of this document, as evidenced by its signature below.

IN WITNESS WHEREOF, the undersigned hereunto expressly consents to this **Public Improvement Maintenance Agreement**, effective as of this _____ day of _____ 20 ___.

BY:

KF Flat Creek, LP,

a Texas limited partnership

BY:

King Fish Development, LLC,

a Texas limited liability company,

its General Partner

By: _____

Name: _____

Title: _____

Date: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____, the ___ _____ of King Fish Development, LLC, a Texas limited liability company, the general partner of KF Flat Creek, LP, a Texas limited partnership, on behalf of said limited liability company and limited partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this __day of_____ 202_.

[SEAL]

_____
Notary Public, State of Texas
Printed Name: _____
My Commission Expires: _____

EXHIBIT A

LAND DESCRIPTION
(Metes and Bounds)

AFTER RECORDING, RETURN TO:

Declarant:

KF Flat Creek, LP,
a Texas limited partnership
2722 West Bitters Road, Suite 106
San Antonio, Texas 78248

Association:

Flat Creek Castroville Property Owners' Association, Inc.,
a Texas non-profit corporation
2611 N Loop 1604 W, Suite 100
San Antonio, Texas 78258

with a copy to:

Melissa Killen
Killen, Griffin & Farrimond, PLLC
10101 Reunion Place, Suite 250
San Antonio, Texas 78216
Email: melissa@kgftx.com

[redacted] 123.23 Acres, called Tract 1 – Page 1 of 2

State of Texas
County of Medina

Field notes for a tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 1/2 inch steel rod monument, found for the Northwest corner of said 153.76 acre tract of land, being the Northeast corner of a 278.896 acre tract of land, described in volume 875, page 486, of the Deed Records, Medina County, Texas, and lying on the South line of a 297.28 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018001053, of the Official Public Records, Medina County, Texas, said point of beginning being the Northwest corner of this tract of land;

Thence South 89° 29' 57" East, 1150.67 feet, along the North line of said 154.17 acre tract of land, being the South line of said 297.28 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said 154.17 acre tract of land, being the Northwest corner of Tract 1, of the John Fischer Estate Lands Division, described in an instrument, recorded in Volume 290, Page 949 of the Official Public Records of Medina County, Texas, said point being the Northeast corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

South 00° 01' 14' West, 1417.67 feet, being the West line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for Southwest corner of said Tract 1, being the Northwest corner of a 41.58 acre tract of land, called Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 05' 34" West, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 2, being the Northwest corner of a 41.46 acre tract of land, called Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 00' 30" East, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 3, being the Northwest corner of a 48.41 acre tract of land, called Tract 4, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 13' 48" East, 805.06 feet, along the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, said point being an angle point of this tract of land;

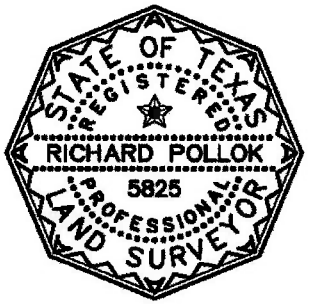
South 00° 12' 35" West, 437.26 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of Tract 5, of said John Fischer Estate Lands Division, the Southeast corner of a 123.23 acre tract of land, surveyed this same day, and the Northeast corner of a 30.53 acre tract of land, surveyed this same day, said point being the Southeast corner of this tract of land;

Thence South 89° 46' 17" West, 1152.72 feet, across said 154.17 acre tract of land, along the North line of said 30.53 acre tract of land, to a point marked by a 5/8 inch steel rod monument, with a cap stamped Rakowitz Engineering and Surveying, set on the West line of said 154.17 acre tract of land, for the Northwest corner of said 30.53 acre tract of land, and lying on the East line of said 278.896 acre tract of land, said point being the Southwest corner of this tract of land;

Thence North 00° 01' 54" East, 4671.00 feet, along the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 123.23 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.



Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

State of Texas
County of Medina

Field notes for a tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 4, being the Northeast corner of Tract 7, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, and lying on the West line of a 36.1 acre tract of land, described in an instrument, recorded in Clerk's File No. 2019007476, Deed Records, Medina County, Texas, said point of beginning being the Southeast corner of this tract of land;

Thence South 89° 44' 30" West, 1193.70 feet, along the South line of said Tract 4, being the North line of said Tract 7 and continuing along the North line of Tract 6, of said John Fischer Estate Lands Division, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 4, being the Northwest corner of said Tract 6, said point being a reentrant corner of this tract of land;

Thence South 00° 00' 47" West, 308.57 feet, along an East line of said Tract 4, being the West line of said Tract 6, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 4, being the Northeast corner of Tract 5, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 89° 46' 17" West, 801.70 feet, along the South line of said Tract 4, being the North line of said Tract 5, to a point marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of said Tract 5, The Southeast corner of a 123.23 acre tract of land, surveyed this same day, the Northeast corner of a 30.53 acre tract of land, surveyed this same day, and lying on the East line of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, Medina County, Texas, said point being the Southwest corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

North 00° 12' 35" East, 437.26 feet, being the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, being an angle point for said 154.17 acre tract of land, an angle point of said 123.23 acre tract of land, said point being an angle point of this tract of land;

North 00° 13' 48" West, 805.06 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 4, being the Southwest corner of Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 00' 30" West, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 3, being the Southwest corner of Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 05' 34" East, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 2, being the Southwest corner of Tract 1, of said John Fischer Estate Lands Division, said point being the Northwest corner of this tract of land;

Thence North 89° 46' 37" East, 1254.28 feet, along the North line of said Tract 2, being the South line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 2, being the Southeast corner of said Tract 1, and lying on the West line of a 50.96 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01' 54" East, 470.56 feet, along an East line of said Tract 2, being the West line of said 50.96 acre tract of land, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 2, being the Southwest corner of said 50.96 acre tract of land, said point being a reentrant corner of this tract of land;

Thence South 89° 54' 29" East, 721.96 feet, along a North line of said Tract 2, being the South line of said 50.96 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said Tract 2, being the Northwest corner of a 4.17 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being the Northeast corner of this tract of land;

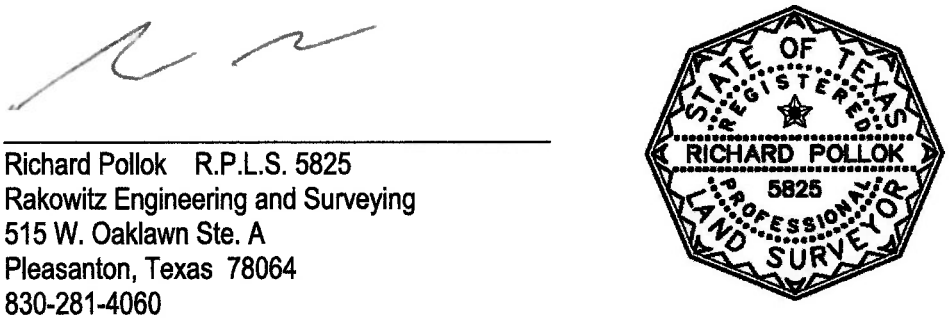
Thence South 00° 37' 18" East, 612.81 feet, along the East line of said Tract 2, being the West line of said 4.17 acre tract of land, and a 10.07 acre tract of land, described in an instrument, recorded in Clerk's File No. 2017005350, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 2, being the Northeast corner of said Tract 3, said point being an angle point of this tract of land;

Thence South 00° 29' 41" East, 907.75 feet, along the East line of said Tract 3, being the West line of said 10.07 acre tract of land, and a 6.587 acre tract of land, described in an instrument, recorded in Volume 321, Page 615, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of Tract 2, being the Northeast corner of said Tract 4, said point being an angle point of this tract of land;

Thence South 00° 16' 27" East, 934.20 feet, along the East line of said Tract 4, being the West line of said 6.587 acre tract of land, and continuing along the West line of a 0.925 acre tract of land, described in an instrument, recorded in Volume 403, Page 139, Deed Records, Medina County, Texas, and continuing along the West line of said 36.1 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 254.69 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.

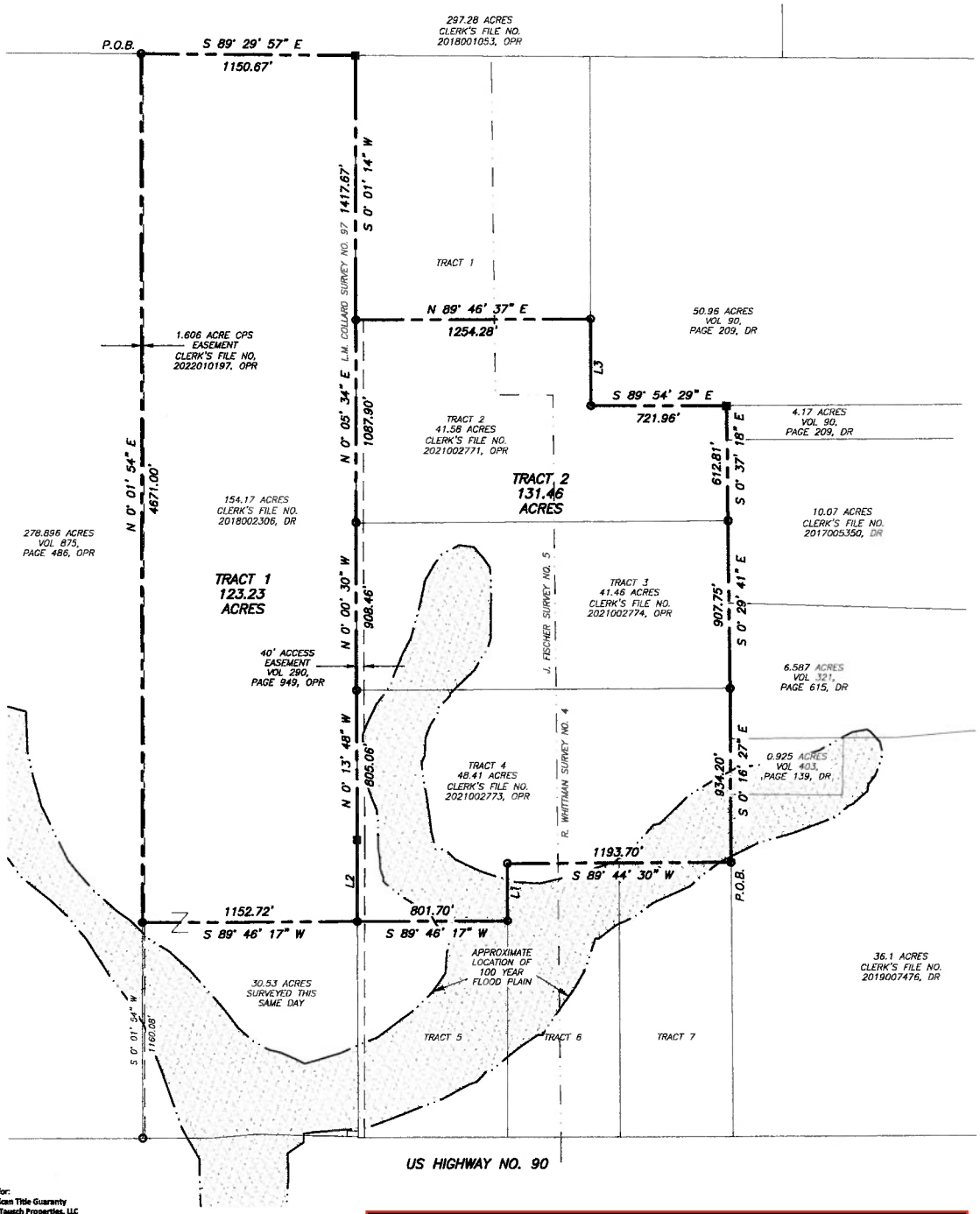


Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

PLAT OF SURVEY

OF

A 123.23 ACRE TRACT OF LAND, CALLED TRACT 1, BEING A PORTION OF A 153.76 ACRE TRACT OF LAND, CALLED 154.17, AND A 131.46 ACRE TRACT OF LAND, CALLED TRACT B, BEING ALL OF A 41.58 ACRE TRACT OF LAND, CALLED TRACT 2, ALL OF A 41.46 ACRE TRACT OF LAND, CALLED TRACT 3, AND ALL OF A 48.41 ACRE TRACT OF LAND, CALLED TRACT 4, OF THE JOHN FISCHER ESTATE LANDS DIVISION, LYING IN THE JOSEPH FISCHER SURVEY NO. 5, ABSTRACT NO. 1269, THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, AND THE ROMANUS WHITMAN SURVEY NO. 4, ABSTRACT NO. 1348, MEDINA COUNTY, TEXAS



1" = 400'

THE BASIS OF BEARING ON THIS PLAT IS GRID NORTH, TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83 (2011), SOUTH CENTRAL ZONE

Line Table		
Line #	Length	Direction
L1	308.57	S0° 09' 47"W
L2	437.26	N0° 12' 35"E
L3	470.56	S0° 01' 54"E

LEGEND

- Set 5/8 inch steel rod monument with cap stamped Rakowitz Engineering & Surveying
- Found 5/8 inch steel rod monument
- TxDot brass disk monument
- Fence corner post
- A calculated point
- Boundary line
- Adjoiner
- Barbed wire fence
- OHE — OHE — Overhead electric

Prepared for:
First American Title Guaranty
Dickerson Tausch Properties, LLC
Crown Money, LLC
KF Flat Creek, LP

REFERENCES:

DEED:
Clerk's File No. 2021002771, OPR
Clerk's File No. 2018002906, OPR
Clerk's File No. 2021002773, OPR
Clerk's File No. 2021002774, OPR
Flood plain panel #48325C0530D
Issued date: 5-15-2020

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that this plat was prepared from an actual survey done by me or under my direct supervision, and that to the best of my knowledge and belief it is a true and correct representation of said survey. This survey substantially complies with the current Texas Society of Professional Surveyors Manual of Practice requirements for a Category 1A, Condition 2.

STATE OF TEXAS
REGISTERED
RICHARD POLLOK
5825
PROFESSIONAL
LAND SURVEYOR

[redacted]

Rakowitz
ENGINEERING & SURVEYING
830.281.4080 515 W. OAKLAWN STE A PLEASANTON, TX 78064

Date of survey: April 25,
Update of survey: August 1
Job No. 22-2818B

Flat Creek HOA

Total Lots	670	
70%	469	
Projected Closings Per Month	8	
Annual Assessment Rate	$ 500.00	
Quarterly Assessment Rate	$ 125.00	
Working Cap Fee	$ 500.00	

INCOME

Income	Buildout Budget	Description
Assessments	$ 335,000.00	
Total Income	335,000	

EXPENSES

Administrative		
Audit and Tax Services	$ 400.00	
General Admin	$ 1,000.00	
Management Fee Charged at 70%	$ 21,600.00	
Technology Fee	$ 840.00	
Insurance- G/L & Property/ Umbrella	$ 7,500.00	
Insurance- D&O	$ 3,000.00	
Mailing Expense- General	$ 4,200.00	
Mailing Expense- Violation	$ 2,500.00	
Amenity Expenses		
Pool Mgmt	$ 18,000.00	
Amenity Porter	$ 12,000.00	
Pool Furniture	$ 3,000.00	
Pool Gate Service	$ 1,500.00	
Pool Phone	$ 1,200.00	
Amenity Maint/Repairs	$ 1,500.00	
Kiddie Mulch Replenish	$ 2,400.00	
Amenity Security and Surveilance	$ 1,500.00	
Social Committee	$ 4,000.00	
Maintenance		
Landscape Maintenance- Contract	$ 120,000.00	
Color Change/Monument	$ 5,000.00	
Fence Maint/ Repairs	$ 4,500.00	
Irrigation Maint/ Repairs	$ 2,500.00	
Trail Maintenance	$ 3,500.00	
Open space/extra trail area	$ 12,000.00	
General Repairs	$ 2,500.00	
Utilities		
Electric	$ 8,000.00	
Water	$ 16,000.00	
Seasonal	$ 2,500.00	
Misc Expense		
Transfer to Reserve	$ 72,360.00	
Street Repair/ Fund	$ -	
Expense Accounts Total	$ 262,640.00	

Flat Creek HOA

Anticipated Expenses	12 Month	6 Month	3 Month
EXPENSES			
Administrative			
Technology Fee	$ 840.00	$ 420.00	$ 210.00
Set Up Fee	$ 500.00	$ 500.00	$ 500.00
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ 7,500.00	$ 7,500.00
Insurance- D&O	$ 3,000.00	$ 3,000.00	$ 3,000.00
Maintenance			
Landscape Maintenance- Contract	$ 120,000.00	$ 60,000.00	$ 30,000.00
Retention Pond Maintenance	$ 12,000.00	$ 6,000.00	$ 3,000.00
General Repairs	$ 2,500.00	$ 1,250.00	$ 625.00
Utilities			
Electric	$ 8,000.00	$ 4,000.00	$ 2,000.00
Water	$ 16,000.00	$ 8,000.00	$ 4,000.00
Funding Request	**$ 170,340.00**	**$ 90,670.00**	**$ 50,835.00**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		8	24	32	40	48	56	64
Projected Closing Per Month		8	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		-8	-16	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 1,000	$ -	$ -	$ 5,000	$ -	$ -	$ 8,000
Builder Assessments:		$ (500)	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 1,000	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 5,500**	**$ 4,667**	**$ 4,333**	**$ 10,000**	**$ 4,667**	**$ 4,333**	**$ 13,000**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 16	$ 16	$ 80	$ 16	$ 16	$ 128	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 1	$ 2	$ 3	$ 4	$ 5	$ 6	$ 6
Amenity Expenses								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,437**	**$ 20,438**	**$ 20,503**	**$ 20,840**	**$ 20,441**	**$ 20,554**	**$ 20,442**
Deficit Funding Requirement		$ (14,937)	$ (30,709)	$ (46,878)	$ (57,718)	$ (73,493)	$ (89,713)	$ (97,155)

72	80	88	96	104	**104**
8	8	8	8	8	**96**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 11,000	$ -	$ -	**$ 25,000**
$ -	$ -	$ -	$ -	$ -	**$ (500)**
$ 667	$ 333	$ 1,000	$ 667	$ 333	**$ 8,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	**$ 48,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 16,000**	**$ 4,667**	**$ 4,333**	**$ 80,500**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 45	$ 83	$ 83	$ 83	$ 83	**$ 962**
$ 982	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 20,782**
$ 38	$ 70	$ 70	$ 70	$ 70	**$ 808**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ 176	$ -	$ -	$ 224	**$ 400**
$ 16	$ 16	$ 16	$ 16	$ 16	**$ 368**
$ 7	$ 8	$ 9	$ 10	$ 10	**$ 71**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 19,555	**$ 20,620**	**$ 20,445**	**$ 20,446**	**$ 20,670**	**$ 245,391**
$ (112,044)	$ (128,331)	$ (132,775)	$ (148,554)	$ (164,891)	**$ (164,891)**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		112	128	136	144	152	160	168
Projected Closing Per Month		8	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		0	0	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 14,000	$ -	$ -	$ 18,000	$ -	$ -	$ 21,000
Builder Assessments:		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 1,000	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 19,000**	**$ 4,667**	**$ 4,333**	**$ 23,000**	**$ 4,667**	**$ 4,333**	**$ 26,000**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 16	$ 16	$ 288	$ 16	$ 16	$ 336	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 11	$ 13	$ 14	$ 14	$ 15	$ 16	$ 17
Amenity								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,447**	**$ 20,449**	**$ 20,722**	**$ 20,850**	**$ 20,451**	**$ 20,772**	**$ 20,453**
Deficit Funding Requirement		$ (1,447)	$ (17,229)	$ (33,618)	$ (31,468)	$ (47,253)	$ (63,691)	$ (58,144)

176	184	192	200	208	**208**
8	8	8	8	8	**96**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 24,000	$ -	$ -	**$ 77,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 667	$ 333	$ 1,000	$ 667	$ 333	**$ 8,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	**$ 48,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 29,000**	**$ 4,667**	**$ 4,333**	**$ 133,000**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 83	$ 83	$ 83	$ 83	$ 83	**$ 1,000**
$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 21,600**
$ 70	$ 70	$ 70	$ 70	$ 70	**$ 840**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 16	$ 384	$ 16	$ 16	$ 432	**$ 1,568**
$ 18	$ 18	$ 19	$ 20	$ 21	**$ 196**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 20,454	**$ 20,822**	**$ 20,455**	**$ 20,456**	**$ 20,873**	**$ 247,204**
$ (73,931)	$ (90,420)	$ (81,875)	$ (97,665)	$ (114,204)	**$ (114,204)**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		213	226	234	242	250	258	266
Projected Closing Per Month		5	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		0	0	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 26,625	$ -	$ -	$ 30,250	$ -	$ -	$ 33,250
Builder Assessments:		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 625	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 2,500	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 29,750**	**$ 4,667**	**$ 4,333**	**$ 35,250**	**$ 4,667**	**$ 4,333**	**$ 38,250**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 10	$ 16	$ 484	$ 16	$ 16	$ 532	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 21	$ 23	$ 23	$ 24	$ 25	$ 26	$ 27
Amenity								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,451**	**$ 20,459**	**$ 20,927**	**$ 20,860**	**$ 20,461**	**$ 20,978**	**$ 20,463**
Deficit Funding Requirement		$ 9,299	$ (6,493)	$ (23,087)	$ (8,697)	$ (24,492)	$ (41,136)	$ (23,349)

274	282	290	298	306	**306**
8	8	8	8	8	**93**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 36,250	$ -	$ -	**$ 126,375**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 667	$ 333	$ 1,000	$ 667	$ 333	**$ 7,625**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	**$ 46,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 41,250**	**$ 4,667**	**$ 4,333**	**$ 180,500**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 83	$ 83	$ 83	$ 83	$ 83	**$ 1,000**
$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 21,600**
$ 70	$ 70	$ 70	$ 70	$ 70	**$ 840**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 16	$ 580	$ 16	$ 16	$ 628	**$ 2,346**
$ 27	$ 28	$ 29	$ 30	$ 31	**$ 314**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 20,463	**$ 21,028**	**$ 20,465**	**$ 20,466**	**$ 21,079**	**$ 248,100**
$ (39,146)	$ (55,841)	$ (35,056)	$ (50,855)	$ (67,600)	**$ (67,600)**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		314	330	338	346	354	362	370
Projected Closing Per Month		8	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		0	0	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 39,250	$ -	$ -	$ 43,250	$ -	$ -	$ 46,250
Builder Assessments:		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 1,000	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 44,250**	**$ 4,667**	**$ 4,333**	**$ 48,250**	**$ 4,667**	**$ 4,333**	**$ 51,250**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 16	$ 16	$ 692	$ 16	$ 16	$ 740	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 31	$ 33	$ 34	$ 35	$ 35	$ 36	$ 37
Amenity								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,467**	**$ 20,469**	**$ 21,146**	**$ 20,871**	**$ 20,471**	**$ 21,196**	**$ 20,473**
Deficit Funding Requirement		$ 23,783	$ 7,980	$ (8,832)	$ 18,547	$ 2,742	$ (14,120)	$ 16,657

378	386	394	402	410	**410**
8	8	8	8	8	**96**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 49,250	$ -	$ -	**$ 178,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 667	$ 333	$ 1,000	$ 667	$ 333	**$ 8,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	**$ 48,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 54,250**	**$ 4,667**	**$ 4,333**	**$ 234,000**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 83	$ 83	$ 83	$ 83	$ 83	**$ 1,000**
$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 21,600**
$ 70	$ 70	$ 70	$ 70	$ 70	**$ 840**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 16	$ 788	$ 16	$ 16	$ 836	**$ 3,184**
$ 38	$ 39	$ 39	$ 40	$ 41	**$ 438**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 20,474	**$ 21,247**	**$ 20,475**	**$ 20,476**	**$ 21,297**	**$ 249,062**
$ 849	$ (16,064)	$ 17,711	$ 1,901	$ (15,062)	**$ (15,062)**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		418	434	442	450	458	466	474
Projected Closing Per Month		8	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		0	0	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 52,250	$ -	$ -	$ 56,250	$ -	$ -	$ 59,250
Builder Assessments:		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 1,000	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 57,250**	**$ 4,667**	**$ 4,333**	**$ 61,250**	**$ 4,667**	**$ 4,333**	**$ 64,250**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 16	$ 16	$ 900	$ 16	$ 16	$ 948	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 42	$ 43	$ 44	$ 45	$ 46	$ 47	$ 47
Amenity								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,478**	**$ 20,479**	**$ 21,364**	**$ 20,881**	**$ 20,482**	**$ 21,415**	**$ 20,483**
Deficit Funding Requirement		$ 36,772	$ 20,959	$ 3,929	$ 44,298	$ 28,482	$ 11,401	$ 55,168

482	490	498	506	514	**514**
8	8	8	8	8	**96**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 62,250	$ -	$ -	**$ 230,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 667	$ 333	$ 1,000	$ 667	$ 333	**$ 8,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	**$ 48,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 67,250**	**$ 4,667**	**$ 4,333**	**$ 286,000**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 83	$ 83	$ 83	$ 83	$ 83	**$ 1,000**
$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 21,600**
$ 70	$ 70	$ 70	$ 70	$ 70	**$ 840**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 16	$ 996	$ 16	$ 16	$ 1,044	**$ 4,016**
$ 48	$ 49	$ 50	$ 51	$ 51	**$ 563**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 20,484	**$ 21,465**	**$ 20,486**	**$ 20,487**	**$ 21,515**	**$ 250,019**
$ 39,350	$ 22,219	$ 68,983	$ 53,163	$ 35,981	**$ 35,981**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		522	538	546	554	562	570	578
Projected Closing Per Month		8	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		0	-8	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 65,250	$ -	$ -	$ 69,250	$ -	$ -	$ 72,250
Builder Assessments:		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 1,000	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 70,250**	**$ 4,667**	**$ 4,333**	**$ 74,250**	**$ 4,667**	**$ 4,333**	**$ 77,250**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 16	$ 16	$ 1,108	$ 16	$ 16	$ 1,156	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 52	$ 54	$ 55	$ 55	$ 56	$ 57	$ 58
Amenity								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,488**	**$ 20,490**	**$ 21,583**	**$ 20,891**	**$ 20,492**	**$ 21,633**	**$ 20,494**
Deficit Funding Requirement		$ 49,762	$ 33,939	$ 16,689	$ 70,048	$ 54,222	$ 36,923	$ 93,679

586	594	602	610	610	**610**
8	8	8	8	0	**88**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 75,250	$ -	$ -	**$ 282,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 667	$ 333	$ 1,000	$ 667	$ -	**$ 7,667**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ -	**$ 44,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 80,250**	**$ 4,667**	**$ -**	**$ 333,667**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 83	$ 83	$ 83	$ 83	$ 83	**$ 1,000**
$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 21,600**
$ 70	$ 70	$ 70	$ 70	$ 70	**$ 840**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 16	$ 1,204	$ 16	$ 16	$ 1,220	**$ 4,816**
$ 59	$ 59	$ 60	$ 61	$ 61	**$ 687**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 20,495	**$ 21,683**	**$ 20,496**	**$ 20,497**	**$ 21,701**	**$ 250,943**
$ 77,851	$ 60,501	$ 120,255	$ 104,424	$ 82,723	**$ 82,723**

STATE OF TEXAS §
§
COUNTY OF MEDINA §
§
CITY OF CASTROVILLE §

DEVELOPMENT AGREEMENT

BY AND AMONG

CITY OF CASTROVILLE, TEXAS

AND

MKT 179 INVESTMENTS, LLC (FORMERLY DICKERSON TAUSCH PROPERTIES, LLC)

AND

CROWN MONEY, LLC

AND

MKT179, LLC

AND

KF FLAT CREEK, LP

This Development Agreement (this "Agreement") is entered into by and among the City of Castroville, Texas (as further defined herein, the "City"), MKT 179 Investments, LLC (formerly Dickerson Tausch Properties, LLC), Crown Money, LLC, MKT179, LLC (the "Landowners") and KF Flat Creek, LP (the "Developer") and is effective as of the Effective Date for the duration of the Term.

RECITALS

WHEREAS, the Landowners own approximately 255 acres of real property (the "Property") located in Medina County, Texas, approximately 194.17 acres being within the City's extraterritorial jurisdiction (as further defined and described herein, the "City ETJ"; such parcel, "Parcel A") and the remaining 60.83 acres being wholly outside the ETJ ("Parcel B"), as more particularly described by metes and bounds and location map attached hereto as Exhibit A, which Property the Landowners have under contract to sell to the Developer; and

WHEREAS, the Property is not located in any other municipality's corporate limits or extraterritorial jurisdiction; and

WHEREAS, Developer intends to develop the Property as a master-planned residential development, to include associated public infrastructure and other public and private improvements (as further described herein, the "Project"); and

WHEREAS, upon its acquisition of the Property from the Landowners, the Developer has agreed to voluntary, full purpose annexation of the Property, thereafter to be included within the City's corporate limits and to comply with certain terms and conditions regarding the Project's

development, including with respect to subdivision and platting of the Property, design and construction standards, and the design, construction, installation, and inspection of water, sewer, natural gas, electric power, broadband internet service, drainage, roadway, streets, sidewalks, and other public infrastructure and public improvements to serve the Property, all as further described herein; and

WHEREAS, upon full purpose annexation, necessary police, public safety, and other municipal utility services will be provided to the Property as herein described; and

WHEREAS, the Parties intend that the Property be developed (i) as a high-quality residential development and (ii) pursuant to binding, contractual development regulations herein memorialized, that are recorded in the County's Official Public Land Records (so as to bind the Developer, the Developer, and all future owners of the Property or any portion thereof), and that will provide regulatory certainty, among other matters, during the Term of this Agreement; and

WHEREAS, the Developer has communicated to the City that its development of the Project in the manner herein described, and the City has communicated to the Developer that its participation in certain City public works projects necessary for the City's provision of retail water service to the Property, require the City's creation of a public improvement district under Chapter 372 over the entirety of the Property (the "PID"); and

WHEREAS, the City has determined that the Property's annexation and development in accordance with the terms herein provided will benefit the City by, among other things, expanding the City's corporate limits, property tax base, sales and use tax base, and utility system customer base, and by creating additional residential, commercial, and employment opportunities for City residents; and

WHEREAS, the Developer has communicated to the City that it will not close on its purchase of the Property from the Landowner prior to the execution of this Agreement by all Parties; and

WHEREAS, this Agreement is a development agreement of the type described by Subchapter G of Chapter 212; and

WHEREAS, the Parties agree that the provisions of this Agreement substantially advance a legitimate interest of the City by expanding the City's ad valorem tax, and utility system customer bases, and increasing local residential and employment opportunities; and

WHEREAS, the City Council has found that development of the Property in compliance with this Agreement will serve a public purpose and benefit the economy of the City and is in the best interests of the residents of the City; and

NOW, THEREFORE, for and in consideration of the above stated recitals, which are made a part of this Agreement for all purposes, the benefits described below, and the mutual promises expressed herein, the sufficiency of which is hereby acknowledged by the Parties, the Parties hereby contract, covenant, and agree as follows:

ARTICLE 1
DEFINED TERMS

1.01 Construction of Terms. All terms and phrases defined herein shall have the meanings and definitions ascribed thereto. Terms that have well known technical, municipal, or construction or development industry meanings are used in accordance with such recognized meanings, unless otherwise defined herein or unless the context clearly indicates a different meaning. If appropriate in the context of this Agreement, words of the singular shall be considered to include the plural, words of the plural shall be considered to include the singular, and words of the masculine, feminine, or neuter gender shall be considered to include the other genders.

1.02 Definition of Certain Terms. In addition to capitalized terms defined throughout this Agreement, the following terms used in this Agreement have the meaning ascribed thereto:

"Administrative Expenses" means the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of: (i) creating and organizing the PID, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, maintenance, and operation of the PID and the Authorized Improvements, (iii) computing, levying, billing and collecting Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Assessments and the system of registration and transfer of the PID Bonds, (v) issuing, paying and redeeming the PID Bonds, (vi) investing or depositing of monies, (vii) complying with Chapter 372 and other laws applicable to the PID Bonds, (viii) the PID Bond trustee's reasonable fees and expenses relating to the PID Bonds, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Authorized Improvements. Administrative Expenses do not include payment of the actual principal of, redemption premium, if any, and interest on the PID Bonds or any costs of issuance associated with the PID Bonds.

"Administrator" means an employee or contracted designee of the City who shall have the responsibilities provided in the Service and Assessment Plan or any other agreement or document approved by the City related to the duties and responsibilities for the administration of the PID, being (initially) MuniCap, Inc.

"Airport Proximity Consent" means the consent in the form attached hereto as Exhibit N.

"Allocated Water Capacity Cost" means the cost of those improvements to the City's water system that are the subject of the Multi-Party Agreement allocated to the Developer on a pro rata basis (in accordance with the methodology specified in the Multi-Party Agreement).

"Annual Installment" means, with respect to the Assessed Property, the annual installment payments of an Assessment calculated by the Administrator and approved by the City Council.

"Annual Service Plan Update" means the annual review and update of the Service and Assessment Plan required by Chapter 372 and the Service and Assessment Plan.

"Approved Plat" means a final plat for portions of the Property that are approved, from time to time, by the City Council or City staff, as applicable, in accordance with the Governing

Regulations.

"Assessable Property" means all Property other than Non-Benefited Property.

"Assessed Property" means for any year, any Parcel within an Improvement Area, other than Non-Benefited Property, against which an Assessment is levied.

"Assessment Revenues" means money collected by or on behalf of the City from any one or more of the following: (i) an Assessment levied against an Assessed Property, or Annual Installment payment thereof (including any interest on such Assessment or Annual Installment thereof during any period of delinquency), (ii) a Prepayment, (iii) Delinquent Collection Costs, and (iv) Foreclosure Proceeds.

"Assessment Roll(s)" means the Assessment Roll for the Assessed Property included in the Service and Assessment Plan or any other Assessment Roll in an amendment or supplement to the Service and Assessment Plan or in an Annual Service Plan Update showing the total amount of the Assessments, as updated, modified or amended from time to time in accordance with the procedures set forth in the Service and Assessment Plan and in Chapter 372 (including updates prepared in connection with any Annual Service Plan Update).

"Assessment Ordinance" means each ordinance approved by the City Council that levies Assessments, on a Phase-by-Phase basis, on certain Assessed Property in accordance with Chapter 372 to pay for Authorized Improvements Costs, as well as the costs associated with the issuance of the PID Bonds and the Administrative Expenses.

"Assessments" means (i) singularly, the assessment levied against an Assessed Property (as shown on the Assessment Roll), subject to reallocation upon the subdivision of an Assessed Property or reduction according to the provisions of the Service and Assessment Plan and Chapter 372 and (ii) plurally, the aggregate assessments shown on the Assessment Roll.

"Authorized Improvements" means water (including the improvements to the City's water system that are the subject of the Multi-Party Agreement), sewer, drainage, landscaping, hardscaping, and roadway infrastructure, facilities, any other permitted public improvements authorized under Chapter 372, and other soft costs needed to serve and fully develop the Property as set forth in the Consultant's Plan and in the Land Plan (and ultimately to be included in the Service and Assessment Plan) and to be constructed by the Developer or by or on behalf of the City.

"Authorized Improvements Costs" means, with respect to an Authorized Improvement, the demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement. Authorized Improvement Costs may include (a) the costs for the design, planning, financing, administration, management, acquisition, installation, construction and/or implementation of such Authorized Improvement, including general contractor and construction management fees, if any, (b) the costs of preparing the construction plans for such Authorized Improvement, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvement, (d) the costs for external professional costs associated with such Authorized Improvement, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services, and taxes (property and franchise), (e) the costs of all labor,

bonds and materials, including equipment and fixtures, incurred by contractors, builders and material men in connection with the acquisition, construction or implementation of the Authorized Improvements, (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal, and consulting fees, financing charges, taxes, governmental fees and charges (including inspection fees, permit fees, development fees), insurance premiums and miscellaneous expenses. Authorized Improvements Costs may include general contractor's fees in an amount up to a percentage equal to the percentage of work completed and accepted by the City or construction management fees in an amount up to five (5%) percent of the eligible Authorized Improvements Costs described in a certification for payment. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the general contractor and construction management fees are calculated.

"Authorizing Ordinance" means Ordinance No. _____ adopted by the City Council on August 24, 2023, which ordinance authorizes the City's entering into this Agreement and other matters necessary or incidental to the foregoing, all in accordance with Subchapter G of Chapter 212.

"Bankruptcy Event" means (a) commencement of an involuntary proceeding or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of either Developer or of a substantial part of the assets of either Developer under any insolvency or debtor relief law or (ii) the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for either Developer or a substantial part of either Developer's assets and, in any case referred to in the foregoing clauses (i) and (ii), such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; or (b) either Developer shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for either Developer or for a substantial part of either Developer's assets, or (ii) generally not be paying its debts as they become due unless such debts are the subject of a bona fide dispute, or (iii) make a general assignment for the benefit of creditors, or (iv) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition with respect to it described in clause (b)(i) of this definition, or (v) commence a voluntary proceeding under any insolvency or debtor relief law, or file a voluntary petition seeking liquidation, reorganization, an arrangement with creditors or an order for relief under any insolvency debtor relief law, or (vi) file an answer admitting the material allegations of a petition filed against it in any proceeding referred to in the foregoing clauses (i) through (v), inclusive, of this part (b), and, in any case referred to in the foregoing clauses (i) through (v), such action has not been cured within twenty (20) days thereafter.

"Chapter 42" means Chapter 42, as amended, Texas Local Government Code.

"Chapter 43" means Chapter 43, as amended, Texas Local Government Code.

"Chapter 202" means Chapter 202, as amended, Texas Property Code.

"Chapter 212" means Chapter 212, as amended, Texas Local Government Code.

"Chapter 245" means Chapter 245, as amended, Texas Local Government Code.

"Chapter 372" means Chapter 372, as amended, Texas Local Government Code.

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

"Chapter 2258" means Chapter 2258, as amended, Texas Government Code.

"City" means the City of Castroville, Texas, a Texas General Law Type A Municipality, located in the County.

"City Council" means the City Council of the City, as its governing body.

"City ETJ" means the City's Extraterritorial Jurisdiction, as determined under Chapter 42, the unincorporated area that is contiguous to the corporate boundaries of the City and that is located within one-half mile of those boundaries (plus those contiguous areas that are included in the City ETJ by request of the owners thereof), all as further evidenced in the map attached hereto as Exhibit B.

"City Representative" means the City Administrator of the City or another official or representative of the City, as the City representative designated by the City Council to undertake certain duties and obligations hereunder on the City's behalf.

"City Subdivision Ordinance" means Chapter 100 of the Code and any successor ordinance or regulation thereto under which is incorporated the general subject matter of Chapter 100 of the Code that exists as of the Effective Date.

"CFA" means the Construction, Funding, and Acquisition Agreement to be entered into between the City and the Developer.

"Code" means the City Code of Ordinances, as from time to time amended by the City Council.

"Completion Agreement" means that certain "Completion Agreement", in the form attached hereto as Exhibit C, to be entered into prior to or in conjunction with the City's approval of the initial series of PID Bonds by and among the City, the trustee for such series of PID Bond, and the Developer, as the same may be amended, modified or extended, or supplemented from time to time.

"Comprehensive Zoning Ordinance" means Ordinance No. 107, originally adopted by the City Council on June 17, 1975 and as amended from time to time, which ordinance provides for zoning regulations within the City for the purpose of promoting health, safety, morals, and the general welfare of the City, and for the protection and preservation of places and areas of historical and cultural importance and significance therein, and any successor ordinance or regulation thereto under which is incorporated the general subject matter of Ordinance No. 107 that exists as of the Effective Date.

"Continuing Disclosure Agreement" means any continuing disclosure agreement of the Developer executed contemporaneously with the issuance and sale of PID Bonds for purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission.

"County" means Medina County, Texas.

"Delinquent Collection Costs" means interest, penalties, and expenses incurred or imposed

with respect to any delinquent installment of an Assessment in accordance with Chapter 372and the costs related to pursuing collection of an Assessment and foreclosing the lien against the Assessed Property, including attorney's fees.

"Development Documents" means this Agreement, the CFA, the PUD, the Landowner Agreement, the Completion Agreement, and the Reimbursement Agreement.

"End Buyer" means any developer, homebuilder, builder, tenant, user, or occupant/owner of a Fully Developed and Improved Lot, including without limitation a builder who acquires a Fully Developed and Improved Lot with the intent to construct a single-family residence on the lot.

"Effective Date" means August 24, 2023, being the date of this Agreement's effectiveness.

"Fee Ordinance" means the City's ordinance establishing the comprehensive fee schedule for City services, adopted annually and being uniformly applicable to all residents and development within the corporate limits of the City.

"Force Majeure" means the occurrence of war, act of terrorism, acts of God, civil commotion, fire, severe flood, hurricane, tornado, explosion, court order, pandemic, epidemic, or change in legal requirements applicable to the Project other than those in existence as of the Effective Date, but only to the extent that such events or circumstances delay development of the Project by the Developer (as and if applicable) or otherwise make the Developer's development of the Project (as and if applicable) impracticable or impossible, in such responsible Party's commercially reasonable judgement, after taking reasonable steps to mitigate the effects thereof.

"Foreclosure Proceeds" means the proceeds, including interest and penalty interest (but excluding and net of all Delinquent Collection Costs), received by the City from the enforcement of the Assessments against any Assessed Property or Assessed Properties, whether by foreclosure of lien or otherwise.

"Fully Developed and Improved Lot" means any lot, regardless of proposed use, which is served by the Authorized Improvements and for which an Approved Plat has been recorded in the real property records of the County.

"Improvement Area" means a defined area within the Property that is subject to an Assessment Ordinance.

"Land Plan" means the general rendering of the Project (including its critical elements), a copy of which is attached hereto as Exhibit D.

"Landowner Agreement" means an agreement of the owners of the Property from time to time, in the form attached hereto as Exhibit E attached hereto, agreeing to various provisions relative to establishment of the PID, the Property's development, and financing Authorized Improvements Costs.

"Maintenance Agreement" means a "Maintenance Agreement", in the form attached hereto as Exhibit F, to be entered into between the City and each MOA pursuant to which the MOA agrees to undertake the applicable MOA Maintenance Obligations.

"MOA" means a mandatory owner's association, being an association created and existing under Chapter 202 for the purpose of enforcing covenants, conditions, or restrictions contained in a dedicatory instrument, whether mandatory, prohibitive, permissive, or administrative, applicable to property, and assuming the responsibility for maintenance of certain specified Public Infrastructure, Public Improvements, and private amenities within its territory.

"MOA Maintenance Obligations" means the annual costs of operating and maintaining the Project's amenity features (including the Project's central amenity center indicated on the Land Plan), monuments, esplanades, open spaces, common areas (including, but not limited to, all landscaped Project entrances), right-of-way landscaping (including irrigation systems), raised medians and other right-of-way landscaping, Public Improvements that are parks, recreational facilities, playgrounds, walking trails, lakes, and bridges, and Public Infrastructure that are detention areas and ponds, drainage areas and screening walls.

"Multi-Party Agreement" means that certain Multi-Party Agreement to Pay Design Costs Associated with Planned City Utility System Expansion, dated as of August 9, 2022, by and among the City and various private parties, including the Landowners, pursuant to which the parties thereto have agreed to design improvements to the City's water system to expand its capacity to allow for provision of City water service to various developments (including the Project).

"Non-Benefited Property" means Parcels within the boundaries of the PID that accrue no special benefit from the Authorized Improvements.

"Outdoor Lighting" means any temporary or permanent lighting that is installed, located or used in such a manner to cause light rays to shine outdoors, including lighting fixtures that are installed indoors that cause light to shine outside and beyond the perimeter of the Property and/or directly to the sky without shielding (e.g., through a skylight).

"Outdoor Lighting Criteria" means the following criteria applicable to Outdoor Lighting: (i) shielded so that luminous elements of the fixture are not visible from any other property; (ii) uplighting prohibited, with exceptions (as approved by the City, in its sole discretion); (iii) total light output of any nonresidential property shall not exceed 100,000 lumens per net acre; (iv) total light output of any residential property shall not exceed 25,000 lumens per net acre; and (v) lighting for outdoor signs and panels constructed with an opaque background and translucent letters and symbols or with a colored background and lighter letters and symbols.

"Owner Disclosure Program" means the disclosure program, administered by the Assessment Company, as set forth in a document in the form of Exhibit G attached hereto, that establishes a mechanism to disclose to each End Buyer the terms and conditions under which their lot is burdened by the PID.

"Parcel" means a property identified by either a tax map identification number assigned by the Medina County Appraisal District for real property tax purposes, by metes and bounds description, by lot and block number in a final subdivision plat recorded with the Clerk in Medina County's official public records, or by any other means determined by the City.

"Party" or "Parties" means the City, the Landowner, and the Developer, collectively or (as applicable and in context) singularly.

"Phase" means a segment of Project development relating to a portion of the Project, as identified in the PUD.

"PID Bonds" means the assessment revenue bonds issued by the City secured solely by certain of the Assessments levied on specific Assessed Property within the PID to finance the Authorized Improvements that are constructed for the benefit of such Assessed Property.

"Prepayment" means, before the due date thereof, payment of all or a portion of an Assessment, plus accrued but unpaid interest to the date of prepayment, less any amounts (received at the time of such prepayment) that represent a payment of principal, interest or penalties on a delinquent installment of an Assessment (which other amounts are to be treated as the payment of the regularly scheduled Assessment).

"Project" means the single-family residential development and associated private and public improvements to be constructed on the Property in accordance with the terms of this Agreement.

"Public Improvements" means sidewalks, open space and other improvements accessible and enjoyed by the general public, if any, the design, construction, acquisition, development, and payment of which are the responsibility of the Developer (but whose costs may be reimbursed to the Developer or paid directly from funds derived by the City through the PID).

"Public Infrastructure" means the on-site and off-site water, wastewater, natural gas, electric power, drainage, streets and roadway improvements and other public infrastructure necessary or incidental to serve the Property, as the same are identified on each plat to be filed with the City from time to time relating to the Property, the design, construction, acquisition, development, and payment of which are the responsibility of the Developer (but whose costs may be reimbursed to the Developer or paid directly from funds derived by the City through the PID).

"PUD" means a Planned Unit Development plan, to be prepared by the Developer and implemented in accordance with the City Subdivision Ordinance and the Comprehensive Zoning Ordinance and that incorporates and includes the applicable provisions of the Consultant's Plan.

"Reimbursement Agreement" means that certain "Reimbursement Agreement", in the form attached hereto as Exhibit H, to be entered into prior or in conjunction with the City's approval of the initial series of PID Bonds by and among the City and the Developer, as the same may be amended, modified or extended, or supplemented from time to time.

"Residential Construction Standards" means those construction standards applicable to the Project, as specified in Exhibit I.

"Retail Municipal Utility Service" means potable water, sewer, gas, and garbage services provided by the City to the Property.

"Retail Municipal Utility Service Rate Ordinance" means any City ordinance from time to time adopted that establishes the then-current rate schedule for the retail provision of any Retail Municipal Utility Service.

"Service and Assessment Plan" means the PID service and assessment plan to be adopted

by City Council prior to or in conjunction with the approval of the initial series of PID Bonds, as may be amended or updated annually pursuant to an Annual Service Plan Update, to assess allocated costs of the Authorized Improvements against Assessed Property located within the boundaries of the PID, and which has terms, provisions and findings approved and agreed to by the Developer and the City in accordance with Chapter 372.

"Sound Abatement Criteria" means the standards of construction to abate sounds applicable to residential structures as specified by the Code or the Federal Aviation Association.

"State" shall mean the State of Texas.

"Term" means the period of time beginning on the Effective Date and ending on the Termination Date.

"Termination Date" means the date that is the twentieth (20th) anniversary of the Effective Date.

"USA" means a Utility Services Agreement to be negotiated and entered into between the City and the Developer pursuant to which water and wastewater service will be provided by the City to the Property, in substantially the form attached hereto as Exhibit J.

ARTICLE 2
AUTHORITY, TERM, AND LIABILITY

2.01 Authority.

(a) The City enters into this Agreement pursuant to the authority granted thereto under the Constitution and general laws of the State of Texas, including (particularly) Article III, Section 52-a of the Texas Constitution, Subchapter G of Chapter 212, and the Authorizing Ordinance. The Landowner and the Developer enter into this Agreement pursuant to their respective general corporate powers exercised by duly adopted resolution of their respective governing body.

(b) Regarding prescribed uses of portions of the Property herein described, this Agreement is determined to be a plan under which general uses and development of the Property are authorized pursuant to and in accordance with Section 212.172(b)(2), as amended, Texas Local Government Code.

(c) The Developer acknowledges and agrees that the City may zone the Property in a manner consistent with the uses hereunder contemplated, but this Agreement does not constitute a contract for specific zoning.

2.02 Term. This Agreement shall become effective and enforceable on the Effective Date and shall continue through the Termination Date; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, the Developer's failure to deliver to the City by 5:00 p.m., Central time, on September 24, 2023 evidence of its purchase of the Property from the Landowners shall result in the immediate and automatic termination of this Agreement without further or additional action of any Party hereto.

2.03 Landowner as a Party. The Parties acknowledge that the Landowners' inclusion in this Agreement as a Party reflects the fact that the Landowners are the sole party authorized as

of the date hereof to obligate the Property to the provisions hereunder concerning its development. Except with respect to Section 3.04(f), which is expressly excluded from the effect of this Section 2.03, none of the Parties contemplate the Landowners' performance of the operative provisions hereof regarding the development of the Property, which obligations belong solely to the City and the Developer as herein specified. Accordingly, the Landowners shall be automatically released from this Agreement and no longer a Party hereto immediately upon completion of the Landowners' sale of the Property to the Developer (written notice of which shall be provided to the City by the time specified in Section 2.02) without requirement of amendment or supplement to this Agreement. After delivery of such notice to the City, the Landowners shall not be a Party hereunder for any purpose other than with respect to the representations made to the City and the Developer in Section 10.01.

ARTICLE 3
PROJECT DEVELOPMENT, TIMING AND STANDARDS

3.01 Project Development.

(a) Generally; Jurisdiction. Development of the Project shall include the subdivision of the Property, the construction of Public Infrastructure adequate for the development of the Project, the construction of necessary or required Public Improvements, and dedication of Public Infrastructure and Public Improvements to the City. As a result of full-purpose annexation of the Property in accordance with Article 6, the Parties intend that the City shall have and exercise exclusive jurisdiction over the review and approval of preliminary and final plats relative to the Property, the inspection of Public Infrastructure and Public Improvements (designed, constructed and installed pursuant to the Governing Regulations, and conveyed to the City pursuant to the terms hereof and thereof), and the issuance of a Certificate of Occupancy (defined herein) for each Structure (defined herein). As such, prior to full and final annexation of the Property into the City's corporate limits, the Developer may choose to proceed with development of the Project, including submittal of applications for plat(s), building permit(s) and other permits/approvals required for development as if the Property were in the City's corporate limits (including payment of requisite fees, except as provided otherwise herein or in the USA) and the City agrees to process – including review and approval of – the same as if the Property were in the City's corporate limits (but subject to any modifications included in this Agreement).

(b) Governing Regulations. Except as specifically provided in this Agreement, all Property development shall be governed solely by the following regulations (together, the "Governing Regulations"):

(i) this Agreement;

(ii) the PUD;

(iii) the Code;

(iv) the Comprehensive Zoning Ordinance;

(v) the Approved Plats; and

(vi) the 2006 International Building Codes, heretofore adopted by the City.

The Governing Regulations are exclusive, and no other ordinances, rules, regulations, standards, policies, orders, guidelines, or other City-adopted or City-enforced requirements of any kind (including but not limited to any development moratorium adopted by the City after the Effective Date) apply to the development of the Property.

The City Council may, upon Developer request, authorize exceptions to strict compliance with the Governing Regulations, within the limitations described therein and pursuant to applicable State law, when the Developer demonstrates, to the reasonable satisfaction of the City Council, that the requested exception: (1) is not contrary to the public interest; (2) does not cause injury to adjacent property; and (3) does not materially adversely affect the quality of the Project's development. The City has the right to amend the Code and the Comprehensive Zoning Ordinance, from time to time, to include changes, including local amendments to either or both that have been approved by the International Code Council (or any successor organization) or have been adopted by the City Council (for uniform application throughout the corporate limits of the City, including (upon annexation) the Property). Development of the Property shall also be subject to ordinances that the City is required to adopt, from time to time, by State or federal law.

Notwithstanding the foregoing, and to the extent not inconsistent with the provisions of this Agreement, the Developer may exercise rights under Chapter 245. The Parties hereby agree that the Effective Date shall be the date for establishment of the Developer's rights under Chapter 245, pursuant to Section 245.002(a-1) of such Chapter. The Developer may not take advantage of any changes to laws, rules, regulations, or ordinances of the City or other regulatory agency occurring after the Effective Date that are inconsistent with the terms of this Agreement without prior receipt of the City's consent (such consent not to be unreasonably withheld), which shall be reflected in the form of an amendment to this Agreement made in accordance with Section 13.05 hereof. For the avoidance of doubt, the foregoing restriction shall not prohibit the Developer from taking advantage of prospective changes in laws, rules, regulations, or City ordinances that do not otherwise conflict with the provisions of this Agreement.

Except as otherwise provided by the foregoing, if there is a conflict between this Agreement and the application of any other ordinance, rule, regulation, standard, policy, order, guideline or other City-adopted or City-enforced requirement, whether existing on the Effective Date or hereafter adopted (including the Code or the Comprehensive Zoning Ordinance), then this Agreement shall control. If there is a conflict between any Approved Plat and any of the other Governing Regulations, the Approved Plat shall control. The Governing Regulations shall be read in concert, with all reasonable effort made by the Parties to reconcile their respective terms and provisions. In the event of direct conflict, the provisions of this Agreement, the Consultant's Plan, and the PUD shall supersede and control over competing or contradictory provisions of the Code and the Comprehensive Zoning Ordinance.

(c) Planned Unit Development. The Developer agrees to prepare a PUD that incorporates the Project elements as herein provided (as generally depicted in the Land Plan), in accordance with the Governing Regulations and as confirmed by and acceptable to the City. Upon its completion and acceptance by the City, the Project shall be developed in accordance with the PUD, being the Property's initial master general development plan that identifies proposed land uses, Phases, Public Infrastructure (including major streets, and major drainage ways), and Public Improvements. The PUD regulates Property development by applying thereto the City's applicable

zoning classifications under the Comprehensive Zoning Ordinance, as they exist on the Effective Date. The PUD will act to satisfy all City requirements for the various plans required for subdivision development under the Code or the Comprehensive Zoning Ordinance, as applicable.

The PUD may be revised from time to time with the approval of the City, by action of the City Council, the Developer, and (if other than the Developer) the owners of the portions of the Property within the area of the PUD being revised. Notwithstanding the foregoing, the originally adopted PUD may be revised by Developer, without the approval of the City or any other owners, regarding lot layout, right-of-way locations, and the location of Public Infrastructure and Public Improvements within the boundaries of the Property, so long as: (i) the housing density of the Project does not increase; (ii) the amount of natural areas, public parks, or open space does not decrease; (iii) the change does not result in a (1) violation of any other Governing Regulation that would otherwise require a City variance from compliance or (2) departure from the provisions of the Consultant's Plan; (iv) the change does not impact the requisite size or capacity, location, or cost of off-Property public infrastructure (including the System Improvements); and (v) arterial and collector roadway alignments substantially conform to the roadway alignments shown on the then-current PUD. If the PUD is revised as provided by this Section, the revision shall be considered an amendment to this Agreement, and the City shall cause the revised PUD to be attached to the official version of this Agreement on file with the City Secretary's Office.

(d) Project Commencement; Phasing. Subject to its representations, warranties, and covenants made in Section 10.03 hereof, the timing and sequencing of Project development will be based on market demand and conditions and will be completed as and when the Developer determines it to be economically feasible, subject to and in accordance with the following provisions and conditions. Project development shall be undertaken in Phases, but not necessarily in any sequential order. Once development of a particular Phase has commenced (as evidenced by recordation of an Approved Plat), the Developer shall be required to complete Public Infrastructure and Public Improvements identified on such Approved Plat.

(e) Plat Application. Subdivision of the Property shall require the City's approval of plats in accordance with the City Subdivision Ordinance, except as otherwise specifically modified by the Governing Regulations. No plat shall be approved within a Phase except in substantial conformity with the approved Phase Infrastructure Plan (defined below). Easements for the location, installation, construction, operation, and maintenance of major infrastructure shown on approved Phase Infrastructure Plans will be dedicated to the City by separate instrument or plat at the discretion of the Developer. As described above, plat application(s) may be submitted to, and shall be processed by, the City prior to full and final annexation of the Property into the City's corporate limits.

(f) Phase Infrastructure Plan. A plat application made in conformance with Subsection 3.01(d) shall be preceded or accompanied by the submittal to the City of an infrastructure development plan for the Phase (the "Phase Infrastructure Plan"). The Phase Infrastructure Plan shall identify Public Infrastructure that will be required to develop the portion of the Property covered by the plat application. Each Phase Infrastructure Plan shall be subject to review and approval by the City Representative (or the designee thereof) solely to determine compliance with the Governing Regulations. Plat applications shall not be considered complete until the related Phase Infrastructure Plan is submitted. The Phase Infrastructure Plan shall be approved prior to approval of any plat with respect to which such Phase Infrastructure Plan relates. The City and the Developer agree that existing City sewer utility infrastructure are adequate to service the Project, as fully

developed in accordance with the provisions of this Agreement.

(g) Project Development Reporting. Upon commencement of Project development (and with respect to each Project Phase thereafter), the Developer shall submit to the City a written report detailing Project development progress, with the first such report to be delivered not later than the one hundred eightieth (180^{th}) day after the City's issuance of the applicable building permit and continuing each one hundred eightieth (180^{th}) day thereafter until completion of the applicable Phase of the Project.

For purposes of this Section 3.01(g), "commencement" shall mean the date of the City's issuance of the first building permit regarding improvements within a particular Phase of the Project.

3.02 Construction Standards.

(a) General. In addition to the other applicable Governing Regulations, the Developer shall cause single-family residences within the Project to be constructed in accordance with the Residential Construction Standards as outlined in Exhibit I.

(b) Specific Standards. The Developer shall incorporate or cause to be incorporated into the Project's development the following attributes:

(i) Buried utilities (electric, telephone, and broadband internet) from existing poles to the Structures (defined herein);

(ii) Compliance with the Outdoor Lighting Criteria;

(iii) Streetlights similar to cobra-head LED lights that are dark-sky compliant throughout the Project to promote safety and walkability;

(iv) Compliance with the Sound Abatement Criteria with respect to residential Structures construed within the Project; and

(v) Safety and way-finding signage incorporating the following elements Examples found in Exhibit I.:

(1) Blades:

a. Double sided, printed on 0.080 Aluminum, high intensity, 100% coverage in prismatic color, reflective, UV rated;

b. 9" tall x 36" length, using arm detail to eliminate tilt;

c. 9" x 9" non-reflective 3M logo sign will be permitted, with matching frame detail; and

d. Blades will have decorative arm.

(2) Traffic Signs:

a. Hi-intensity, 0.080 aluminum with black backing; and

b. Traffic signs will have a black frame.

(3) Poles:

a. 3" fluted aluminum black pole; and

b. topped with aball for 3" pole, black. .

(4) Bases:

a. Slipcover base for 3" pole, black.

(5) Sign foundation to be built so that if a sign needs to be replaced, the foundation can be reused.

3.03 Public Improvement and Public Infrastructure.

(a) Design Standards; Inspection. Public Infrastructure and Public Improvements shall be designed to comply with the Governing Regulations, and no construction or installation of Public Infrastructure or Public Improvements shall begin until plans and specifications therefor have been approved by the City. All Public Infrastructure and Public Improvements shall be constructed and installed in compliance with the Governing Regulations and shall be inspected by inspectors (certified and State-licensed, to the extent required by law) that have been approved by the City and that have agreed, in writing, to be bound by this Agreement and to follow State bond submittal inspection requirements, as and to the extent applicable (each, a "Certified Inspector"). The cost for such inspections shall be paid by the Developer. All Public Infrastructure and Public Improvements constructed by the Developer or by any person or entity on behalf of or in the name of the Developer shall have a maintenance bond with an expiration period of two years after completion and City acceptance of such Public Infrastructure or Public Improvement. Maintenance bonds shall name the City as a co-beneficiary and shall be assignable to the City.

Each Certified Inspector shall maintain a permanent record of all Public Infrastructure and Public Improvements inspected. All such records shall be available for copying by the City and the Developer. All such records shall be kept in a form reasonably approved by the City. Each Certified Inspector shall provide to the City and the Developer a copy of each Public Infrastructure and Public Improvement inspection report within ten (10) days after the inspection is performed (including reports that identify deficiencies and subsequent corrective action). Unless the City shall have objected in writing with reasonable specificity to the Developer within thirty (30) days of the City's receipt of copies of such certificates, records or reports, then such certificates, records, or reports shall be deemed accepted and approved by the City for all purposes.

The City and the Developer each shall have the right to terminate any Certified Inspector for failure to properly perform any duty or for failure to provide inspection reports, all as required by this Agreement (after written notice to the Certified Inspector and the other Party and the failure of the Certified Inspector to cure the failure within ten (10) days); provided, however, that the Developer shall have no right to terminate the employment of any City employee then serving in

the capacity of a Certified Inspector, but may only terminate such City employee's engagement as Certified Inspector of the Public Infrastructure and Public Improvements. Upon any such termination, the City, at its option, may allow the use of another Certified Inspector or may elect to perform some or all of the duties of the Certified Inspectors (unless such terminated Certified Inspector was a City employee, in which case the replacement Certified Inspector shall be a qualified third-party engaged to serve in such capacity). If the City elects to perform any of those duties, such duties shall be performed (and reports provided to the Developer) in the same manner as would be applicable to the Certified Inspectors, and the actual, reasonable costs and expenses paid or incurred by the City in performing the duties shall be paid by the Developer (or the contractor or builder or by the owner of the property on which the work is being performed). Notwithstanding the foregoing, the Developer shall have no right to terminate a Certified Inspector provided at the sole cost and expense of the City.

The City shall have the right, at its sole cost and expense, to conduct additional inspections, from time to time, of the construction of any Public Infrastructure or Public Improvement. If the City determines that any Public Infrastructure or Public Improvement is not being constructed in compliance with the Governing Regulations and the contractor or builder fails to correct the non-compliance within a reasonable period of time after notice thereof, the City shall have the right to enforce compliance and to stop new work on the Public Infrastructure or Public Improvement by the issuance of a "stop-work order" until the non-compliance is corrected to the reasonable satisfaction of the City.

(b) Dedication of Public Infrastructure and Public Improvements to City. Upon completion, Public Infrastructure and Public Improvements shall be dedicated and conveyed to, and accepted by, the City. As a condition to the City's final acceptance of any Public Infrastructure or Public Improvement, the following shall be delivered to the City:

(i) a report of a Certified Inspector concerning the subject Public Infrastructure or Public Improvement, in form satisfactory to the City in its reasonable judgment;

(ii) executed Affidavit of Payment, bills of sale, assignments, or other instruments of transfer (and evidence of recordation thereof in the deed records of the County) reasonably requested by the City;

(iii) utility, drainage, and other easements or rights-of-way (and evidence of recordation thereof in the deed records of the County) that are related to or necessary for use of the subject Public Infrastructure or Public Improvement;

(iv) all bonds, warranties, guarantees, and other assurances of performance, "record" drawings in both hard copy and digital (PDF and CAD) and sealed by the Developer's Engineer pursuant to Chapter 1001, as amended, Texas Occupations Code, easements, project manuals and all other documentation related to subject Public Infrastructure or Public Improvement; and

(v) an executed Maintenance Agreement between the City and the applicable MOA evidencing the MOA's acceptance of the MOA Maintenance Obligations relative to any of the then-dedicated Public Infrastructure and

Public Improvements, as and if applicable.

After delivery of the foregoing, and upon the City issuing to the Developer a letter indicating satisfaction of the conditions precedent to such acceptance pursuant to and in accordance with this Agreement, the Developer shall, by proper instrument (as agreed to by the City and the Developer), dedicate the subject Public Infrastructure or Public Improvement to the City and cause such dedication to be recorded in the deed records of the County. The City shall then accept each such completed Public Infrastructure or Public Improvement for ownership, operation, and maintenance within twenty (20) business days of such dedication.

(c) City to Own, Operate and Maintain Dedicated Public Improvements and Public Infrastructure; Exception. From and after the time of the City's final acceptance of Public Infrastructure or a Public Improvement, the City will own, operate, and maintain each such Public Infrastructure or Public Improvement and shall be responsible for all costs associated therewith; provided, however, that notwithstanding the foregoing, operations and maintenance responsibilities of Public Infrastructure and Public Improvements that constitute MOA Maintenance Obligations shall be responsibility of the appropriate MOA pursuant to the terms of this Agreement and a Maintenance Agreement.

(d) Developer Access to Dedicated Public Infrastructure and Public Improvements. Upon the City's acceptance of Public Infrastructure or a Public Improvement identified within a particular Approved Plat, the Developer shall be allowed to connect, access or otherwise utilize the dedicated Public Infrastructure or Public Improvement in such a manner to serve lots within the particular Phase, subject to (i) payment to the City of applicable Impact Fees (defined herein) (unless waived pursuant to the terms of the USA), rates, charges and other connection fees, as and to the extent applicable, and (ii) satisfaction of any such connection, access, or use requirements of any Governing Regulation.

3.04 Water and Wastewater Service.

(a) To provide for delivery of retail water and wastewater service to the Property, the City and the Developer shall enter into a USA.

(b) Subject to Section 3.04(f), for water service capacity (in the form of living unit equivalents ("LUEs") to be allocated to the Property, the Developer has entered into the Multi-Party Agreement to facilitate City water system expansion to enable provision of service to the Project. The terms by which the Developer may access this capacity, which includes the Developer's payment (or its causing to be paid) the water system capacity allocation charge, shall be specified in the USA.

(c) For the wastewater service capacity (in the form of LUEs) to be allocated to the Property, which capacity the City is in the process of obtaining, the Developer shall pay to the City the applicable Impact Fees, in accordance with, at the times and in the amounts specified in the Code, as further specified in the USA.

(d) The Developer acknowledges that the City does not currently have capacity to provide water service to the fully-developed Project, and though the City is exercising commercially reasonable efforts to expand its water system to provide such necessary capacity, the City makes no representations regarding the timely delivery of, and assumes no liability for its

failure to timely deliver, such expanded water system capacity.

(e) Other than with respect to the water system improvements that are the subject of the Multi-Party Agreement and the City's wastewater system expansion project ongoing as the date hereof (and the subject of Task Order No. 15 approved by the City Council on June 14, 2022), the Developer shall, at its expense, design, construct, acquire and install all offsite (relative to the Property) improvements necessary to connect to the City's water and wastewater utility system to permit retail water and wastewater service to the Property. The design of these offsite improvements shall be coordinated with and approved by the City engineer. Subject to the City's reimbursement to the Developer of the incremental cost associated therewith, as further specified in the USA, the offsite improvements that are the subject of this Subsection (e) shall include capacity oversizing requirements as and to the extent required by the City, if at all.

(f) The Landowners are parties to the Multi-Party Agreement, a copy of which is attached hereto as Exhibit M. Pursuant to the Multi-Party Agreement, the Landowners have received an allocation of 800 LUEs as a reservation from the Capacity resultant from the Improvements (identified therein as the "Jagge Ranch" allocation). Upon completion of the sale of the Property by the Landowners to the Developer, the Landowners hereby convey and assign to the Developer 700 LUEs from this allocation of reserved Capacity to which the Landowners are entitled under the Multi-Party Agreement (the "Transferred Capacity"). Upon such conveyance and assignment (and not before), all rights, duties, and obligations under the Multi-Party Agreement shall be transferred by the Landowners to the Developer. The Developer hereby accepts such assignment and conveyance and hereby agrees, from and after such date of assignment and conveyance, to be a Private Party under the Multi-Party Agreement in possession of 700 LUEs of Capacity, subject to all duties and obligations owing to the City and the other Private Parties thereunder as a result of designation. At such time, the reserved Capacity of the Landowners under the Multi-Party Agreement, and all rights, duties, and obligations of the Landowners thereunder to the City and the other Private Parties, shall reflect (and be based off of) 100 LUEs of reserved Capacity. The City hereby agrees to the foregoing and, upon effectiveness of the same at the time of completion of the Developer's purchase of the Property from the Landowners, the Multi-Party Agreement shall be deemed amended in accordance with Section 10 thereof to reflect the provisions of this Section 2.04(f).

Capitalized terms used in this paragraph but not otherwise defined in this Agreement shall have the meanings ascribed thereto in the Multi-Party Agreement.

3.05 Building Permits; Certificates of Occupancy. No permanent structure designed or intended for human occupancy or commercial use (a "Structure") shall be constructed unless a building permit has been issued by the City and a final plat has been recorded for the lot on which the Structure is being built (which shall be included in an Approved Plat). No Structure shall be occupied until a certificate of occupancy has been issued by the City (a "Certificate of Occupancy") in accordance with the Code. As stated herein, the City agrees to diligently process any building permits and related items submitted by the Developer prior to full and final annexation of the Property into the City's corporate limits.

3.06 Fees and Charges.

(a) General Applicability of City Fee Ordinance; Other Fees. Activities within the Property, including development activities, shall be subject to payment to the City the fees and

charges from time to time specified in the Fee Ordinance, as well as other fees described in this Section 3.07. In the event a requested service is not covered by the provisions of this Agreement or another Governing Regulation, the Parties shall negotiate a reasonable fee for such service, on a cost basis and not with an intention of profit generation.

(b) Inspection Fees. In addition to any plan review fees identified in the Fee Ordinance, any inspections of Public Infrastructure or Public Improvements pursuant to the City's inspection rights under Section 3.04(a) hereof (if the City determines that any Public Infrastructure or Public Improvement is not being constructed in accordance with the Governing Regulations or if the City terminates any Certified Inspector), shall be subject to the payment to the City of all reasonable costs and expenses paid or incurred by the City in performing such inspections.

(c) Impact Fees. Development of the Property will be subject to the payment to the City of the capital recovery fees and charges set forth in this Section 3.07 for Public Infrastructure and Public Improvements necessitated by and attributable to the development of the Property, but only to the extent such fees and charges are adopted and applied to the Property in compliance with Chapter 395 and otherwise subject to the provisions set forth in this Agreement (the "Impact Fees"). All Impact Fees shall be payable upon, and as a condition to, the issuance of building permits. Impact Fees include, and are limited to, the following:

(i) Impact Fees for any requirements for compliance with applicable State or federal law; and

(ii) Fees applicable to development within the City, as identified in the Fee Ordinance and as the same are in effect on the date of submittal of a plat application.

Notwithstanding the foregoing or any other provision in this Agreement or the USA to the contrary, the USA may provide for the waiver of Impact Fees in lieu of payment of a substitute capital recovery charge and, if so, the provisions of the USA shall control. The parties agree that the USA will provide for a retail water capacity charge in lieu of Impact Fees therefor.

3.07 Mandatory Owner's Association; Agreement to Maintain Certain Improvements. Prior to the sale of the first platted lot within the Property, the Developer will create one or more MOAs that, in total, provide owners association services to the entirety of the Property (excluding the Dedicated Parcel). Upon creation, each MOA shall enter into a Maintenance Agreement with the City, pursuant to which the MOA shall agree to the MOA Maintenance Obligations (whose responsibility shall solely be the MOA's, notwithstanding any ownership by the City of the improvements or real property upon which such maintenance is required to be performed). The Developer shall provide in each MOA's organization documents that the MOA shall annually levy and collect fees from owner members that are, at a minimum and based on annual budget adopted by the MOA prior to the beginning of its fiscal year, sufficient to satisfy the annual MOA Maintenance Obligations. Each Maintenance Agreement shall provide that the MOA shall perform the MOA Maintenance Obligations in accordance with the applicable provisions of the Governing Regulations, subject to oversight and inspection by the City, and provide to the MOA permission to perform the MOA Maintenance Obligations, as and to the extent reasonably necessary, on City-owned property. Upon reasonable request, the City shall have the right to inspect the financial reports, audits, and budget of each MOA.

3.08 Buyer Disclosures. All End Buyers shall be required to sign (i) an Airport Proximity Consent and (ii) an acknowledgement that the property that is the subject of such sale is located within a PID, as required by and in accordance with applicable Texas law and herein referred to as the Owner Disclosure Program.

3.09 Prohibited Uses. If commercial use is ever added as Project component, then the following uses shall not be permitted within the Project: (i) sexually oriented businesses; (ii) shops dedicated primarily to the sale of drug or tobacco paraphernalia, including vape shops; (iii) unlicensed massage parlors; (iv) flea markets; (v) bingo halls; (vi) pawn shops; (vi) payday lenders; and (vii) check cashing centers.

3.10 Delivery of Requisite Water Rights to the City. Nothing in this Agreement shall be determined or deemed to modify or impact the Developer's obligation to comply with Section 100-25(c) of the City Subdivision Ordinance.

3.11 Competitive Bidding. Development of Authorized Improvements within the PID will be exempt from any public bidding or other purchasing and procurement policies in accordance with, and subject to the limitation of, Section 252.022(a)(9), as amended, Texas Local Government Code.

3.12 Additional Public Improvements; Developer Capital Contribution.

(a) Developer shall, by the time specified below, deliver to the City $400,000 in unencumbered, immediately available funds (the "Developer Capital Contribution"). The City shall use the Developer Capital Contribution to pay the costs of improving, enlarging, and expanding youth sports facilities located on City-owned property ("Park Improvements"), which improvements shall be permanent in nature and shall enhance and expand the opportunity for sports participation by area youth.

(b) The Developer Capital Contribution shall be delivered to the City on or before the fifth (5^{th}) business day after the recordation of a plat that would bring the cumulative total number of lots within the Project to at least five hundred (500). The City agrees that the Developer Capital Contribution is in lieu of, and shall satisfy, any and all obligations for the Project related to parkland dedication or open space.

(c) The expenditure of the Developer Capital Contribution by the City for Park Improvements shall be at the City's discretion; provided, however, the City shall erect permanent signage that identifies "Flat Creek" as the sponsor of the Park Improvements (which signage shall be agreed upon by Developer as a condition of its delivery of the Developer Capital Contribution, such agreement not to be unreasonable withheld).

(d) If the Developer Capital Contribution has not been used to pay the costs of Park Improvements within five (5) years from the date the Developer delivers the Capital Contribution, the Capital Contribution shall be refunded to Developer.

ARTICLE 4
MUNICIPAL SERVICES

4.01 Retail Municipal Utility Services. The City shall provide Retail Municipal Utility Services to lots within the Property and will connect each Structure to the City's water, sewer, and gas system upon payment of applicable fees described in Article 3 hereof and issuance of a Certificate of Occupancy for the Structure. Retail Municipal Utility Services will be delivered pursuant to and in accordance with State law and the Governing Regulations, and rates and charges for such services imposed pursuant to and in accordance with the Retail Municipal Utility Services Rate Ordinance.

4.02 Police Services. The City shall, upon annexation (and not before), provide police service to the Property.

4.03 Electric Service. Retail electric service shall be provided to the Property by City Public Service Board of San Antonio, Texas, also known as CPS Energy, subject to a franchise fee paid by CPS Energy to the City.

4.04 Internet Service Provider. The Developer shall ensure installation of state-of-the art internet infrastructure (broadband) to each lot within the Project to allow access to high-speed internet service (minimum of one hundred (100) megabytes per second) from providers serving the City (determined as of the time of installation of such infrastructure).

4.05 Fire and Emergency Response Services. Fire and emergency response services to the Property will be provided by a Texas political subdivision having jurisdiction over such area and charged with the responsibility of providing such services, initially being the Medina County Emergency Services District No. 1.

ARTICLE 5
SOURCES OF PROJECT FINANCING

5.01 Public Improvement District.

(a) PID Creation. To provide for payment of the Allocated Water Capacity Cost, Authorized Improvements Costs, and Administrative Expenses, the Parties contemplate creation of the PID. In furtherance of such expectation, the Developer will submit to the City an application to create the PID in accordance with Chapter 372. In addition, after delivery of sufficient notice to interested parties, the City will consider conduct of a public hearing concerning creation of the PID, all as specified and in accordance with Chapter 372.

(b) Service and Assessment Plan. The Developer and the City agree that the City, the Developer, and the Administrator shall prepare an initial Service and Assessment Plan providing for the levy of the Assessments on all or portions of the Assessable Property within the PID. Promptly following preparation and approval of the initial Service and Assessment Plan acceptable to the Developer and the City and subject to the City Council making findings that the Authorized Improvements specified in the Service and Assessment Plan confer a special benefit on the Assessable Property, the City Council shall consider an Assessment Ordinance.

(c) Assessment Ordinance. Adoption of an Assessment Ordinance is conditioned on the successful negotiation, inclusive of terms mutually acceptable to the City and the Developer, of all Development Documents other than this Agreement (which shall at such time already be in effect). Accordingly, consideration of an Assessment Ordinance shall be conditioned on presentation to the City Council (i) for approval of the City's entering into and executing the same

concurrently with or prior to the City Council's consideration of the initial Assessment Ordinance or (ii) in the event any of such Development Documents for whatever reason may not be entered into at such time, final forms thereof.

(d) Acceptance of Assessments. Prior to or concurrently with the City's adoption of the initial Assessment Ordinance, the Developer shall (i) approve and accept in writing the levy of the Assessment(s) on all Assessable Property owned or controlled by the Developer; (ii) approve and accept in writing the Owner Disclosure Program; and (iii) cause to be recorded against the Assessed Property covenants running with the land that will bind any and all current and successor developers and owners of any of the Assessed Property to pay the then-subject Assessment and any subsequent Assessments, with applicable interest and penalties thereon, as and when due and payable and to take their title to their interest in the Assessed Property subject to and expressly accepting and assuming the terms and provisions of such Assessments and the liens created thereby.

(e) Administrative Expenses. The Parties hereby agree that all of the Administrative Expenses associated with the PID will be funded by Assessment Revenues and the City shall not be responsible for payment of such costs from any other City funds.

(f) Assessment Revenues. The Parties agree that, once deposited to the hereinafter-defined Project Fund, Assessment Revenues will be bifurcated, *pari passu*, between the Allocated Water Capacity Costs and the scheduled debt service requirements on PID Bonds from time to time issued and outstanding. On a *pari passu* basis, the pro rata portion of the Assessment Revenues attributable to the Allocated Water Capacity Costs will be directed to and delivered from the Project Fund to the City. At no time will such portion of the Assessment Revenues be subject to a lien thereon or pledge thereof securing the repayment of any PID Bonds or City obligation to reimburse the Developer for its incurring Authorized Improvements Costs.

(g) Issuance of PID Bonds. Subject to satisfaction of the conditions set forth in this Section 5.01(g) and the Service and Assessment Plan, the City may issue PID Bonds for the purposes of acquiring or constructing or reimbursing Authorized Improvement Costs or any other purposes authorized by the Chapter 372. The Developer may request the City's issuance of a series PID Bonds by filing with the City a list of the Authorized Improvements to be funded with the PID Bonds and the estimated budgeted costs therefor, as described by the Service and Assessment Plan. The Developer acknowledges that the City may at the time of its request to issue PID Bonds require the Parties enter into a professional services agreement that obligates the Developer to fund the costs of the City's professionals relating to the preparation for and issuance of PID Bonds, funded in an amount of $50,000 or such greater amount as shall be agreed to by the Parties (which amount is considered Administrative Expenses payable from the proceeds of such series of PID Bonds).

The issuance of any series of PID Bonds is subject to the following conditions:

(i) the aggregate principal amount of all PID Bonds shall not exceed $20,000,000, plus the amount allocated to the Project pursuant to the application of the terms of the Multi-Party Agreement in accordance with Section 3.04(f) hereof;

(ii) no series of PID Bonds shall pay from the proceeds therefrom capitalized interest beyond the second anniversary of its initial issuance;

(iii) prior to the City's authorization of the initial series of PID Bonds:

(1) the Developer will create the Owner Disclosure Program and provide a copy of the program to the City Administrator;

(2) the Developer shall have delivered to the City Administrator a fully executed Landowner Agreements from each owner of the Property; and

(3) the City shall have received fully-executed or final versions of each of the Development Documents, in form satisfactory thereto;

(iv) issuance of any series of PID Bonds shall be preceded by the City's adoption or amendment of a Service and Assessment Plan, Assessment Roll, and an Assessment Ordinance levying Assessments on all or any portion of the Property benefited by the Authorized Improvements to be funded by such Assessments;

(v) each series of PID Bonds shall be in an amount estimated to be sufficient to fund the Authorized Improvements Costs for which such PID Bonds are being issued, plus required reserves and capitalized interest (in accordance with the limitations described above), and issuance costs;

(vi) if applicable, delivery by the Developer to the City of a certification or other evidence from an independent appraiser or another qualified professional acceptable to the City confirming that the special benefits conferred on the parcels of the Property subject to Assessments for payment of Authorized Improvements Costs increase the value of such parcels of Property by an amount at least equal to the amount assessed against such parcels;

(vii) the Developer shall have delivered to the City (i) a certificate or report from an independent certified appraiser, appraisal firm or financial consultant, assuming completion of the Authorized Improvements, demonstrating that the ratio of the aggregate appraised value of all assessed parcels of Property to the aggregate principal amount of all PID Bonds then secured or proposed to be secured by the resultant Assessment Revenues that remain after subtraction therefrom the amount of Assessment Revenues owed to the City for the Allocated Water Capacity Cost (the "Value to Lien Ratio") is at least 3:1 (which in determining, the independent certified appraiser, appraisal firm or financial consultant may rely on builder contracts, a certificate from the Administrator identifying lots on which Structure construction has commenced or the Medina County Tax Assessor/Collector's estimated assessed valuation for completed Structures (Structure and lot assessed valuation) and estimated lot valuation for lots on which Structures are under construction);

(viii) approval by the Texas Attorney General of the PID Bonds and registration of the PID Bonds by the Comptroller of Public Accounts of the State of Texas;

(ix) evidence delivered to the City (the sufficiency of which the City has

determined, in its sole discretion), that:

(1) the Developer is current on all the payment of all taxes, Assessments, fees and obligations owed to each taxing district whose jurisdiction the Property is subject;

(2) the Developer is not in default under any Development Document; and

(3) no outstanding PID Bonds are then-in default and no reserve funds established therefor have been drawn upon that have not been replenished;

(x) the Administrator has certified that the costs of the Authorized Improvements to be paid from the proceeds of the PID Bonds are eligible to be paid with the proceeds of such PID Bonds;

(xi) the City has determined that the amount of proposed Assessments and the structure, terms, conditions and timing of the issuance of the series of PID Bonds are reasonable for payment of the Authorized Improvements Costs to be financed and scope and state of Project development within the PID, and that there is sufficient security for the PID Bonds to be creditworthy;

(xii) the City has confirmed that no information regarding the City, including (without limitation) financial information, has been included in any offering document relating to PID Bonds without receipt of the City's prior consent;

(xiii) the City has confirmed that the maximum maturity for a series of PID Bonds does not exceed 30 years from its date of initial delivery; and

(xiv) the Developer has agreed to provide periodic information and notices of material events regarding the Developer as it relates to the development of the Property within the PID in accordance with Securities and Exchange Commission Rule 15c2-12 and any Continuing Disclosure Agreements executed by the Developer in connection with the issuance of such series of PID Bonds.

(h) Agreement to Establish Project Fund.

(i) On the date of issuance of any PID Bonds, to accept PID Bond proceeds to fund Authorized Improvements Costs, the City shall establish in the applicable provisions of the associated indenture pursuant to which the applicable series of PID Bonds is issued a "Project Fund" and provide for the creation therein of any necessary accounts (including, if necessary (and as a non-indenture account) an account to accept the pro rata portion of Assessment Revenues dedicated to the City to pay the Allocated Water Capacity Cost). Any such Project Fund shall be maintained as provided in such indenture, separate and apart from all other City funds. Any such Project Fund shall be administered and controlled (including signatory authority) by the City and deposits thereto and disbursements therefrom shall be made in accordance with the terms of the applicable indenture. In

the event of any conflict between the terms of this Agreement and the terms of the indenture relative to Project Fund deposits and/or disbursement of Project Fund money (other than with respect to any deposits to an account therein created and held made in satisfaction of payment to the City from Assessment Revenues the Allocated Water Capacity Cost), the terms of the indenture shall control.

(ii) The Parties intend that the Developer will undertake construction of the Authorized Improvements (other than the City water system improvements that are the subject of the Multi-Party Agreement) in accordance with this Agreement, the other Development Documents, and the Service and Assessment Plan in conjunction with the construction of the applicable Phases of the Development, prior to seeking direct payment therefor from funds on a deposit in a Project Fund or reimbursement for such expenditures made pursuant to a Completion Agreement under the terms of the Reimbursement Agreement. Although the terms by which Developer is entitled to reimbursement shall be detailed in the Reimbursement Agreement as described in Section 372.023 of Chapter 372, the Parties agree that the Developer will generally be entitled to the maximum available funds derived from Assessment Revenues that remain after payment to the City of the pro rata portion thereof dedicated to the City to pay the Allocated Water Capacity Cost, up to the Authorized Improvement Costs thereby expended.

(iii) If, other than funds on deposit in a non-indentured account reserved to pay the pro rata portion of Assessment Revenues dedicated to the City to pay the Allocated Water Capacity Cost, funds remain in a Project Fund after the completion of all Authorized Improvements and the payment of all Authorized Improvement Costs, then such funds shall be used to pay for additional Authorized Improvement Costs as may thereafter be included in an updated Service and Assessment Plan or used to redeem the Bonds, as further provided for in the applicable indenture.

(i) Selection of Professionals. The Administrator, the appraiser, the underwriter of any PID Bonds, the bond trustee, and any other professional deemed necessary or desirable in connection with the issuance of a series of PID Bonds shall be selected by the City, at its sole discretion, but in consultation with the Developer.

5.02 Maximum All-In Tax Equivalent Rate. The maximum tax-equivalent rate applicable to the Property, inclusive of the ad valorem tax rate of all jurisdictions having taxing authority over the Property and the tax-rate equivalent to pay the Annual Installments, excluding any Annual Installments associated with the Allocated Water Capacity Cost, shall not exceed $3.00 per $100 of assessed valuation of Assessed Property in the PID.

5.03 Completion Agreement. Prior to the City's authorization of the initial series of PID Bonds, the Developer, the City, and the trustee for such series of PID Bonds shall have entered into a Completion Agreement obligating the Developer to satisfy the Authorized Improvement Costs not anticipated to be directly funded with proceeds of PID Bonds or paid for separately by the City.

5.04 Reimbursement of Authorized Improvement Costs. The City and Developer shall, prior to or substantially contemporaneous with the initial levy of Assessments on a Phase(s) of the Property, enter into a Reimbursement Agreement to provide for the Developer's reimbursement from available Assessment Revenues all Authorized Improvement Costs paid for by Developer under the Completion Agreement. Notwithstanding its execution of the Reimbursement Agreement, the Developer hereby acknowledges that the City makes no representations or guarantees regarding the sufficiency of available Assessment Revenues to fully reimburse the Developer for amounts paid by the Developer under the Completion Agreement or reimbursements to which it is entitled under the Reimbursement Agreement.

ARTICLE 6
ANNEXATION & ZONING

6.01 Petition for Annexation into ETJ. Developer hereby agrees to voluntary annexation of Parcel B into the City ETJ and hereby submits, Exhibit K hereto, a petition requesting the inclusion of Parcel B (the "Parcel B Petition") into the City ETJ. The Parcel B Petition is deemed filed by the Developer as of the Effective Date and the City agrees to pursue and process the annexation of Parcel B into the City ETJ as quickly as reasonably possible.

6.02 Petition for Annexation into City. Developer hereby agrees to the voluntary, full-purpose annexation of any portion of the Property outside the corporate limits of the City (being Parcel A and Parcel B) into the City and hereby submits, as Exhibit L hereto, a petition requesting the annexation of the Property (the "Annexation Petition"). The Annexation Petition is deemed filed by the Developer as of the Effective Date and the City agrees to pursue and process full annexation as quickly as reasonably possible.

6.03 City Council Action. City action initiating Property annexation shall occur as soon as practicable after the Effective Date and after the City's receipt of the completed Parcel B Petition and Annexation Petition, which shall include the steps required under Chapter 43 for the full-purpose annexation of all Property. Notwithstanding its full-purpose annexation of the Property, provision of City services, including extension of Public Infrastructure, to the Property shall be made subject to this Agreement and no other agreement, regulation, or law.

6.04 Permanent Zoning. City agrees that the Property shall be permanently zoned within thirty (30) days after annexation of the Property. The City cannot contractually agree to the zoning designation the Property shall receive; however, the City recognizes the Developer's rights under Chapter 245.

ARTICLE 7
ASSIGNMENT OF COMMITMENTS AND OBLIGATIONS; SUCCESSORS

7.01 Assignment of Developer Rights. Subject to this Section 7.01, the Developer may assign in whole or part its rights and obligations under this Agreement to persons purchasing all of the Property or a part of the Property. In the event the Developer assigns all of its respective rights under this Agreement in conjunction with the conveyance of any unplatted portion of the Property, a written assignment of said rights must be filed of record in the Official Public Records of Medina County, Texas in order to be effective.

Because the City's entering into this Agreement with the Developer is conditioned, in part,

on the Developer's demonstrated skill, expertise, and financial resources with respect to the development of projects similar to the Project, demonstrating its ability to satisfy its obligations arising under this Agreement, any assignment by the Developer of its rights hereunder shall be subject to the City's approval, not to be unreasonably withheld; provided, however, an assignment by the Developer to any Developer-affiliated entity does not require approval by the City. In connection with any request for approval of assignment, the Developer shall provide to the City evidence of the assignee's similar experience, resources, and financial resources that are demonstrative of such assignee's ability to complete Project development in a manner at least equal to those of the Developer.

7.02 Lot Conveyance Not an Assignment. The mere conveyance of a lot or any portion of the Property without a written assignment of the rights of the Developer under this Agreement shall not be sufficient to constitute an assignment of the rights or obligations of the Developer hereunder, unless specifically provided herein.

7.03 Agreement Binding on Assigns. In the event of an assignment of this Agreement, the Developer shall be released from any obligations of this Agreement, provided the successors or assigns agree in writing to all terms and conditions of this Agreement. Any reference to the Developer, the City, or the Parties shall be deemed to and will include the successors or assigns thereof, and all the covenants and agreements in this Agreement shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

ARTICLE 8
DEFAULT AND NOTICE

8.01 Notice and Opportunity to Cure. If either Party defaults in its obligations under this Agreement, the other Party must, prior to exercising a remedy available to that Party due to the default, give written notice to the defaulting Party, specifying the nature of the alleged default and the manner in which it can be satisfactorily cured, and extend to the defaulting Party at least thirty (30) calendar days from receipt of the notice to cure the default. If the nature of the default is such that it cannot reasonably be cured within the thirty (30) calendar day period, the commencement of the cure within the thirty (30) calendar day period and the diligent prosecution of the cure to completion will be deemed a cure within the cure period. Notwithstanding the foregoing, the occurrence of a Bankruptcy Event shall result in immediate default hereunder without opportunity to cure.

8.02 Enforcement. The Parties may enforce this Agreement by any proceeding at law or equity. Failure of either Party to enforce this Agreement shall not be deemed a waiver to enforce the provisions of this Agreement thereafter. The Parties agree that monetary damages are not a sufficient remedy for a default of this Agreement. As a remedy for default, the non-defaulting party shall be entitled to equitable relief, including specific performance of this Agreement, but not monetary damages. In addition to the foregoing, a remedy to each Party for the other's default hereunder, after compliance with Section 8.01 hereof, shall be termination of this Agreement.

8.03 Litigation. In the event of any third-party lawsuit or other claim relating to the validity of this Agreement or any actions taken by the Parties hereunder, the Developer and the City intend to cooperate in the defense of such suit or claim, and to use their respective best efforts to resolve the suit or claim without diminution of their respective rights and obligations under this Agreement. The City's participation in the defense of such a lawsuit is expressly conditioned on

budgetary appropriations for such action by the City Council and shall be covered by Article 11 hereof, as applicable. The filing of any third-party lawsuit relating to this Agreement or the development of the Project will not delay, stop or otherwise affect the development of the Project or the City's processing or issuance of any approvals for the Project or Project development, unless otherwise required by a court of competent jurisdiction.

8.04 Cessation of Compliance. As a matter of law, a city by contract cannot bind its current or future city councils in the exercise of the council's legislative discretion or the performance of its legislative functions, which include the zoning of property, the establishment of public improvement districts, and the levying of assessments, issuance of bonds or approval of contracts. Nonetheless, the Developer has spent a substantial sum to negotiate, implement, and comply with this Agreement and the Developer expects and relies on the City to take appropriate actions to zone the Property, create the PID, and levy the Assessments that are described in this Agreement. If the current or a future City Council does not zone the Property as described in the Land Plan, does not establish or operate the PID as described in this Agreement, or does not levy the Assessments, then Developer shall have no further obligation to comply with any of the terms of this Agreement until such time as the City Council takes appropriate actions to have the City resume compliance with its obligations under this Agreement. If the City resumes its compliance with its obligations under this Agreement, the Developer shall have up to ninety (90) days to resume its compliance with this Agreement.

8.05 Notices. Any notice required or permitted to be delivered hereunder shall be in writing and shall be deemed received on the earlier of (i) actual receipt by mail, Federal Express or other delivery service, fax, email or hand delivery; or (ii) three (3) business days after being sent by United States mail, postage prepaid, certified mail, return receipt requested, addressed to City or the Developer, as the case may be, at the address stated below.

Any notice mailed to the City shall be addressed:

City of Castroville
Attn.: City Administrator
1209 Fiorella St.
Castroville, Texas 78009
scott.dixon@castrovilletx.gov

With a copy to:

Clay Binford
McCall, Parkhurst & Horton L.L.P.
112 East Pecan Street, Suite 1310
San Antonio, Texas 78205
cbinford@mphlegal.com

Any notice mailed to the Developer shall be addressed:

KF Flat Creek, LP
2722 West Bitters Road, Suite 106
San Antonio, Texas 78248
jeff@kingfishtx.com
shad@kingfishtx.com

With a copy to:

Rob Killen
Killen, Griffin & Farrimond
10101 Reunion Place, Suite 250
San Antonio, Texas 78216
rob@kgftx.com

Any Party may change the address for notice to it by giving notice of such change in accordance with the provisions of this paragraph.

ARTICLE 9
CERTIFICATE OF COMPLIANCE

Within thirty (30) calendar days of written request by either Party given to the other Party requesting a statement of compliance with this Agreement, the other Party will execute and deliver to the requesting Party a statement certifying that:

(a) this Agreement is unmodified and in full force and effect, or if there have been modifications, that this Agreement is in full force and effect as modified and stating the date and nature of each modification; and

(b) there are no current uncured defaults under this Agreement or specifying the date and nature of each default.

ARTICLE 10
REPRESENTATIONS, WARRANTIES, AND COVENANTS

10.01 Mutual Representations, Warranties and Covenants of the Parties. The Parties acknowledge that each Party is acting in reliance upon the other Party's performance of its obligations under this Agreement in making the decision to commit substantial resources and money to the Project's development. In recognition of such mutual reliance, each Party represents and warrants to the other that it shall employ commercially reasonable efforts to perform its duties and obligations hereunder and shall adhere to the requirements of this Agreement.

10.02 City Representations, Warranties and Covenants.

(a) The City covenants, represents and warrants to the Developer that the City has and shall exercise sole and exclusive jurisdiction over the review and approval of preliminary and final plats, the inspection of Public Infrastructure and Public Improvements (except to the extent that such inspection responsibilities are undertaken by a Certified Inspector pursuant to Section 3.04(a) hereof) and the issuance of Certificates of Occupancy for Structures.

(b) The City recognizes this Agreement as a development agreement under Subchapter G of Chapter 212. Subject to the Developer's compliance with Section 3.01(c), the City recognizes and acknowledges that the Project is a "planned unit development" under Section IV of the Subdivision Ordinance.

(c) To the extent required to implement Project development in accordance with the Governing Regulations, the City shall provide necessary waivers and variances to the Code as herein provided.

(d) The City has, pursuant to the Authorizing Ordinance, taken all requisite and necessary actions to enter into this Agreement, and this Agreement represents a valid and binding agreement of the City, subject to governmental immunity and principles of bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights in general and by general principles of equity.

(e) To the extent (but only to the extent) its obligations are not uncertain or in dispute, the City is not entitled to claim immunity on the grounds of sovereignty from relief by writ of mandamus to perform its obligations hereunder.

10.03 Developer Representations, Warranties and Covenants.

(a) The Developer hereby represents to the City that, upon acquisition from the respective owners thereof, it will own the Property, free and clear of any and all liens or mortgages.

(b) The Developer hereby warrants and covenants to the City that any prospective lien, mortgage, or encumbrance on any portion of the Property shall be made subject to the dedication of Public Infrastructure and Public Improvements, as indicated on the Approved Plat that is applicable to the portion of the Property to be subject to any such lien, mortgage, or encumbrance.

(c) The Developer agrees to dutifully, diligently, and continually work to develop the Property in accordance with the Governing Regulations and shall complete, or cause to be completed, the Public Infrastructure and Public Improvements that are included in the Governing Regulations and pay their costs.

(d) The Developer shall provide, or cause to be provided, all materials, labor, and services for completing the Public Infrastructure and Public Improvements, which materials, labor, and services shall be of adequate quality when graded against industry standards.

(e) The Developer agrees to obtain or cause to be obtained all necessary permits and approvals required by any Governing Regulation from the City and/or all other governmental entities having jurisdiction or regulatory authority over the construction, installation, operation, or maintenance of improvements within the Property and, with respect thereto, pay or cause to be paid all applicable permit or similar license fees.

(f) The Developer acknowledges and agrees that, pursuant to State law, the Developer is required to make information regarding its contractual relationships regarding construction or acquisition of Public Infrastructure and Public Improvements generally available as public records and, with respect thereto, the Developer acknowledges and agrees that any information provided by the Developer to the City with respect to the Public Infrastructure and Public Improvements, this Agreement, and any work performed by the Developer, a contractor, or a subcontractor for any Public Infrastructure and Public Improvements (including pricing and payment information) may be subject to public disclosure by the City pursuant to applicable law.

(g) The Developer shall prepare, or cause to be prepared, for each Phase of the Project,

plats that are compliant with applicable provisions of the Code and the Comprehensive Zoning Ordinance and shall submit such plats to, and have such plats approved by, the City prior to starting any construction in said Phase.

(h) The Developer shall supervise the construction of the Project and cause the construction to be performed in accordance with the Governing Regulations.

(i) Development services that are performed by the Developer hereunder shall be enforced in compliance with the Governing Regulations.

(j) Except with respect to a Certified Inspector then employed by the City pursuant to Section 3.04(a), all personnel supplied or used by the Developer in the performance of its obligations arising under this Agreement shall be deemed employees, contractors or subcontractors of the Developer and shall not be considered employees, agents or subcontractors of the City for any purpose whatsoever. The Developer shall be solely responsible for the compensation of all such personnel.

(k) The Developer acknowledges and agrees that it is subject as an employer to all applicable unemployment compensation statutes and agrees to indemnify and hold harmless the City from any and all responsibilities thereunder toward employees of the Developer.

(l) As and to the extent applicable, the Developer shall comply with all regulations concerning employment of labor required by law (including, but not limited to, Chapter 2258 requiring the Developer to pay prevailing wages to workers, which shall be determined using the wage scales from time to time published online by Wage Determinations online at www.wdol.gov/wdol/scafiles/davisbacon/tx.html). The reference to this source of prevailing wages is not a warranty, guaranty or other representation by the City that adequate numbers of skilled or unskilled workers are actually available in the local market to perform the required services or that workers may be hired for the wages identified in such prevailing wage schedule.

(m) The Developer hereby represents, warrants, and covenants for the benefit of the City:

(i) the Developer is a limited partnership, duly organized and validly existing under the laws of the State of Texas, is in compliance with the laws of the State of Texas, and has the power and authority to own its properties and assets and to carry on its business as now being conducted and as now contemplated;

(ii) the Developer has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered on behalf of the Developer;

(iii) this Agreement is a valid and enforceable obligation of the Developer and is enforceable against the Developer in accordance with its terms, subject to bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights in general and by general principles of equity;

(iv) the Developer understands the duties, limitations, and responsibilities imposed upon the City under the applicable State law having application to matters that are the subject of this Agreement, including Project development; and

(v) the Developer has sufficient knowledge, experience, and financial resources to perform its obligations under this Agreement in accordance with all duties, obligations, regulations, Governing Regulation requirements, and other applicable law affecting or required to perform the development work with respect to the Project and, in this regard, the Developer shall bid, procure, supervise, manage, perform, and from time to time provide information relating to such development work regarding Project development in compliance with all duties, obligations, regulations, code and legal requirements arising under any Governing Regulation with jurisdiction over the subject development work and the Project.

(n) The Developer has delivered, unless exempted under State law, the Certificate of Interested Parties Form 1295 ("Form 1295") and certification of filing generated by the Texas Ethics Commission's electronic portal, signed by an authorized agent, prior to the execution of this Agreement by the City and the Developer. The Developer and the City understand that none of the City or any City representative, consultant, or advisor have the ability to verify the information included in Form 1295, and none of the City or any City employee, official consultant, or advisor have an obligation, nor have undertaken any responsibility, for advising the Developer with respect to the proper completion of Form 1295 other than providing the identification numbers required for the completion of Form 1295.

(o) The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, as amended, and to the extent such section does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit. The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on the following page of such officer's Internet website:

https://comptroller.texas.gov/purchasing/publication/divestment.php

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, as amended, and to the extent such Section does not contravene applicable Texas or federal law and excludes the Developer and each of its parent company, wholly- or

majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

(p) To the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section, to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

(q) To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Developer verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law.

As used in the foregoing verification and the following definitions, 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

(i) 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

(ii) 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

ARTICLE 11
INDEMNIFICATION

THE DEVELOPER COVENANTS AND AGREES TO FULLY INDEMNIFY AND HOLD HARMLESS THE CITY, THE CITY COUNCIL, AND ANY OTHER OFFICIAL, EMPLOYEE, AGENT, ATTORNEY, OR REPRESENTATIVE OF ANY OF THE FOREGOING (TOGETHER, THE "INDEMNIFIED PARTIES") FROM AND AGAINST ANY AND ALL COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, PROCEEDINGS, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND SUITS OF ANY KIND AND NATURE BROUGHT BY A THIRD PARTY, INCLUDING BUT NOT LIMITED TO, PERSONAL OR BODILY INJURY, DEATH AND PROPERTY DAMAGE, MADE UPON ANY INDEMNIFIED PARTY DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM OR RELATED TO THE DEVELOPER'S ACTIVITIES UNDER THIS AGREEMENT, INCLUDING ANY ACTS OR OMISSIONS OF THE DEVELOPER, ANY AGENT, OFFICER, DIRECTOR, REPRESENTATIVE, EMPLOYEE, CONSULTANT OR SUBCONTRACTOR OF THE DEVELOPER, AND THEIR RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, DIRECTORS AND REPRESENTATIVES, WHILE IN THE EXERCISE OF PERFORMANCE OF THE RIGHTS OR DUTIES UNDER THIS AGREEMENT. THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL NOT

APPLY TO ANY LIABILITY RESULTING FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY INDEMNIFIED PARTY. IN THE EVENT THE DEVELOPER AND AN INDEMNIFIED PARTY ARE FOUND JOINTLY LIABLE, BECAUSE OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF AN INDEMNIFIED PARTY, BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO ANY SUCH INDEMNIFIED PARTY UNDER APPLICABLE TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES HERETO UNDER TEXAS LAW AS TO SAID CLAIMANTS. THE PROVISIONS OF THIS INDEMNIFICATION ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. THE DEVELOPER SHALL IMMEDIATELY ADVISE THE CITY, IN WRITING, OF ANY CLAIM OR DEMAND AGAINST THE DEVELOPER OR AN INDEMNIFIED PARTY, TO THE EXTENT AND WHEN KNOWN TO THE DEVELOPER, RELATED TO OR ARISING OUT OF THE DEVELOPER'S ACTIVITIES UNDER THIS AGREEMENT.

In addition to the indemnification provided above, the Developer shall also require each of its general contractors working on the Project to indemnify each Indemnified Party from and against any and all claims, losses, damages, causes of actions, suits and liabilities arising out of their actions related to the performance of this Agreement, utilizing (in its entirety) the same indemnification language contained herein.

ARTICLE 12
MISCELLANEOUS

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

12.02 Entire Agreement; Parties in Interest. This Agreement, together with any exhibits attached hereto, constitutes the entire agreement between Parties with respect to its subject matter, and may not be amended except by a writing signed by all Parties with authority to sign and dated subsequent to the date hereof. There are no other agreements, oral or written, except as expressly set forth herein. No person, other than a Party, shall acquire or have any right hereunder or by virtue hereof.

12.03 Recordation. A copy of this Agreement will be recorded in the Official Public Records of the County by the City.

12.04 Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State. This Agreement is performable in the County. Any legal action or proceeding brought or maintained, directly or indirectly, as a result of this Agreement shall be heard and determined in a court of competent jurisdiction located in the County. Notwithstanding the foregoing, the parties hereto agree that any dispute that may arise under this Agreement shall first be submitted to non-binding mediation, or to alternative dispute resolution proceedings, before litigation is filed in court.

12.05 Termination or Amendment by Agreement. This Agreement may only be

terminated prior to the Termination Date, or its terms amended by mutual written consent of the Parties.

12.06 No Oral or Implied Waiver. The Parties may waive any of their respective rights or conditions contained herein or any of the obligations of the other Party hereunder, but unless this Agreement expressly provides that a condition, right, or obligation is deemed waived, any such waiver will be effective only if in writing and signed by the party waiving such condition, right, or obligation. The failure of either party to insist at any time upon the strict performance of any covenant or agreement in this Agreement or to exercise any right, power, or remedy contained in this Agreement will not be construed as a waiver or a relinquishment thereof for the future.

12.07 No Third-Party Beneficiary. This Agreement is not intended, nor will it be construed, to create any third-party beneficiary rights in any person or entity who is not a Party, unless expressly otherwise provided herein.

12.08 No Personal Liability. None of the members of the City Council, nor any officer, agent, or employee of the City, shall be charged personally by the Developer with any liability, or be held liable to the Developer under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach, of this Agreement.

12.09 Severability. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provision of any Constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

12.10 Section Headings. Section headings have been inserted in this Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Agreement and will not be used in the interpretation of any provisions of this Agreement.

* * *

CITY OF CASTROVILLE, TEXAS

By: _____
Name: Darrin Schroeder
Title: Mayor
Address: 1209 Fiorella Street
Castroville, Texas 78009

THE STATE OF TEXAS §
§
COUNTY OF §

This instrument was acknowledged before me on September 21, 2023, by Mayor Darrin Schroeder of Castroville.

_____
Notary Public in and for the State of Texas

DEBRA HOWE
NOTARY PUBLIC
STATE OF TEXAS
MY COMM. EXP. 04/06/24
NOTARY ID 1164494-6

THE LANDOWNERS:

MKT 179 INVESTMENTS, LLC formerly DICKERSON TAUSCH PROPERTIES, LLC

By: _____
Name: Terry Dickerson
Title: Manager
Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

CROWN MONEY, LLC

By: _____
Name: Terry Dickerson
Title: Manager
Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

MKT179, LLC

By: _____
Name: Terry Dickerson
Title: Manager
Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

THE STATE OF TEXAS §
§
COUNTY OF §

This instrument was acknowledged before me on August 28, 2023, by Terry Dickerson, Manager of MKT 179 Investments, LLC formerly Dickerson Tausch Properties, LLC, Crown Money, LLC, and MKT179, LLC.

RICHARD WESLEY RUSSELL
Notary Public, State of Texas
Comm. Expires 07-20-2026
Notary ID 607490-9

_____
Notary Public in and for the State of Texas

THE DEVELOPER:

KF FLAT CREEK, LP

By: _____
Name: Shad Schmid
Title: Manager
Address: 2722 West Bitters Road
Suite 106
San Antonio, Texas 78248

THE STATE OF TEXAS §
§
COUNTY OF BEXAR §

This instrument was acknowledged before me on August 22nd., 2023, by Shad Schmid, Manager of KF Flat Creek, LP

_____
Notary Public in and for the State of Texas

OSCAR V. DOMINGUEZ
Notary Public, State of Texas
Comm. Expires 08-06-2024
Notary ID 132609444

INDEX TO EXHIBITS

Exhibit A.....Property Description (Metes and Bounds and Location Map)
Exhibit B..... City Map – Corporate and ETJ Limits
Exhibit C..... Form of Completion Agreement
Exhibit D.....Land Plan
Exhibit E .....Form of Landowner Agreement
Exhibit F.....Form of Maintenance Agreement
Exhibit G.....Owner Disclosure Program
Exhibit H.....Form of Reimbursement Agreement
Exhibit I .....Residential Construction Standards
Exhibit J .....Form of Utility Service Agreement
Exhibit K.....Petition for ETJ Annexation
Exhibit L .....Petition for Annexation
Exhibit M..... Multi-Party Agreement
Exhibit N .....Airport Proximity Consent

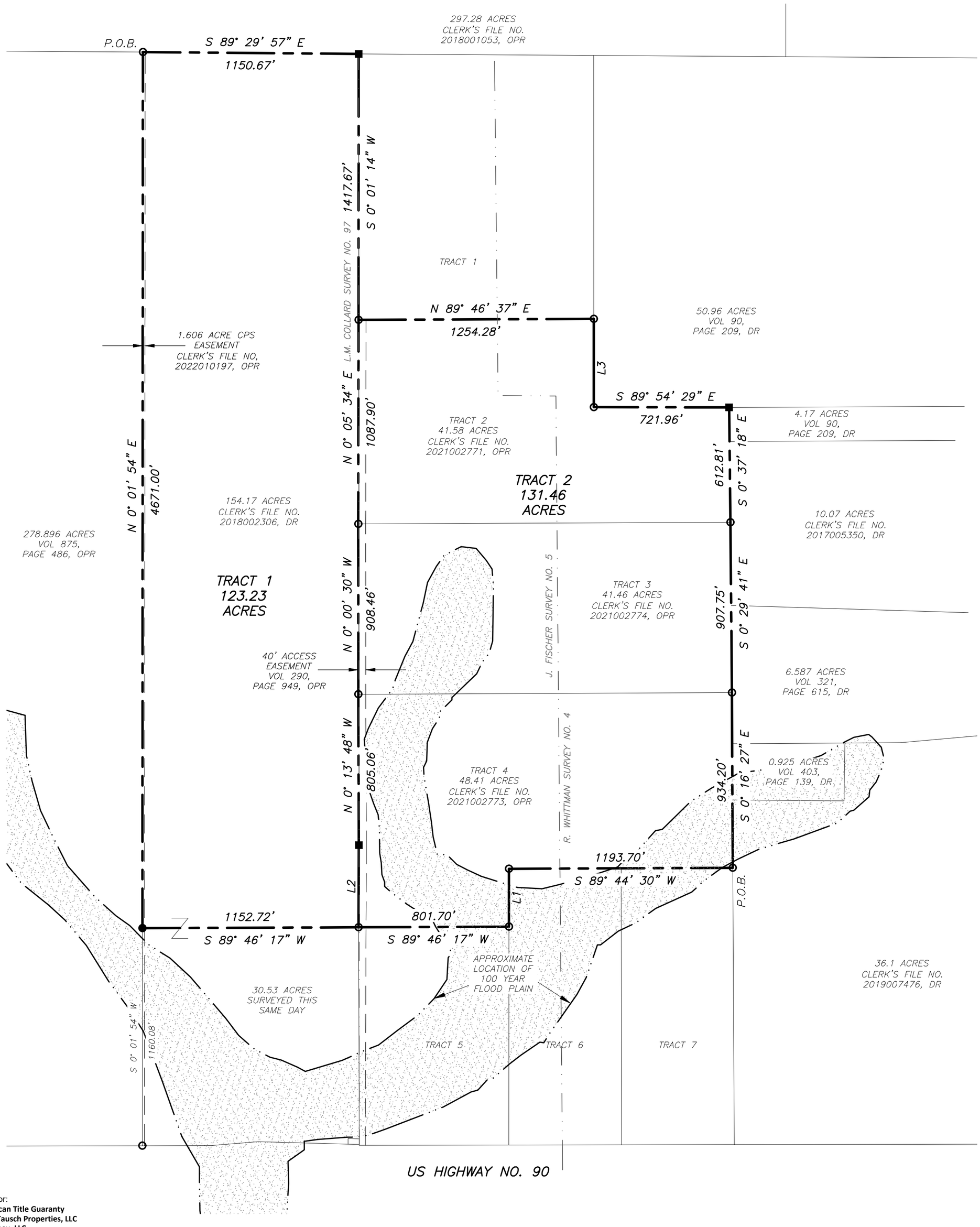
Exhibit A

PROPERTY DESCRIPTION
[METES AND BOUNDS AND LOCATION MAP]

PLAT OF SURVEY

OF

A 123.23 ACRE TRACT OF LAND, CALLED TRACT 1, BEING A PORTION OF A 153.76 ACRE TRACT OF LAND, CALLED 154.17, AND A 131.46 ACRE TRACT OF LAND, CALLED TRACT B, BEING ALL OF A 41.58 ACRE TRACT OF LAND, CALLED TRACT 2, ALL OF A 41.46 ACRE TRACT OF LAND, CALLED TRACT 3, AND ALL OF A 48.41 ACRE TRACT OF LAND, CALLED TRACT 4, OF THE JOHN FISCHER ESTATE LANDS DIVISION, LYING IN THE JOSEPH FISCHER SURVEY NO. 5, ABSTRACT NO. 1269, THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, AND THE ROMANUS WHITMAN SURVEY NO. 4, ABSTRACT NO. 1348, MEDINA COUNTY, TEXAS



1" = 400'

THE BASIS OF BEARING ON THIS PLAT IS GRID NORTH, TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83 (2011), SOUTH CENTRAL ZONE

Line Table		
Line #	Length	Direction
L1	308.57	S0° 00' 47"W
L2	437.26	N0° 12' 35"E
L3	470.56	S0° 01' 54"E

Prepared for:
First American Title Guaranty
Dickerson Tausch Properties, LLC
Crown Money, LLC
KF Flat Creek, LP

REFERENCES:

DEED:
Clerk's File No. 2021002771, OPR
Clerk's File No. 2018002306, OPR
Clerk's File No. 2021002773, OPR
Clerk's File No. 2021002774, OPR
Flood plain panel #48325C8530D
Issued date: 5-15-2020

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that this plat was prepared from an actual survey done by me or under my direct supervision, and that to the best of my knowledge and belief it is a true and correct representation of said survey. This survey substantially complies with the current Texas Society of Professional Surveyors Manual of Practice requirements for a Category 1A, Condition 2.

STATE OF TEXAS
REGISTERED
RICHARD POLLOK
5825
PROFESSIONAL
LAND SURVEYOR

TRACKS 2, 3, AND 4

ITEMS CORRESPONDING TO SCHEDULE B

PER TITLE COMMITMENT GF NO. 2759757–1841, ISSUED JULY 26, 2022

e. RIGHT OF WAY EASEMENT, RECORDED IN VOLUME 86, PAGE 152, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS NONPLOTTABLE**

f. RIGHT OF WAY EASEMENT, RECORDED IN VOLUME 117, PAGE 530, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS NONPLOTTABLE**

g. 40 FOOT INGRESS/EGRESS EASEMENT, RECORDED IN VOLUME 290, PAGE 949, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS SHOWN**

154.17 ACRES

ITEMS CORRESPONDING TO SCHEDULE B

PER TITLE COMMITMENT GF NO. 2759766–1841, ISSUED AUGUST 10, 2023

e. RIGHT OF WAY EASEMENT, RECORDED IN VOLUME 86, PAGE 152, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS SHOWN**

f. RIGHT OF WAY EASEMENT, RECORDED IN VOLUME 117, PAGE 530, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS SHOWN**

g. 40 FOOT INGRESS/EGRESS EASEMENT, RECORDED IN VOLUME 290, PAGE 949, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS SHOWN**

j. ELECTRIC RIGHT OF WAY EASEMENT, RECORDED IN CLERK'S FILE NO. 2022010197, OFFICIAL PUBLIC RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS SHOWN**

l. EASEMENT AGREEMENT, RECORDED IN VOLUME 243, PAGE 33, OFFICIAL PUBLIC RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM DOES NOT EFFECT THIS PROPERTY**

n. PUBLIC UTILITY EASEMENT, RECORDED IN CLERK'S FILE NO. 2021005209, OFFICIAL PUBLIC RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM DOES NOT EFFECT THIS PROPERTY**

o. CONSTRUCTION EASEMENT, RECORDED IN CLERK'S FILE NO. 2021005210, OFFICIAL PUBLIC RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM DOES NOT EFFECT THIS PROPERTY**

LEGEND

- ● Set 5/8 inch steel rod monument with cap stamped Rakowitz Engineering & Surveying
- ○ Found 5/8 inch steel rod monument
- ▲ TxDot brass disk monument
- ■ Fence corner post
- □ A calculated point
- Boundary line
- Adjoiner
- Barbed wire fence
- OHE OHE Overhead electric

Rakowitz
ENGINEERING & SURVEYING
TEXAS REGISTERED ENGINEERING FIRM F-9155
TEXAS LICENSED SURVEYING FIRM 101812-00
830.281.4060 515 W. OAKLAWN STE. A PLEASANTON, TX 78064

Date of survey: April 25, 2023
Update of survey: August 14, 2023
Job No. 22-2818B

State of Texas
County of Medina

Field notes for a tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 1/2 inch steel rod monument, found for the Northwest corner of said 153.76 acre tract of land, being the Northeast corner of a 278.896 acre tract of land, described in volume 875, page 486, of the Deed Records, Medina County, Texas, and lying on the South line of a 297.28 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018001053, of the Official Public Records, Medina County, Texas, said point of beginning being the Northwest corner of this tract of land;

Thence South 89° 29' 57" East, 1150.67 feet, along the North line of said 154.17 acre tract of land, being the South line of said 297.28 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said 154.17 acre tract of land, being the Northwest corner of Tract 1, of the John Fischer Estate Lands Division, described in an instrument, recorded in Volume 290, Page 949 of the Official Public Records of Medina County, Texas, said point being the Northeast corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

> South 00° 01' 14' West, 1417.67 feet, being the West line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for Southwest corner of said Tract 1, being the Northwest corner of a 41.58 acre tract of land, called Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;
>
> South 00° 05' 34" West, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 2, being the Northwest corner of a 41.46 acre tract of land, called Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;
>
> South 00° 00' 30" East, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 3, being the Northwest corner of a 48.41 acre tract of land, called Tract 4, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;
>
> South 00° 13' 48" East, 805.06 feet, along the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, said point being an angle point of this tract of land;

South 00° 12’ 35” West, 437.26 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of Tract 5, of said John Fischer Estate Lands Division, the Southeast corner of a 123.23 acre tract of land, surveyed this same day, and the Northeast corner of a 30.53 acre tract of land, surveyed this same day, said point being the Southeast corner of this tract of land;

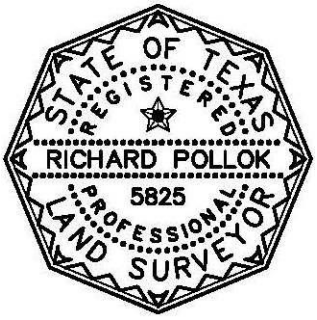
Thence South 89° 46’ 17” West, 1152.72 feet, across said 154.17 acre tract of land, along the North line of said 30.53 acre tract of land, to a point marked by a 5/8 inch steel rod monument, with a cap stamped Rakowitz Engineering and Surveying, set on the West line of said 154.17 acre tract of land, for the Northwest corner of said 30.53 acre tract of land, and lying on the East line of said 278.896 acre tract of land, said point being the Southwest corner of this tract of land;

Thence North 00° 01’ 54” East, 4671.00 feet, along the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 123.23 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.





Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

State of Texas
County of Medina

Field notes for a tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 4, being the Northeast corner of Tract 7, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, and lying on the West line of a 36.1 acre tract of land, described in an instrument, recorded in Clerk's File No. 2019007476, Deed Records, Medina County, Texas, said point of beginning being the Southeast corner of this tract of land;

Thence South 89° 44' 30" West, 1193.70 feet, along the South line of said Tract 4, being the North line of said Tract 7 and continuing along the North line of Tract 6, of said John Fischer Estate Lands Division, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 4, being the Northwest corner of said Tract 6, said point being a reentrant corner of this tract of land;

Thence South 00° 00' 47" West, 308.57 feet, along an East line of said Tract 4, being the West line of said Tract 6, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 4, being the Northeast corner of Tract 5, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 89° 46' 17" West, 801.70 feet, along the South line of said Tract 4, being the North line of said Tract 5, to a point marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of said Tract 5, The Southeast corner of a 123.23 acre tract of land, surveyed this same day, the Northeast corner of a 30.53 acre tract of land, surveyed this same day, and lying on the East line of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, Medina County, Texas, said point being the Southwest corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

North 00° 12’ 35” East, 437.26 feet, being the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, being an angle point for said 154.17 acre tract of land, an angle point of said 123.23 acre tract of land, said point being an angle point of this tract of land;

North 00° 13’ 48” West, 805.06 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 4, being the Southwest corner of Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 00’ 30” West, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 3, being the Southwest corner of Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 05’ 34” East, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 2, being the Southwest corner of Tract 1, of said John Fischer Estate Lands Division, said point being the Northwest corner of this tract of land;

Thence North 89° 46’ 37” East, 1254.28 feet, along the North line of said Tract 2, being the South line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 2, being the Southeast corner of said Tract 1, and lying on the West line of a 50.96 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01’ 54” East, 470.56 feet, along an East line of said Tract 2, being the West line of said 50.96 acre tract of land, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 2, being the Southwest corner of said 50.96 acre tract of land, said point being a reentrant corner of this tract of land;

Thence South 89° 54’ 29” East, 721.96 feet, along a North line of said Tract 2, being the South line of said 50.96 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said Tract 2, being the Northwest corner of a 4.17 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being the Northeast corner of this tract of land;

Thence South 00° 37’ 18” East, 612.81 feet, along the East line of said Tract 2, being the West line of said 4.17 acre tract of land, and a 10.07 acre tract of land, described in an instrument, recorded in Clerk’s File No. 2017005350, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 2, being the Northeast corner of said Tract 3, said point being an angle point of this tract of land;

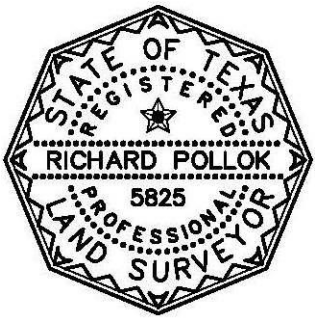
Thence South 00° 29’ 41” East, 907.75 feet, along the East line of said Tract 3, being the West line of said 10.07 acre tract of land, and a 6.587 acre tract of land, described in an instrument, recorded in Volume 321, Page 615, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of Tract 2, being the Northeast corner of said Tract 4, said point being an angle point of this tract of land;

Thence South 00° 16’ 27” East, 934.20 feet, along the East line of said Tract 4, being the West line of said 6.587 acre tract of land, and continuing along the West line of a 0.925 acre tract of land, described in an instrument, recorded in Volume 403, Page 139, Deed Records, Medina County, Texas, and continuing along the West line of said 36.1 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 254.69 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.





Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

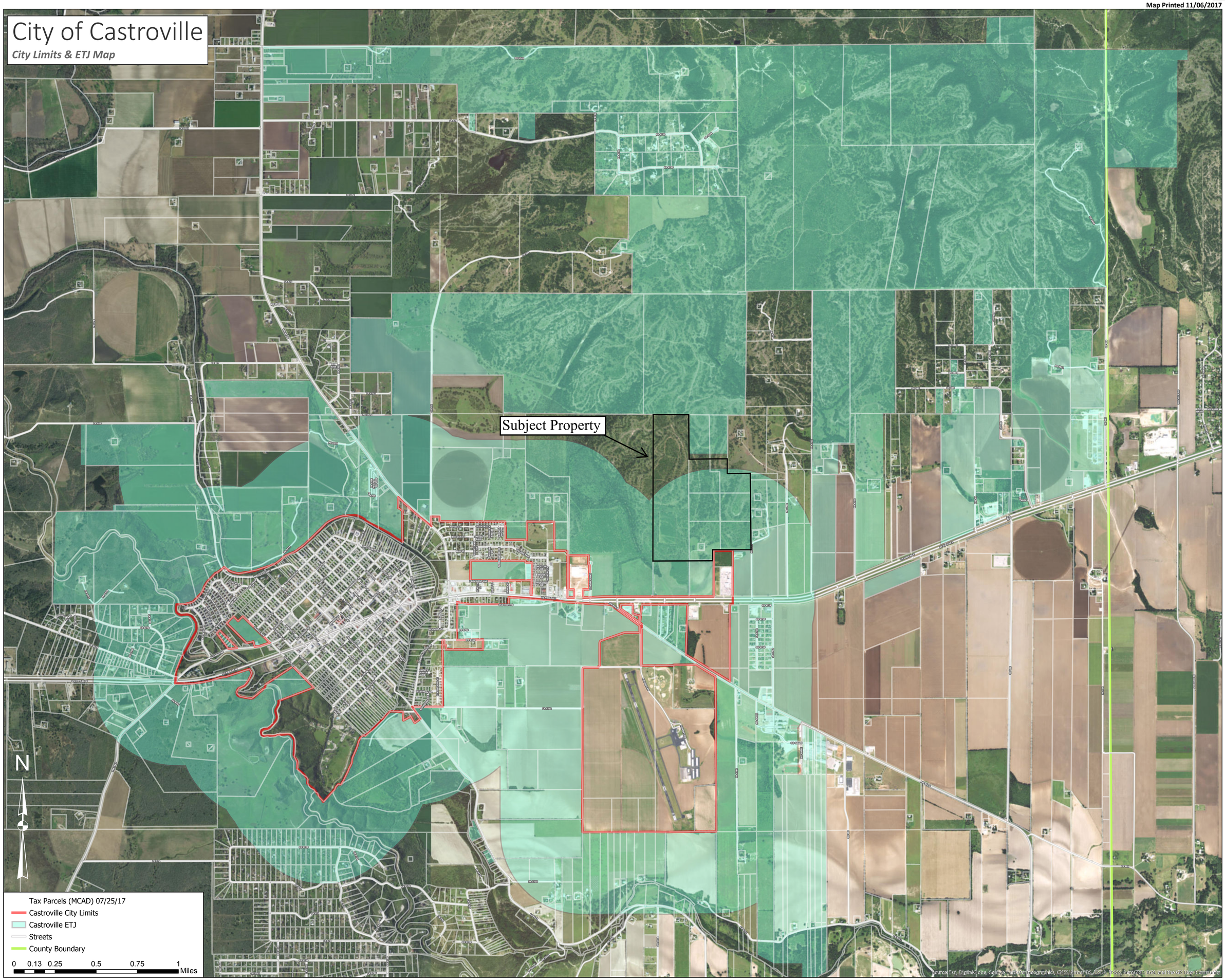
Exhibit B

CITY MAP – CORPORATE AND ETJ LIMITS

Map Printed 11/06/2017

City of Castroville

City Limits & ETJ Map

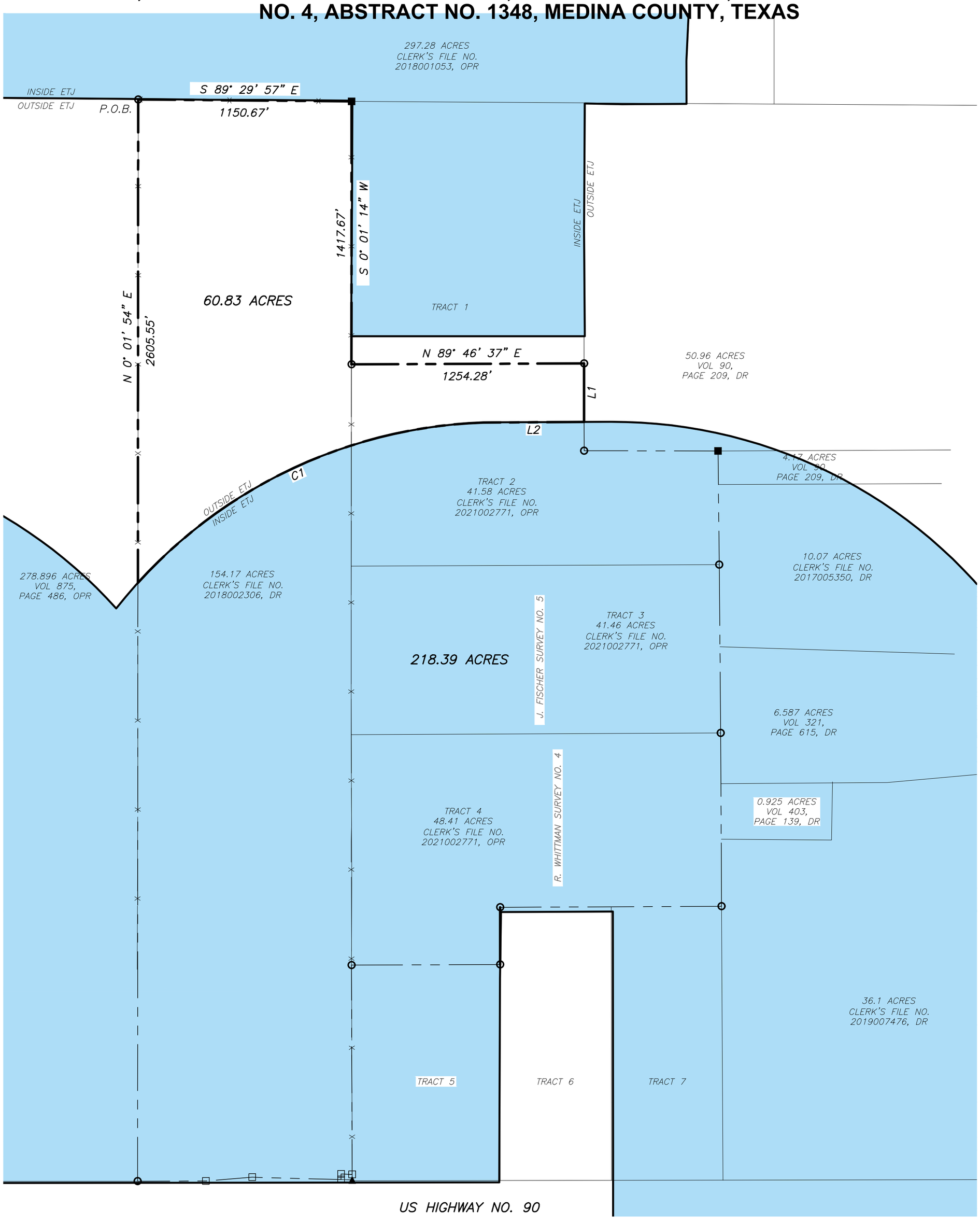


Disclaimer – The City of Castroville (City) does not guarantee the accuracy, adequacy, completeness, or usefulness of this information. The map is not a legal representation of the depicted data. Data is derived from public records that are constantly undergoing revision. Under no circumstances should this map be used for final design purposes. City provides this information on an "as is" basis without warranty of any kind, express or implied, and assumes no responsibility for anyone's use of the information. The appropriate City department should always be contacted for official and current information.

EXHIBIT

OF

A 285.22 ACRE TRACT OF LAND, BEING ALL OF A 153.76 ACRE TRACT OF LAND, CALLED 154.17, ALL OF A 41.58 ACRE TRACT OF LAND, CALLED TRACT 2, ALL OF A 41.46 ACRE TRACT OF LAND, CALLED TRACT 3, AND ALL OF A 48.41 ACRE TRACT OF LAND, CALLED 4, OF THE JOHN FISCHER ESTATE LANDS DIVISION, LYING IN THE JOSEPH FISCHER SURVEY NO. 5, ABSTRACT NO. 1269, THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, AND THE ROMANUS WHITTMAN SURVEY NO. 4, ABSTRACT NO. 1348, MEDINA COUNTY, TEXAS



1" = 400'

THE BASIS OF BEARING ON THIS PLAT IS GRID NORTH, TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83 (2011), SOUTH CENTRAL ZONE

LEGEND

- Found 5/8 inch steel rod monument
- TxDot brass disk monument
- Fence corner post
- A calculated point
- Boundary line
- Adjoiner
- X — Barbed wire fence
- OHE — OHE — Overhead electric

Prepared for:
King Fish Development, LLC

REFERENCES:

DEED: Clerk's File No. 2021002771, OPR
Clerk's File No. 2018002306, OPR
Flood plain panel #48325C8530D
Issued date: 5-15-2020

Line Table		
Line #	Length	Direction
L1	315.35	S0° 01' 54"E
L2	543.77	S89° 39' 05"W

Curve Table					
Curve #	Length	Radius	Delta	Chord Direction	Chord Length
C1	2108.70	2636.33	45°49'44"	S65° 06' 35"W	2052.94

Rakowitz
ENGINEERING & SURVEYING
TEXAS REGISTERED ENGINEERING FIRM F-9155
TEXAS LICENSED SURVEYING FIRM 101812-00
830.281.4060 515 W. OAKLAWN STE A PLEASANTON, TX 78064

Date of survey: April 25, 2023
Job No. 22-2818B

State of Texas
County of Medina

Field notes for a tract of land containing 60.83 acres tract of land, being a portion of a 153.76 acre tract of land, called 154.17 acres, and a portion of a 41.58 acre tract of land, called Tract 2, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, the Romanus Whitman Survey No. 4, Abstract No. 1348, and the L.M. Collard Survey No. 97, Abstract No. 129, Medina County, Texas, prepared for King Fish Development, LLC, dated April 25, 2023.

A tract of land containing 60.83 acres tract of land, being a portion of a 153.76 acre tract of land, called 154.17 acres, described in an instrument, recorded in Clerk's File No. 201800002306, Official Public Records, Medina County, Texas, and a portion of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, and lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, the Romanus Whitman Survey No. 4, Abstract No. 1348, and the L.M. Collard Survey No. 97, Abstract No. 129, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 5/8 inch steel rod monument, found for the Northwest corner of said 154.17 acre tract of land, being the Northeast corner of a 278.896 acre tract of land, described in an instrument, recorded in Volume 875, Page 486, Official Public Records, Medina County, Texas, and lying on the North line of a 297.28 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018001053, Official Public Records, Medina County, Texas, said point of beginning being the Northwest corner of this tract of land;

Thence South 89° 29' 57" East, 1150.67 feet, along the North line of said 154.17 acre tract of land, being the South line of said 297.28 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said 154.17 acre tract of land, being the Northwest corner of Tract 1, of the John Fischer Estate Lands Division, said point being the Northeast corner of this tract of land;

Thence South 00° 01' 14" West, 1417.67 feet, along the East line of said 154.17 acre tract of land, being the West line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 2, being the Southwest corner of said Tract 1, said point being an reentrant corner of this tract of land;

Thence North 89° 46' 37" East, 1254.28 feet, along the North line of said 154.17 acre tract of land, being the South line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for the upper Northeast corner of said Tract 2, being the Southeast corner of said Tract 1, and lying on the West line of a 50.96 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01' 54" East, 315.35 feet, along an East line of said Tract 2, being the West line of said 50.96 acre tract of land, to a calculated point, said point being the Southeast corner of this tract of land;

Thence South 89° 39’ 05” West, 543.77 feet, across said Tract 2 to a calculated point, said point being an angle point of this tract of land;

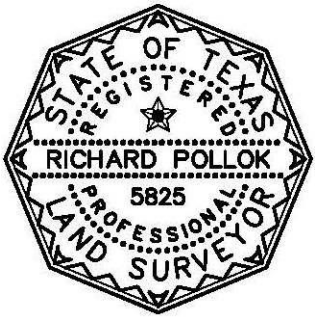
Thence along a non-tangent curve to the left, having a radius of 2636.33 feet, a delta angle of 45° 49’ 44”, an arc length of 2108.70 feet, and a chord bearing and distance of South 65° 06’ 35” West, 2052.94 feet, to a calculated point, lying on the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, said point being the Southwest corner of this tract of land;

Thence North 00° 01’ 54” East, 2605.55 feet, along the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 60.83 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated April 25, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.





Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

State of Texas
County of Medina

Field notes for a tract of land containing 254.69 acres tract of land, being a portion of a 153.76 acre tract of land, called 154.17 acres, all of a 41.58 acre tract of land, called Tract 2, all of a 41.46 acre tract of land, called Tract 3, and all of a 48.41 acre tract of land, called Tract 4, of the John fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, prepared for King Fish Development, LLC, dated April 25, 2023.

A tract of land containing 254.69 acres tract of land, being a portion of a 153.76 acre tract of land, called 154.17 acres, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, Medina County, Texas, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 4, being the Northeast corner of Tract 7, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, and lying on the West line of a 36.1 acre tract of land, described in an instrument, recorded in Clerk's File No. 2019007476, Deed Records, Medina County, Texas, said point of beginning being the Southeast corner of this tract of land;

Thence South 89° 44' 30" West, 1193.70 feet, along the South line of said Tract 4, being the North line of said Tract 7 and Tract 6 to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 4, being the Northwest corner of said Tract 6, said point being a reentrant corner of this tract of land;

Thence South 00° 00' 47" West, 308.57 feet, along an East line of said Tract 4, being the West line of said Tract 6, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 4, being the Northeast corner of Tract 5, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 89° 46' 17" West, 1954.41 feet, along the South line of said Tract 4, and across said 154.17 acre tract of land, being the North line of said Tract 5, and a 30.53 acre tract of land, surveyed this same day, to a point marked by a 5/8 inch steel rod monument, with a cap stamped Rakowitz Engineering and Surveying, set, lying on the West line of said 154.17 acre tract of land, being the Northwest corner of said 30.53 acre tract of land, and lying on the East line of a 278.896 acre tract of land, described in an instrument, recorded in Volume 875, Page 486, Official Public Records, Medina County, Texas, said point being the Southwest corner of this tract of land;

Thence North 00° 01' 54" East, 4671.00 feet, along the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, to a point marked by a 5/8 inch steel rod monument, found for the Northwest corner of said 154.17 acre tract of land, being the Northeast corner of said 278.896 acre tract of land, and lying on the South line of a 297.28 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018001053, Official Public Records, Medina County, Texas, said point being the Northwest corner of this tract of land;

Thence South 89° 29' 57" East, 1150.67 feet, along the North line of said 154.17 acre tract of land, being the South line of said 297.28 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said 154.17 acre tract of land, being the Northwest corner of Tract 1, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01' 14' West, 1417.67 feet, along the East line of said 154.17 acre tract of land, being the West line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for

Northwest corner of said Tract 2, being the Southwest corner of said Tract 1, said point being a reentrant corner of this tract of land;

Thence North 89° 46’ 37” East, 1254.28 feet, along the North line of said Tract 2, being the South line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 2, being the Southeast corner of said Tract 1, and lying on the West line of a 50.96 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01’ 54” East, 470.56 feet, along an East line of said Tract 2, being the West line of said 50.96 acre tract of land, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 2, being the Southwest corner of said 50.96 acre tract of land, said point being a reentrant corner of this tract of land;

Thence South 89° 54’ 29” East, 721.96 feet, along a North line of said Tract 2, being the South line of said 50.96 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said Tract 2, being the Northwest corner of a 4.17 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being the Northeast corner of this tract of land;

Thence South 00° 37’ 18” East, 612.81 feet, along the East line of said Tract 2, being the West line of said 4.17 acre tract of land, and a 10.07 acre tract of land, described in an instrument, recorded in Clerk’s File No. 2017005350, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 2, being the Northeast corner of said Tract 3, said point being an angle point of this tract of land;

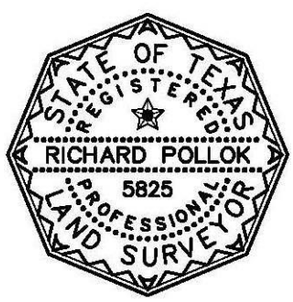
Thence South 00° 29’ 41” East, 907.75 feet, along the East line of said Tract 3, being the West line of said 10.07 acre tract of land, and a 6.587 acre tract of land, described in an instrument, recorded in Volume 321, Page 615, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of Tract 2, being the Northeast corner of said Tract 4, said point being an angle point of this tract of land;

Thence South 00° 16’ 27” East, 934.20 feet, along the East line of said Tract 4, being the West line of said 6.587 acre tract of land, a 0.925 acre tract of land, described in an instrument, recorded in Volume 403, Page 139, Deed Records, Medina County, Texas, and said 36.1 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 254.69 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated April 25, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.





Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

Exhibit C

FORM OF COMPLETION AGREEMENT

Prepared by and return to:
Clay Binford
112 E. Pecan, Suite 1310
San Antonio, Texas 78205

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

COMPLETION AGREEMENT

THIS COMPLETION AGREEMENT (herein, this *Agreement*) is made effective as of _____, 202__, by and among [DEVELOPER], a Texas [limited liability company] (together with its affiliates, successors, and assigns, the *Developer*), the City of Castroville, Texas (the *City*), and _____, a national banking association (the *Trustee*), solely in its capacity as trustee for the City of Castroville, Texas, Special Assessment Revenue Bonds, Series 202__ ([NAME] Public Improvement District No. [__]) (the *Bonds*).

RECITALS

WHEREAS, by action on _____, 202__, the City Council of the City (the *Council*) created and established the boundaries of [NAME] Public Improvement District No. [__] (the *District*); and

WHEREAS, in connection with its creation of the District, the City determined that it is in the best interests of the present and future landowners of and is of special benefit to the lands within the District (such lands, as more particularly described in Exhibit A attached hereto and incorporated by referenced herein, the *Property*) to finance, construct and deliver certain public improvements, as more specifically described in *[NAME] Public Improvement District Service and Assessment Plan*, adopted by the Council on _____, 202__ (as such plan may be updated and amended from time to time, the *Service and Assessment Plan*); and

WHEREAS, the Developer is the sole owner and developer of the Property; and

WHEREAS, the City and the Developer have entered into the *Development Agreement*, dated as [_____, 202__] (the *Development Agreement*), and *[NAME] Public Improvement District Construction, Funding, and Acquisition Agreement* (the *Financing Agreement*), dated as of [_____, 202__], pursuant to which the Developer has made commitments, including financial commitments, regarding the Property's development as therein described and as described and contemplated in the Service and Assessment Plan; and

WHEREAS, the Service and Assessment Plan identifies the various financial sources the City anticipates it and the Developer accessing to finance the Actual Costs of the Authorized Improvements, which includes proceeds of Bonds and the hereinafter-defined Developer Financial Commitment; and

WHEREAS, the Developer acknowledges and agrees that completion of the Authorized Improvements is essential in assuring that Special Assessments levied by the City as described in the Service and Assessment Plan are properly allocated across the benefited Property; and

WHEREAS, to ensure completion of the Authorized Improvements as described in the Service and Assessment Plan by identifying the source and manner of the Developer's satisfaction of the Developer Financial Commitment, as well as to assure a successful marketing and sale of the Bonds by providing directly to the Trustee (on behalf of the owners of the Bonds; such owners, the *Bondholders*), the Developer's representations, warranties and covenants herein made, the parties hereto now desire to enter into this Agreement; and

NOW, THEREFORE, based upon the above recitals and other good and valuable consideration, the receipt of which and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **INCORPORATION OF RECITALS; DEFINED TERMS**. The recitals stated above are true and correct and are incorporated by reference as a material part of this Agreement. Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Service and Assessment Plan.

2. **PROJECT DEVELOPMENT; DEVELOPER FINANCIAL COMMITMENT**. In accordance with the Financing Agreement and the Development Agreement, and as described in the Service and Assessment Plan, the Developer will cause the Property's development. With respect to the foregoing, the Developer hereby covenants and obligates itself to timely pay Authorized Improvements Costs that are not directly funded from, as provided in the Development Agreement and the Financing Agreement, proceeds of Bonds or excess Assessment Revenues (such Developer financial commitment, the *Developer Financial Commitment*).

3. **SOURCE OF FUNDING DEVELOPER FINANCIAL COMMITMENT; QUARTERLY REPORTING REQUIREMENTS**. To provide a source to fund the Developer Financial Commitment, the Developer has obtained a private loan from [NAME OF LENDER] (the *Lender*), in the amount of $_____, all of which is available for draw to fund the Developer Financial Commitment (the *Loan*). The Developer has provided to the City written evidence of the Loan's effectiveness as of the date of this Agreement, as well as authorization to expend Loan proceeds to pay Authorized Improvement Costs. The Developer hereby covenants and agrees that it shall maintain the Loan (i) until each of the Authorized Improvements for which the Developer is responsible for constructing have been completed and accepted by the applicable public entity (as identified in the Service and Assessment Plan) and (ii) in sufficient amount to pay the then-remaining costs of the Developer Financial Commitment.

The Developer shall include as a part of the quarterly reports required under the continuing disclosure agreements, entered into in connection with the issuance of the Bonds for purposes of compliance with Rule 15c2-12, evidence that sufficient Loan capacity remains to fund the then-remaining Developer Financial Commitment and a timeline for completion of any Authorized Improvements for which the Developer is responsible for constructing that at such time remain incomplete.

4. **FUNDING SOURCES SUBJECT TO FINANCING AGREEMENT**. The Developer's commitment to fund the Developer Financial Commitment hereunder specified, anticipated to be satisfied with Loan proceeds, shall constitute one of the Available Sources of Payment defined in and identified under Section 2.02(a) of the Financing Agreement. Accordingly, the parties hereto agree that accessing the Loan proceeds to pay Authorized Improvement Costs shall be subject to, in addition to any conditions to accessing Loan proceeds pursuant to the provisions of the Loan documents between the Lender and the Developer, the provisions of Section 4.03 of the Financing Agreement and shall be done only to the extent of the unavailability of other Available Sources of Payment.

5. **REIMBURSEMENT TO DEVELOPER**. The Developer hereby acknowledges and agrees that its obligations hereunder are obligations and liabilities of the Developer alone and neither the City nor the Trustee shall have any responsibility for payment or repayment of the same (including repayment of the Loan), except as hereafter specified. Notwithstanding the foregoing, the Developer Financial Commitment shall, pursuant to the terms of the Reimbursement Agreement and the Financing Agreement, be subject to reimbursement to the Developer from Assessment Revenues available for such purpose (as provided in the Development Agreement) on a cash-flow basis and in the order of priority specified in the Indenture authorizing the issuance of the Bonds or from proceeds of Additional Bonds.

6. **OTHER CONDITIONS AND ACKNOWLEDGEMENTS**. The Developer acknowledges that the location, size, configuration and composition of the Authorized Improvements may change from that described in the Service and Assessment Plan, depending upon final design, permitting or other regulatory requirements over time, or other factors. The Developer agrees not to (i) request an amendment to the Development Agreement or the Financing Agreement that would result in the substantial impairment of or (ii) make material changes to the Authorized Improvements that substantially impairs the marketability of the homes or lots within the District without first obtaining the written consent of the Trustee, which consent shall be given solely in accordance with the terms of the applicable Indenture; provided, however, such consent will not be necessary, and the Developer must meet its completion obligations, when the scope, configuration, size and/or composition of the Authorized Improvements for which the Developer is responsible for constructing is materially changed in response to a requirement imposed by law or by a regulatory agency (to be understood as including any governmental action or requirement, including (but not limited to) Council action). The consent of the Bondholders, as evidenced by the written consent of the Trustee delivered pursuant to the applicable terms of the applicable Indenture, is not and will not constitute a representation or warranty with regard to any Authorized Improvement or the adequacy, marketability or compliance of the same, but is and will be merely the consent of the Bondholders to any such change.

7. **DEVELOPER DEFAULT; PROTECTION AGAINST THIRD PARTY INTERFERENCE.**

(a) *Notice of Default under Certain Agreements*. The Developer shall provide to the Trustee, within fifteen days of such occurrence, written notice of default under either the Development Agreement or the Financing Agreement.

(b) *Developer Default.* In the event the Developer does not comply with the terms of this Agreement, the Trustee or its designee shall have the right to seek specific

performance from a court of competent jurisdiction in order to ensure the Authorized Improvements are completed as soon thereafter as possible; provided that the Trustee shall seek such relief solely at the written direction and at the sole cost and expense of the Bondholders, which direction shall be provided in accordance with the provisions of the applicable Indenture.

(c) *Protection Against Third Party Interference.* Subject to any lienholder's rights to cure (including those of the Lender), the Trustee shall be solely responsible for enforcing its rights under this Agreement against any interfering third party. Nothing contained in this Agreement shall limit or impair the Trustee's right to protect its rights from interference by a third party to this Agreement. Notwithstanding anything contained herein, any action of the Trustee to enforce its rights under this Agreement shall be taken solely for the benefit of the Bondholders and in accordance with the provisions of the applicable Indentures and at the Bondholders' sole cost and expense.

8. **BONDHOLDERS' BENEFIT**. The Developer acknowledges and agrees that, in addition to the benefit derived hereunder by the City, (i) it is entering into this Agreement for the benefit of the Bondholders and the Trustee acting on behalf of such Bondholders and (ii) such Bondholders have reasonably relied upon this Agreement in purchasing the Bonds.

9. **AMENDMENTS.** Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by each party hereto, provided that the Trustee shall execute such amendment or waiver solely upon the consent of a majority of the Bondholders (which consent shall be provided in accordance with the provisions of the applicable Indenture).

10. **AUTHORIZATION; CONSENT**. The execution of this Agreement has been duly authorized by the Trustee, the City, and the Developer, and each of the Trustee, the City, and the Developer have full power and authority to comply with the terms and provisions of this instrument. The Lender's consent to the Developer's entering into and executing this Agreement is attached hereto as Exhibit B hereto.

11. **NOTICES.** All notices, requests, consents and other communications required or permitted under this Agreement shall be in writing and shall be (as elected by the person giving such notice) hand-delivered by prepaid express overnight courier or messenger service, telecommunicated, mailed (airmail if international) by registered or certified (postage prepaid), return receipt requested, or emailed to the following addresses:

The City:

City of Castroville, Texas
1209 Fiorella Street
Castroville, Texas 78009
Attention: City Administrator
Email: scott.dixon@castrovilletx.gov

With a copy to:

McCall, Parkhurst & Horton L.L.P.
112 E. Pecan, Suite 1310
San Antonio, Texas 78205
Attention: Clay Binford
Email: cbinford@mphlegal.com

Trustee:

_____
_____
_____, Texas 78____
Attention: _____
Email: _____

Developer:

[CONTACT INFORMATION]

With a copy to:

[CONTACT INFORMATION]

Except as otherwise provided in this Agreement, any mailed notice sent in the manner provided above shall be deemed received three business days after delivery or mailing. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day shall be deemed received the next business day. If any time for giving notice contained in this Agreement would otherwise expire on a non-business day, the notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Any party or other person to whom notices are to be sent or copied may notify the other parties and addressees of any changes in name or address to which notices shall be sent by providing the same on five days written notice to the parties and addressees set forth herein.

12. **THIRD PARTY BENEFICIARIES**. This Agreement is solely for the benefit of the Trustee, in its capacity as the trustee for the Bonds, the City, and the Developer, and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement (except as noted below with respect to the Bondholders). Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation, other than the Trustee, the City, and the Developer, any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the Trustee, the City, and the Developer and their respective representatives, successors, and assigns. Notwithstanding the foregoing or anything in this Agreement to the contrary, the Bondholders shall be direct third-party beneficiaries of the terms and conditions of this Agreement and shall, individually or collectively, be entitled to enforce or cause the Trustee or the City to enforce the Developer's obligations hereunder.

13. **SUCCESSORS.** The rights and obligations created by this Agreement shall be binding upon and inure to the benefit of Developer, the City, and the Trustee, and their respective receivers, trustees, successors and assigns.

14. **ASSIGNMENT**.

(a) Subject to paragraph (b) below, Developer may, in its sole and absolute discretion, assign this Completion Agreement to its Designated Successors and Assigns in connection with a corresponding assignment of the rights and obligations in and to the Financing Agreement to such Designated Successors and Assigns so long as the assigned rights and obligations are assumed by such Designated Successors and Assigns without modifications to this Completion Agreement or the Financing Agreement. Developer shall provide the City with 30 days prior written notice of any such assignment. Upon such assignment, Developer shall be fully released from any and all obligations under this Completion Agreement and shall have no further liability with respect to this Completion Agreement.

(b) Any sale of a portion of the Property or attempted assignment of any right hereunder shall not be deemed a sale or assignment to Designated Successors and Assigns unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is to Designated Successors and Assigns.

(c) Any transfer to Designed Successors and Assigns shall specify that the limitations on the ability to make a transfer as described in paragraph (a) shall also apply to subsequent transfers by Designated Successors and Assigns.

15. **CONSTRUCTION AND DEFINITION OF TERMS; CONFLICT WITH DEVELOPMENT AGREEMENT OR FINANCING AGREEMENT**. Whenever used the singular number shall include the plural, the plural the singular; the use of any gender shall include all genders, as the context requires; and the disjunctive shall be construed as the conjunctive, the conjunctive as the disjunctive, as the context requires. Capitalized terms used herein without definition shall have the respective meanings ascribed thereto in the Financing Agreement. To the extent there is a conflict between the terms of this Agreement and the Development Agreement or the Financing Agreement, the Development Agreement or the Financing Agreement, as applicable, shall control. The Trustee shall not be responsible for any consequences of a conflict between provisions of this Agreement and the Development Agreement or the Financing Agreement.

16. **CONTROLLING LAW**. This Agreement and the provisions herein contained shall be construed, interpreted, and controlled according to the laws of the State of Texas.

17. **SEVERABILITY**. The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

18. **HEADINGS FOR CONVENIENCE ONLY**. The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.

19. **COUNTERPARTS**. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute, but one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

20. **COVENANT AND RECORDATION**. The Developer, as the primary developer and the owner of the Property at the time of the execution of this Agreement, agrees that the obligations imposed upon it by this Agreement are valid and enforceable and shall be covenants running with the Property, creating an obligation and one which is binding upon successor owners and assigns. The Developer shall record this Agreement in the Public Records of Medina County, Texas, against the Property. Once the Developer has completed all the Authorized Improvements pursuant to the terms of this Agreement, the Development Agreement, and the Financing Agreement, the Developer shall notify the City and the Trustee and, upon the written consent of the City and the Trustee, it shall record, in the public records, a release and satisfaction of its obligations under this Agreement (the *Completion Agreement Release*). The City and the Trustee shall provide their respective consents as soon as reasonably practicable after verification by the City (deliverable via electronic communication) that the Authorized Improvements for which the Developer is responsible for constructing are complete in accordance with the provisions of the Development Agreement and the Financing Agreement. The form of the Completion Agreement Release is attached hereto as Exhibit C. This Agreement, when recorded, shall be binding upon the Developer, the City, and the Trustee and their successors and assigns as permitted by this Agreement and upon the Property; however, this Agreement shall not be binding upon, and shall not constitute any encumbrance to title as to, any end-user (including homeowner), builder, or homebuilder except for land use and development regulations that apply to such lots.

21. **ANTI-BOYCOTT VERIFICATION, NO BUSINESS WITH SANCTIONED COUNTRIES**. Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable State or federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with Developer and exists to make a profit.

Developer represents that neither it nor any of its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or

https://comptroller.texas.gov/purchasing/docs/fto-list.pdf.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable State or federal law and excludes Developer and any of its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with Developer and exists to make a profit.

22. **SENATE BILLS 13 AND 19 COMPLIANCE**. To the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section, to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Developer verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law.

As used in the foregoing verification and the following definitions,

(a) 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association,

or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

(b) 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

(c) 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

* * *

IN WITNESS WHEREOF, the parties hereto execute this Agreement and further agree that it shall take effect as of the date first above written.

CITY OF CASTROVILLE, TEXAS

By:_____
Name:_____
Title:_____

STATE OF TEXAS §
§
COUNTY OF MEDINA §

The foregoing instrument was acknowledged before me this _____, 202__, by _____, as _____.

[SEAL]

_____
Notary Public
Commission Expires: _____

_____, solely in its capacity as trustee for the Bonds

By:_____
Name: _____
Title: _____

STATE OF TEXAS §
§
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____, 202__, by _____, as _____ on behalf of the Trustee.

[SEAL]

_____
Notary Public
Commission Expires: _____

[DEVELOPER]
a Texas [limited liability company]

By:_____
Name: _____
Title: _____

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 202__ by _____, _____ of _____, a Texas limited liability company, on behalf of said company.

[SEAL]

_____
Notary Public, State of Texas

EXHIBIT A

METES AND BOUNDS DESCRIPTION OF THE PROPERTY

EXHIBIT B

CONSENT OF LIENHOLDER

_____ (*Lienholder*), being a lienholder on the Property, hereby consents to this Completion Agreement (the *Completion Agreement*) and accepts and agrees to the terms and provisions of this Completion Agreement.

_____

By: _____

Name: _____

Title: _____

THE STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 202__, by _____, the _____ of _____, on behalf of said Lienholder.

_____
Notary Public, State of Texas

EXHIBIT C

COMPLETION AGREEMENT RELEASE

_____, a national banking association (the *Trustee*), solely in its capacity as trustee for the City of Castroville, Texas, Special Assessment Revenue Bonds, Series 202__ ([NAME]Public Improvement District No. [__]) (the *Bonds*), hereby acknowledges receipt of notification of the completion of the Authorized Improvements in accordance with Section 20 of the Completion Agreement (the *Completion Agreement*) by and among the Trustee, City of Castroville, Texas, and _____, a Texas [limited liability company] (the *Developer*).

The Completion Agreement was recorded in the Public Records of Medina County, Texas under Instrument No. _____ against the real property within [NAME] Public Improvement District more particularly described in Exhibit A attached hereto and incorporated by referenced herein (the *Property*).

Developer and its successors and assigns shall have no further obligations, duties or liabilities under the Completion Agreement, and the Trustee hereby releases, waives and forever discharges the Developer from all obligations, duties or liabilities of whatever nature arising under or in connection with the Completion Agreement.

[SIGNATURE PAGE FOLLOWS]

_____, solely in its capacity as trustee for the Bonds

By:_____

Name:_____

Title:_____

STATE OF _____ §
§
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____, 202__, by _____, as _____ on behalf of the Trustee.

[SEAL]

_____
Notary Public
Commission Expires: _____

Exhibit D

LAND PLAN

DEVELOPMENT SUMMARY						
AREA/PHASE	LAND USE	AREA (Ac.)	DENSITY (DU/Ac.)	UNITS/LOTS	OPEN SPACE REQ. (Ac.)	OPEN SPACE PROVIDED (Ac.)
AM	AMENITY CENTER	10.70				10.70
OS	OPEN SPACE AREAS	6.29				6.29
FLP	FLOODPLAIN	15.01				15.01
LDA	LOCAL DRAIN AREAS	4.49				-
DET	DETENTION AREAS	9.21				-
RES-1	SINGLE-FAMILY RESIDENTIAL	16.99	4.24	72	3.40	0.17
RES-2	SINGLE-FAMILY RESIDENTIAL	16.14	3.66	59	3.23	0.16
RES-3	SINGLE-FAMILY RESIDENTIAL	15.94	4.77	76	3.19	0.16
RES-4	SINGLE-FAMILY RESIDENTIAL	64.41	3.66	236	12.88	0.64
RES-5	SINGLE-FAMILY RESIDENTIAL	76.92	2.94	226	15.38	0.77
ROW	ARTERIAL RIGHT OF WAY	14.24				
CS	CITY SERVICES-WATERTOWER SITE	4.35				4.35
	TOTAL	254.69		669	38.08	38.25

1.6 AC
1.5 AC
10.7 AC
0.6 AC
1.4 AC
1.2 AC
0.9 AC
0.94 AC
1.0 AC
Roadway by Others
US HIGHWAY 90

KINGFISH
REAL ESTATE | DEVELOPMENT | CONSULTING

FLAT CREEK SUBDIVISION CONCEPTUAL LAND USE SITE PLAN

CITY OF CASTROVILLE - MEDINA COUNTY - TEXAS

August 15, 2023 - Ver M

Exhibit E

FORM OF LANDOWNER AGREEMENT

LANDOWNER AGREEMENT

This LANDOWNER AGREEMENT (this "Agreement") is entered into as of _____ 202__, among the City of Castroville, Texas (the "City"), a Type A general law municipality of the State of Texas (the "State"), and _____ (the "Landowner").

RECITALS

WHEREAS, Landowner owns the Assessed Parcels described by a metes and bounds description attached hereto as Exhibit A and which is incorporated herein for all purposes, comprising all of the non-exempt, privately-owned land described in Exhibit A (the "Landowner Parcel") which is coterminous with the [NAME] Public Improvement District (the "District") in the City; and

WHEREAS, the City Council has adopted an assessment ordinance for the Authorized Improvements (including all exhibits and attachments thereto, the "Assessment Ordinance") and the Service and Assessment Plan and Assessment Roll included as an exhibit to the Assessment Ordinance (together, the "Service and Assessment Plan") and which is incorporated herein for all purposes, and has levied an assessment on each Assessed Parcel in the District (as identified in the Service and Assessment Plan) [PART OF WHICH] that will be pledged as the security for the payment of bonds or other obligations (the "Bonds") to be issued by the City for the purpose of paying the costs of constructing certain of the Authorized Improvements that will benefit the Assessed Property (as defined in the Service and Assessment Plan); and

WHEREAS, the Covenants, Conditions and Restrictions attached to this Agreement as Exhibit B and which are incorporated herein for all purposes, include the statutory notification required by Section 5.014, as amended, Texas Property Code, to be provided by the seller of real property that is located in a public improvement district established under Chapter 372, as amended, Texas Local Government Code (the "PID Act"), to the purchaser.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, obligations and benefits hereinafter set forth, the City and the Landowner hereby contract, covenant and agree as follows:

ARTICLE I. DEFINITIONS; APPROVAL OF AGREEMENTS

A. Definitions. Capitalized terms used but not defined herein (including each exhibit hereto) shall have the meanings ascribed to them in the Service and Assessment Plan.

B. Affirmation of Recitals. The findings set forth in the Recitals of this Agreement are hereby incorporated as the official findings of the City Council.

Article I. AGREEMENTS OF LANDOWNER

A. Affirmation and Acceptance of Agreements and Findings of Benefit. Landowner hereby ratifies, confirms, accepts, agrees to, and approves:

(i) the creation and boundaries of the District and the boundaries of the Landowner's Parcel which are coterminous with the District, all as shown on Exhibit A, and the location and

development of the Authorized Improvements on the Landowner Parcel and on the property within the District;

(ii) the determinations and findings as to the benefits to the Landowners Parcel by the City Council in the Service and Assessment Plan and the Assessment Ordinance;

(iii) the Assessment Ordinance and the Service and Assessment Plan.

B. Acceptance and Approval of Assessments and Lien on Property. The Landowner consents to, agrees to, acknowledges and accepts the following:

(i) each Assessment levied by the City on the Landowner's Parcel within the District, as shown on the assessment roll attached as Appendix __ to the Service and Assessment Plan (the "Assessment Roll");

(ii) the Authorized Improvements specially benefit the District and the Landowner's Parcel in an amount in excess of the Assessment levied on the Landowner's Parcel within the District, as such Assessment is shown on the Assessment Roll;

(iii) each Assessment is final, conclusive and binding upon Landowner and any subsequent owner of the Landowner's Parcel, regardless of whether such Landowner may be required to prepay a portion of, or the entirety of, such Assessment upon the occurrence of any mandatory prepayment event as may be provided in the Service and Assessment Plan;

(iv) the obligation to pay the Assessment levied on the Landowner's Parcel owned by it when due and in the amount required by and stated in the Service and Assessment Plan and the Assessment Ordinance;

(v) each Assessment or reassessment, with interest, the expense of collection, and reasonable attorney's fees, if incurred, is a first and prior lien against the Landowner's Parcel, superior to all other liens and monetary claims except liens or monetary claims for state, county, school district, or municipal ad valorem taxes, and is a personal liability of and charge against the owner of the Landowner's Parcel regardless of whether such owner is named;

(vi) the Assessment lien on the Landowner's Parcel is a lien and covenant that runs with the land and is effective from the date of the Assessment Ordinance and continues until the Assessment is paid and may be enforced by the governing body of the City in the same manner that an ad valorem tax lien against real property may be enforced by the City;

(vii) delinquent installments of the Assessment shall incur and accrue interest, penalties, and attorney's fees as provided in the PID Act;

(viii) the owner of a Landowner's Parcel may pay at any time the entire Assessment, with interest that has accrued on the Assessment, on any parcel in the Landowner's Parcel;

(ix) the Annual Installments of the Assessments (as defined in the Service and Assessment Plan and Assessment Roll) may be adjusted, decreased, and extended; and, the assessed parties shall be obligated to pay their respective revised amounts of the Annual Installments, when due, and without the necessity of further action, assessments or reassessments by the City, the same as though they were expressly set forth herein; and

(x) Landowner has received, or hereby waives, all notices required to be provided to it under State law, including the PID Act, prior to the Effective Date (defined herein).

C. Mandatory Prepayment of Assessments. The Landowner agrees and acknowledges that Landowner or subsequent landowners may have an obligation to prepay an Assessment upon the occurrence of a mandatory prepayment event, at the sole discretion of the City and as provided in the Service and Assessment Plan, as amended or updated.

D. Notice of Assessments. Landowner further agrees as follows:

(i) the Covenants, Conditions and Restrictions attached hereto as Exhibit B shall be terms, conditions and provisions running with the Landowner's Parcel and shall be recorded (the contents of which shall be consistent with the Assessment Ordinance and the Service and Assessment Plan as reasonably determined by the City), in the records of the County Clerk of Medina County, as a lien and encumbrance against such Landowner's Parcel, and Landowner hereby authorizes the City to so record such documents against the Landowner's Parcel owned by Landowner;

(ii) reference to the Covenants, Conditions and Restrictions attached hereto as Exhibit B shall be included on all recordable subdivision plats and such plats shall be recorded in the real property records of Medina County, Texas;

(iii) in the event of any subdivision, sale, transfer or other conveyance by the Landowner of the right, title or interest of the Landowner in the Landowner's Parcel or any part thereof, the Landowner's Parcel, or any such part thereof, shall continue to be bound by all of the terms, conditions and provisions of such Covenants, Conditions and Restrictions and any purchaser, transferee or other subsequent owner shall take such Landowner's Parcel subject to all of the terms, conditions and provisions of such Covenants, Conditions and Restrictions; and

(iv) Landowner shall comply with and shall contractually obligate (and promptly provide written evidence of such contractual provisions to the City) any party who purchases any Landowner's Parcel owned by Landowner, or any portion thereof, for the purpose of constructing residential properties that are eligible for "homestead" designations under State law, to comply with, the Homebuyer Education Program described on Exhibit C to this Agreement. Such compliance obligation shall terminate as to each Lot (as defined in the Service and Assessment Plan) if, and when, (i) a final certificate of occupancy for a residential unit on such Lot is issued by the City, and (ii) there is a sale of a Lot to an individual homebuyer, it being the intent of the undersigned that the Homebuyer Education Program shall apply only to a commercial builder who is in the business of constructing and/or selling residences to individual home buyers (a "Builder") but not to subsequent sales of such residence and Lot by an individual home buyer after the initial sale by a Builder.

Notwithstanding the provisions of this Section, upon the Landowner's request and the City's consent, in the City's sole and absolute discretion, the Covenants, Conditions and Restrictions may be included with other written restrictions running with the land on property within the District, provided they contain all the material provisions and provide the same material notice to prospective property owners as does the document attached as Exhibit B.

Article II. OWNERSHIP AND CONSTRUCTION OF AUTHORIZED IMPROVEMENTS

A. Ownership and Transfer of Authorized Improvements. The Landowner acknowledges that all of the Authorized Improvements and the land (or easements, as applicable) needed therefor shall be owned by the City as constructed and/or conveyed to the City and The Landowner will execute such conveyances and/or dedications of public rights of way and easements as may be reasonably required to evidence such ownership, as generally described on the current plats of the property within the District.

B. Grant of Easement and License, Construction of Authorized Improvements.

(i) Any subsequent owner of the Landowner's Parcel shall, upon the request of the City or the Developer, grant and convey to the City or the Developer and its contractors, materialmen and workmen a temporary license and/or easement, as appropriate, to construct the Authorized Improvements on the property within the District, to stage on the property within the District construction trailers, building materials and equipment to be used in connection with such construction of the Authorized Improvements and for passage and use over and across parts of the property within the District as shall be reasonably necessary during the construction of the Authorized Improvements. Any subsequent owner of the Landowner's Parcel may require that each contractor constructing the Authorized Improvements cause such owner of the Landowner's Parcel to be indemnified and/or named as an additional insured under liability insurance reasonably acceptable to such owner of the Landowner's Parcel. The right to use and enjoy any easement and license provided above shall continue until the construction of the Authorized Improvements is complete; provided, however, any such license or easement shall automatically terminate upon the recording of the final plat for the Landowner's Parcel in the real property records of Medina County, Texas.

(ii) Landowner hereby agrees that any right or condition imposed by the Development Agreement (as defined in the Service and Assessment Plan), or other agreement, with respect to the Assessment has been satisfied, and that Landowner shall not have any rights or remedies against the City under the Development Agreement, or under any law or principles of equity concerning the Assessments, with respect to the formation of the District, approval of the Service and Assessment Plan and the City's levy and collection of the Assessments.

Article III. COVENANTS AND WARRANTIES; MISCELLANEOUS

A. Special Covenants and Warranties of Landowner. The Landowner represents and warrants to the City as follows:

(i) The Landowner is duly organized, validly existing and, as applicable, in good standing under the laws of the state of its organization and has the full right, power and authority to enter into this Agreement, and to perform all the obligations required to be performed by Landowner hereunder.

(ii) This Agreement has been duly and validly executed and delivered by, and on behalf of, the Landowner and, assuming the due authorization, execution and delivery thereof by and on behalf of the City and the Landowner, constitutes a valid, binding and enforceable obligation of such party enforceable in accordance with its terms. This representation and warranty is qualified to the extent the enforceability of this Agreement may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws of general application affecting the rights of creditors in general.

(iii) Neither the execution and delivery hereof, nor the taking of any actions contemplated hereby, will conflict with or result in a breach of any of the provisions of, or constitute a default, event of default or event creating a right of acceleration, termination or cancellation of any obligation under, any instrument, note, mortgage, contract, judgment, order, award, decree or other agreement or restriction to which the Landowner is a party, or by which the Landowner or the Landowner's Parcel is otherwise bound.

(iv) The Landowner is, subject to all matters of record in the Medina County, Texas Real Property Records, the sole owner of the Landowner's Parcel.

(v) The Landowner's Parcel owned by the Landowner is not subject to, or encumbered by, any covenant, lien, encumbrance or agreement which would prohibit (i) the creation of the District, (ii) the levy of the Assessments, or (iii) the construction of the Authorized Improvements on those portions of the property within the District which are to be owned by the City, as generally described on the current plats of the property within the District (or, if subject to any such prohibition, the approval or consent of all necessary parties thereto has been obtained).

(vi) The Landowner covenants and agrees to execute any and all documents necessary, appropriate or incidental to the purposes of this Agreement, as long as such documents are consistent with this Agreement and do not create additional liability of any type to, or reduce the rights of, the Landowner by virtue of execution thereof.

B. Waiver of Claims Concerning Authorized Improvements. The Landowner, with full knowledge of the provisions, and the rights thereof pursuant to such provisions, of applicable law, waives any claims against the City and its successors, assigns and agents, pertaining to the installation of the Authorized Improvements.

C. Notices. Any notice or other communication to be given to the City or Landowner under this Agreement shall be given by delivering the same in writing to:

To the City:	Attn: City Administrator City of Castroville, Texas 1209 Fiorella Street Castroville, Texas 78387
With a copy to:	Attn: Clay Binford McCall, Parkhurst & Horton L.L.P. 112 E. Pecan, Suite 1310 San Antonio, Texas 78205
To the Developer:	[CONTACT]
With a copy to:	[CONTACT]

Any notice sent under this Agreement (except as otherwise expressly required) shall be written and mailed or sent by electronic or facsimile transmission confirmed by mailing written confirmation at substantially the same time as such electronic or facsimile transmission, or personally delivered to an officer of the recipient as the address set forth herein.

Each recipient may change its address by written notice in accordance with this Section. Any communication addressed and mailed in accordance with this provision shall be deemed to be given when

so mailed, any notice so sent by electronic or facsimile transmission shall be deemed to be given when receipt of such transmission is acknowledged, and any communication so delivered in person shall be deemed to be given when receipted for, or actually received by, the addressee.

D. Parties in Interest. This Agreement is made solely for the benefit of the City and the Landowner and is not assignable, except, in the case of Landowner, in connection with the sale or disposition of all or substantially all of the parcels which constitute the Landowner's Parcel, and any such Assignment does not void any of the findings made in this Agreement. However, the parties expressly agree and acknowledge that the City, the Landowner, each current owner of any parcel which constitutes the Landowner's Parcel, and the holders of bonds issued by the City to finance the costs of the Authorized Improvements and which are secured by a pledge of the Assessments or any part thereof, are express beneficiaries of this Agreement and shall be entitled to pursue any and all remedies at law or in equity to enforce the obligations of the parties hereto. This Agreement shall be recorded in the real property records of Medina County, Texas.

E. Amendments. This Agreement may be amended only by written instrument executed by the City and the Landowner. No termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the then-current owners of the property within the District and recorded in the Real Property Records of Medina County, Texas.

F. Effective Date. This Agreement shall become and be effective (the "Effective Date") upon the date of final execution by the later of the City and the Landowner and shall be valid and enforceable on said date and thereafter.

G. Estoppels. Within 10 days after written request from a party hereto, the other party shall provide a written certification, indicating whether this Agreement remains in effect as to the Landowner's Parcel, and whether any party is then in default hereunder.

H. Termination. This Agreement shall terminate and be of no further force and effect as to the Landowner's Parcel upon payment in full of the Assessment(s) against such Landowner's Parcel.

[Signature pages to follow]

EXECUTED by the City and Landowner on the respective dates stated below.

Date: _____

CITY OF CASTROVILLE, TEXAS

By: _____
Mayor

ATTEST:

By: _____
City Secretary

LANDOWNER

_____
a Texas _____,

By: _____

_____,
its manager

STATE OF TEXAS)

)

COUNTY OF _____)

This instrument was acknowledged before me on the __ day of _____, 20___, by _____ in his capacity as Manager of _____, known to be the person whose name is subscribed to the foregoing instrument, and that he executed the same on behalf of and as the act of Manager of _____.

_____
Notary Public, State of Texas

My Commission Expires:

_____

LANDOWNER AGREEMENT – EXHIBIT A

METES AND BOUNDS DESCRIPTION OF LANDOWNER'S PARCEL

LANDOWNER AGREEMENT – EXHIBIT B

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (as it may be amended from time to time, this "Declaration") is made as of _____ by _____ a Texas _____ (the "Landowner").

RECITALS:

A. The Landowner holds record title to that portion of the real property located in Medina County, Texas, which is described in the attached Exhibit A (the "Landowner's Parcel").

B. The City Council (the "City Council") of the City of Castroville, Texas (the "City") upon a petition requesting the establishment of a public improvement district covering the property within the District to be known as the [NAME] Public Improvement District (the "District") by the then current owners of 100% of the appraised value of the taxable real property and 100% of the area of all taxable real property within the area requested to be included in the District created such District, in accordance with the Public Improvement District Assessment Act, codified at Chapter 372, as amended, Texas Local Government Code (the "PID Act").

C. The City Council has adopted an assessment ordinance to levy assessments for certain public improvements (including all exhibits and attachments thereto, the "Assessment Ordinance") and the Service and Assessment Plan and Assessment Roll included as an exhibit to the Assessment Ordinance (as amended from time to time, the "Service and Assessment Plan"), and has levied the assessments (as amended from time to time, the "Assessments") on property in the District.

D. The statutory notification required by Texas Property Code, Section 5.014, as amended, to be provided by the seller of real property that is located in a public improvement district established under Chapter 372 of the Texas Local Government Code, as amended, to the purchaser, is incorporated into these Covenants, Conditions and Restrictions.

DECLARATIONS:

NOW, THEREFORE, the Landowner hereby declares that the Landowner's Parcel is and shall be subject to, and hereby imposes on the Landowner's Parcel, the following covenants, conditions and restrictions:

1. Acceptance and Approval of Assessments and Lien on Property:

(a) The Landowner accepts each Assessment levied on the Landowner's Parcel owned by such Landowner.

(b) The Assessment (including any reassessment, the expense of collection, and reasonable attorney's fees, if incurred) is (1) a first and prior lien (the "Assessment Lien") against the property assessed, superior to all other liens or claims except for liens or claims for state, county, school district or municipality ad valorem property taxes whether now or hereafter payable, and (2) a personal liability of and charge against the owners of the property to the extent of their ownership regardless of whether the owners are named. The Assessment Lien is effective from the date of the Assessment Ordinance until the Assessments are paid and may be enforced by the City in the same manner as an ad valorem property tax levied against real property that may be enforced by the City.

The owner of any assessed property may pay, at any time, the entire Assessment levied against any such property. Foreclosure of an ad valorem property tax lien on property within the District will not extinguish the Assessment or any unpaid but not yet due annual installments of the Assessment and will not accelerate the due date for any unpaid and not yet due annual installments of the Assessment.

It is the clear intention of all parties to these Declarations of Covenants, Conditions and Restrictions, that the Assessments, including any annual installments of the Assessments (as such annual installments may be adjusted, decreased or extended), are covenants that run with the Landowner's Parcel and specifically binds the Landowner, its successors and assigns.

In the event of delinquency in the payment of any annual installment of the Assessment, the City is empowered to order institution of an action in district court to foreclose the related Assessment Lien, to enforce personal liability against the owner of the real property for the Assessment, or both. In such action the real property subject to the delinquent Assessment may be sold at judicial foreclosure sale for the amount of such delinquent property taxes and Assessment, plus penalties, interest and costs of collection.

2. The Landowner or any subsequent owner of the Landowner's Parcel waives:

(a) any and all defects, irregularities, illegalities or deficiencies in the proceedings establishing the District and levying and collecting the Assessments or the annual installments of the Assessments;

(b) any and all notices and time periods provided by the PID Act including, but not limited to, notice of the establishment of the District and notice of public hearings regarding the levy of Assessments by the City Council concerning the Assessments;

(c) any and all defects, irregularities, illegalities or deficiencies in, or in the adoption of, the Assessment Ordinance by the City Council;

(d) any and all actions and defenses against the adoption or amendment of the Service and Assessment Plan, the City's finding of a 'special benefit' pursuant to the PID Act and the Service and Assessment Plan, and the levy of the Assessments; and

(e) any right to object to the legality of any of the Assessments or the Service and Assessment Plan or to any of the previous proceedings connected therewith which occurred prior to, or upon, the City Council's levy of the Assessments.

3. Amendments: This Declaration may be terminated or amended only by a document duly executed and acknowledged by the then-current owner(s) of the Landowner's Parcel and the City. No such termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the parties by whom approval is required as set forth above and recorded in the real Property Records of Medina County, Texas.

4. Third Party Beneficiary: The City is a third-party beneficiary to this Declaration and may enforce the terms hereof.

5. Notice to Subsequent Purchasers: Upon the sale of a dwelling unit within the District, the purchaser of such property shall be provided a written notice that reads substantially similar to the following:

TEXAS PROPERTY CODE SECTION 5.014

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO THE CITY OF CASTROVILLE, MEDINA COUNTY, TEXAS CONCERNING THE PROPERTY AT

[Street Address]

As the purchaser of this parcel of real property, you are obligated to pay an assessment to the City of Castroville, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within [NAME] Public Improvement District (the "District") created under Subchapter A of Chapter 372, as amended, Texas Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment against your property may be obtained from the City of Castroville, Texas. The exact amount of each annual installment will be approved each year by the City Council of the City of Castroville, Texas in the annual service plan update for the District. More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the City of Castroville, 1209 Fiorella Street, Castroville, Texas 78009.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Signature of Purchaser(s) _____ Date: _____

The seller shall deliver this notice to the purchaser before the effective date of an executory contract binding the purchaser to purchase the property. The notice may be given separately, as part of the contract during negotiations, or as part of any other notice the seller delivers to the purchaser. If the notice is included as part of the executory contract or another notice, the title of the notice prescribed by this section, the references to the street address and date in the notice, and the purchaser's signature on the notice may be omitted.

EXECUTED by the undersigned on the date set forth below to be effective as of the date first above written.

LANDOWNER

_____
a Texas _____,

By: _____

_____,
its manager

STATE OF TEXAS)

)

COUNTY OF _____)

This instrument was acknowledged before me on the __ day of _____, 20___, by _____ in his capacity as Manager of _____, known to be the person whose name is subscribed to the foregoing instrument, and that he executed the same on behalf of and as the act of Manager of _____.

_____
Notary Public, State of Texas

My Commission Expires:

_____

LANDOWNER AGREEMENT - EXHIBIT C

HOMEBUYER EDUCATION PROGRAM

As used in this Exhibit C, the recorded Notice of the Authorization and Establishment of the [NAME] Public Improvement District and the Covenants, Conditions and Restrictions in Exhibit B of this Agreement are referred to as the "Recorded Notices."

1. Any Landowner who is a Builder shall attach the Recorded Notices and the final Assessment Roll for such Assessed Parcel (or if the Assessment Roll is not available for such Assessed Parcel, then a schedule showing the maximum 30-year payment for such Assessed Parcel) as an addendum to any residential homebuyer's contract.

2. Any Landowner who is a Builder shall provide evidence of compliance with 1 above, signed by such residential homebuyer, to the City.

3. Any Landowner who is a Builder shall prominently display signage in its model homes, if any, substantially in the form of the Recorded Notices.

4. If prepared and provided by the City, any Landowner who is a Builder shall distribute informational brochures about the existence and effect of the District in prospective homebuyer sales packets.

5. Any Landowner who is a Builder shall include Assessments in estimated property taxes, if such Builder estimates monthly ownership costs for prospective homebuyers.

Exhibit F

FORM OF MAINTENANCE AGREEMENT

PUBLIC IMPROVEMENT MAINTENANCE AGREEMENT

This Public Improvement Maintenance Agreement (this *Agreement*) is made and entered into on this the [___] day of [_____], 202__, by and between City of Castroville, Texas (the *City*), a Type A general law municipality, and [NAME] (the *Association*), a Texas property owners association organized and existing under laws of the State of Texas and having the powers and limitations provided under Title 11 of the Texas Property Code, for the purpose for providing the terms for the Association's maintenance of public parkland and storm drainage improvements within the hereinafter-defined District. The City and the Association are herein referred to individually as a *Party* and, together, as the *Parties.*

W I T N E S S E T H

WHEREAS, the City has, pursuant to applicable law, created the [NAME] Public Improvement (the *District*) on approximately [___] acres of land located [within] the City (such land, as more particularly described on Exhibit "A" attached hereto and made a part hereof, the *Land*) to facilitate its development for use as mixed use residential and commercial master planned community (the such development, the *Project*); and

WHEREAS, through the District, the City will provide, by revenues resultant from assessments levied and imposed on certain property within the District, a mechanism for payment of a portion of the costs of certain public improvements within the District that are necessary and incidental to Project development; and

WHEREAS, as a condition to its creation of the District and provision of the aforementioned mechanism to finance a portion of the costs of public improvements within the District, the City requires that the ongoing maintenance obligations of the hereinafter-defined Public Improvements be assumed by a non-City entity associated with the Project or the related costs be paid by or from District-associated resources to prevent these costs resultant from Project development, which the City has facilitated, from becoming a burden on the general revenues of the City and its residents and property owners that do not reside within or directly enjoy the benefits resultant from the District; and

WHEREAS, the Developer has created the Association to provide services related to the developed Project as specified in its bylaws, including the ongoing maintenance of the Public Improvements in accordance with the provisions of this Agreement and payment of the associated costs from its fees collected from property owners within the District and subject to the Association's jurisdiction; and

WHEREAS, entry into this Agreement satisfies the City's condition to the District creation and utilization of its available powers to provide a mechanism for financing a portion of the costs of certain public improvements within the District, as described above; and

WHEREAS, the Parties, for the mutual consideration hereinafter stated, desire to enter into this Agreement, pursuant to which the Association assumes responsibility for maintaining the Public Improvements (which includes payment of the associated costs of such maintenance); and

NOW, THEREFORE, THE PARTIES AGREE TO THE FOLLOWING:

SECTION 1. Definition of Certain Terms. For purposes of this Agreement, the following terms shall have the ascribed meanings:

a. *Consultant's Plan* has the meaning ascribed thereto in the Development Agreement, dated as [DATE], between the City and the Developer pertaining to the Project.

b. *Developer* shall mean [NAME], a Texas [limited liability company].

c. *Engineer* shall mean [NAME].

d. *Parkland* shall mean common areas and other land within the District dedicated to the City by the Developer and established as property available to the general public for recreational use (to specifically include promenades, plazas, and bridges over permanent water features).

e. *Public Improvements* shall mean, collectively, the Parkland and the Storm Drainage Improvements.

f. *Storm Drainage Improvements* shall mean trench excavation and embedment, trench safety, concrete box culverts, reinforced concrete pipe, manholes, junction boxes, drainage inlets, headwall and wingwall structures, related earthwork, excavation, erosion control, detention ponds, and all other necessary appurtenances required to capture storm water runoff generated within the District.

SECTION 2. Association Agreement to Maintain Public Improvements.

a. *General*. The Association hereby exclusively agrees, at its sole cost and expense, to maintain the Public Improvements.

b. *Storm Drainage Improvements*. Maintaining Storm Drainage Improvements shall mean keeping in good structural condition all Storm Drainage Improvements and repairing and addressing any defects in or to the Storm Drainage Improvements that, if left unrepaired or unaddressed, might impair their hydraulic capacity or structural soundness, to include:

i. Maintaining access to the Storm Drainage Improvements for maintenance and inspection;

ii. Repairing defects in the storm drainage piping system, including leaking pipe joints, deflection of flexible pipe diameter in excess of 5%, pipe structural failure, or other defects;

iii. Removing obstructions from any inlet and outlet structures;

iv. Repairing concrete channel lining, pilot channels, rock rip-rap (including replacement, as needed, to maintain rock layer thickness, as designed), gabions or any other channel lining material and to repair any defects in the channel lining material including undermining, excessive cracking and settlement, structural failure, or other defects;

v. Repairing channels, ditches and detention or retention ponds and to repair erosion in same by backfilling the eroded area and re-establishing protective vegetation or by armoring the eroded area with gabions, rock rip-rap, concrete or other material approved by the Engineer;

vi. At least annually, removing willows, cottonwoods or other "woody" vegetation from channels, ditches, detention ponds and retention ponds;

vii. As frequently as required to prevent grassy vegetation from exceeding a height of more than one foot, mowing ditches, earthen channels and detention or retention ponds;

viii. Removing, as needed, accumulated debris, trash or sediment (with sediment accumulations in detention ponds not to exceed 18-inches before removal is required); and

ix. Maintaining minimum water levels in Storm Drainage Improvements intended upon construction to permanently hold water (as indicated in the Consultant's Plan).

The Association shall periodically (as needed based on weather conditions, but no less frequently than every 90 days) inspect or cause the inspection of all Storm Drainage Improvements to determine the necessity of action to address needed maintenance or repair. Remedial action shall be taken within 30 days of the Association's awareness of an issue (meaning that the Association shall commence necessary maintenance or repairs within 30 days of such awareness and diligently work toward their completion). At least annually, the Association shall commission the Engineer to complete a written inspection report concerning the condition and functionality of the Storm Drainage Improvements, deliver a copy of such report to the City, and take action, as described above, within 30 days of delivery of such report to address any identified deficiencies in, or recommendations concerning functionality or performance of, the Storm Drainage Improvements.

c. Parkland. Maintaining the Parkland shall mean at all times keeping and maintaining, or causing to be kept and maintained, the Parkland (including any improvements thereon and all other buildings and improvements erected therein) in a good state of appearance and repair (except for reasonable wear and tear), to include:

i. Maintening grass height according to species and variety of grass;

ii. Regularly mowing, aerating, fertilizing, seeding or reseeding, resodding and controlling weeds in areas that are seeded or sodded;

iii. Pruning all trees and shrubs, as needed;

iv. Maintaining an adequate number of trash cans (based on frequency of use and in plentiful quantity to hold all trash usually generated between servicing without overflowing) and emptying the same on at least a daily basis;

v. Sweeping the area on daily basis to remove and keep the area free of trash;

vi. Removing graffiti on any surface withing 24 hours of the incident;

vii. Remediating, upon discovery, insect, rodent, and invasive species infestations;

viii. Cleaning sidewalks and pavilions so that at no time is there an accumulation of sand, dirt, or leaves;

ix. Maintaining playground equipment, play areas, fields, sports courts, lighting systems, and flagpoles to ensure the equipment and spaces are in safe, clean, operating condition and free and clear of hazards and hazardous conditions;

x. Cleaning and sanitizing all restrooms and drinking fountains on a daily basis or more frequently, as and when required;

xi. Stocking all restrooms at a minimum of once per day or more frequently as needs arise;

xii. Providing and maintaining adequate security lighting and signage (to include wayfinding and mile markers on trail systems) free of loose rivets, missing text, graffiti, and other conditions that makes interpretation difficult or impossible;

xiii. Maintaining in good repair any trail system, to include elimination of all trip hazards, remediating impacts of erosion, periodic resurfacing, elimination of buildup of soil or debris that prevents water flow, and maintenance of an 8' vertical clearance; and

xiv. Upon discovery, eliminating user created "trails".

The Association shall, as frequently as necessary to maintain a safe and sanitary environment, inspect or cause the inspection of all Parkland to determine the necessity of action to

address needed maintenance or repair. Remedial action shall be taken as and when needed and shall be diligently continued through satisfactory conclusion to address matters requiring attention with respect to Parkland maintenance.

SECTION 3. Annual Budget. The Association shall annually budget for the anticipated costs of maintaining the Public Improvements, which shall include (i) the costs of any necessary repair plan herein described coming due in the reporting period covered by such annual budget and (ii) adequate annual reserves to provide sufficient available sources of periodic major maintenance and capital repair and replacement of Public Improvements. Until such time as the Association has obtained sufficient experience to formulate the anticipated Public Improvements maintenance costs unassisted (herein determined to mean preparation of at least three annual budgets after the warranties for dedicated Public Improvements have expired), the Association shall enlist the Engineer's assistance in preparing the Public Improvements maintenance cost component of its annual budget.

SECTION 4. Payment of Public Improvements Maintenance Costs. To pay the costs of maintaining the Public Improvements, the Association shall either (i) charge an annual fee to its property owners or (ii) collect funds from the Developer in an amount at least equal to such budgeted annual maintenance costs. In determining the annual fee, the Association may take into account other funds then-available to the Association to pay such annual Public Improvements maintenance costs including funds collected from the Developer. In the event that unforeseen circumstances shall arise during the course of a financial reporting that necessitate additional funding to pay the costs of maintaining Public Improvements (including reimbursement of the City for costs of emergency repairs made pursuant to Section 5 below), the Association shall either (i) impose upon its property owners a special assessment (which is a charge on such property owners separate and distinct from any assessment thereon levied by the City pursuant to Chapter 372, as amended, Texas Local Government Code) or (ii) collect funds from the Developer in an aggregate amount sufficient to pay such unanticipated and unbudgeted Public Improvements maintenance costs.

SECTION 5. City Inspection of Public Improvements; Emergency Repairs. The City may, from time to time, but not more frequently than every 12 months, review the state of repair, condition, and cleanliness of the Public Improvements and provide a written report of its findings to the Association. If the City, in its review, finds the condition of the Public Improvements to not meet its standards for other similar public improvements owned and maintained by the City or in accordance with their original specifications applicable at the time of their respective construction , then the City shall detail and deliver in writing to the Association the specific instances of failure. The Association shall have 30 days from receipt of this written notice to address or object to the specific failures in Public Improvements maintenance identified by the City.

If the City is made aware of emergency safety conditions relative to a Public Improvement, the City will notify the Association and request that the necessary repairs to mitigate the identified safety condition(s) be completed. Upon notification, the Association shall have 3 days to mitigate the identified safety condition(s). If, however the Association is unable to or fails to begin addressing the identified safety condition(s) within a reasonable time after notification, then the City may make repairs to Public Improvements as needed and without further notification to the Association or the owners of property within the District to address the conditions of emergency or safety. Within 30 days of completion of emergency repairs to Public Improvements, the City shall notify the Association of the reasons for its making the repairs and the costs thereof.

SECTION 6. City Funding of Public Improvements Maintenance Costs. The Parties intend that Association revenues realized in accordance with Section 4 hereof shall be sufficient to cover the costs of

maintaining the Public Improvements. The Parties acknowledge, however, that the City may include as a component of its "maintenance assessment" levied and imposed on assessable property within the District pursuant to the District's Service and Assessment Plan, prepared and updated from time to time by the City Council of the City in accordance with applicable Texas law, the costs of maintaining the Public Improvements in the event the Association is unable or unwilling to fulfill its duties and obligations pursuant to the terms of this Agreement.

SECTION 7. Power and Authority. Each Party represents to the other that it has full power and authority to execute, deliver and perform its obligations hereunder and that the respective governing body of each Party has taken all necessary action on its part required to authorize the execution and delivery hereof and its performance hereunder.

SECTION 8. Notices. Except as otherwise provided herein, it shall be sufficient service of any notice, request, demand, authorization, direction, consent, waiver or other paper required or permitted by this Agreement to be made, given or furnished to or filed with the following persons, if the same shall be delivered in person or duly mailed by first-class mail, postage prepaid or duly transmitted by electronic mail, at the following physical or email addresses:

(a) To Association at:
NAME
ADDRESS
PHONE
EMAIL
With a copy to:
NAME
ADDRESS
PHONE
EMAIL

(b) To City at:
City of Castroville, Texas
Attn: City Administrator
1209 Fiorella Street
Castroville, Texas 78009
With a copy to:
Clay Binford
McCall, Parkhurst & Horton L.L.P.
112 E. Pecan Street, Suite 1310
San Antonio, Texas 78205
Phone: 210-225-2819
Email: cbinford@mphlegal.com

If, because of the temporary or permanent suspension of mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such delivery of notice in lieu thereof as shall be made with the approval of the City shall constitute a sufficient notice.

SECTION 9. Severability. If any terms or provisions of this Agreement or the application of any terms or provisions of this Agreement to a particular situation, are held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this Agreement or the application of such terms or provisions of this Agreement to other situations, will remain in full force and effect unless amended or modified by mutual consent of the Parties; provided that, if the invalidation, voiding or unenforceability would deprive either Party of material benefits derived from this Agreement, or make performance under

this Agreement unreasonably difficult, then the Parties will meet and confer and will make good faith efforts to amend or modify this Agreement in a manner that is mutually acceptable to the Parties.

SECTION 10. Amendment. No amendment, modification, or alteration of the terms of this Agreement will be binding unless it is in writing, dated subsequent to the date of this Agreement, and duly executed by the Parties.

SECTION 11. Binding Agreement; Successors and Assigns. This Agreement will be binding upon and inure to the benefit of each of the Parties and their respective successors and permitted assigns.

SECTION 12. Correction of Technical Errors. If, by reason of inadvertence, and contrary to the intention of the Parties, errors are herein made in the legal descriptions or the references thereto or within any exhibit with respect to the legal descriptions, in the boundaries of any parcel in any map or drawing which is an exhibit, or in the typing of this Agreement or any of its exhibits or any other similar matters, the Parties by mutual agreement may correct such error by memorandum executed by them without the necessity of amendment of this Agreement.

SECTION 13. Governing Law and Venue. The laws of the State and the rules and regulations issued pursuant thereto shall govern the validity, construction, enforcement, and interpretation of this Agreement, without regard to conflict of law provisions. All claims, disputes and other matters in question arising out of or relating to this Agreement, or the breach thereof, shall be decided by proceedings instituted and litigated in a State court of competent jurisdiction sitting in Medina County, Texas, and the Parties hereto expressly consent to the venue and jurisdiction of such court. Any provision included or incorporated herein by reference that conflicts with said laws, rules and regulations shall be null and void and shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise.

SECTION 14. No Waiver of Sovereign Immunity. NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED TO WAIVE THE SOVEREIGN IMMUNITY OF THE CITY. THE CITY IS ENTERING INTO THIS AGREEMENT IN ITS GOVERNMENTAL FUNCTION AND CAPACITY AND THIS AGREEMENT DOES NOT CONSTITUTE AN EXERCISE OF THE CITY'S REGULATORY POWERS (E.G., REGULATORY APPROVALS OR IN ANY OTHER REGULATORY CAPACITY). THE ASSOCIATION ACKNOWLEDGES THAT THE CITY CANNOT CONTRACT IN ANY MANNER REGARDING THE EXERCISE, AND NOTHING CONTAINED HEREIN CONSTITUTES THE CITY'S EXERCISE, OF ITS REGULATORY POWERS OR A WAIVER OF ITS SOVEREIGN IMMUNITY PROTECTIONS.

SECTION 15. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed original and all of which, when taken together, shall constitute one and the same document.

SECTION 16. No Personal Liability. None of the members of the City Council, the Association's governing body, or any officer, agent, or employee of either Party shall be charged personally by the other Party with any liability, or be held liable to the other Party under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach, of this Agreement.

SECTION 17. Recordation. This Agreement, upon execution by both Parties, shall be recorded in the real property records maintained by the City Clerk of Medina County.

SECTION 18. Effective Term. This Agreement shall be effective as of its date, shall be perpetual and shall encumber and run with the Land.

* * *

EXECUTED by the Parties hereto to be effective as of [DATE], 202__.

ADDRESSES OF PARTIES:

1209 Fiorella Street
Castroville, Texas 78009

CITY OF CASTROVILLE, TEXAS

By: _____
Name: _____
Title: _____

[ASSOCIATION]

[ADDRESS]

By:_____
Name:
Title:

THE STATE OF TEXAS §
§
CITY OF MEDINA §

This instrument was acknowledged before me on the _____ day of _____, 202__, by _____, _____ of Castroville, Texas, a Type A general law municipality and a political subdivision of the State of Texas, on behalf of Castroville, Texas.

_____
Notary Public in and for
the State of Texas

_____
(Printed Name of Notary)

My Commission Expires:_____

THE STATE OF TEXAS §
§
CITY OF MEDINA §

This instrument was acknowledged before me on the ___ day of _____, 202__, by _____, _____ of [ASSOCIATION].

_____
Notary Public in and for
the State of Texas

_____
(Printed Name of Notary)

My Commission Expires:_____

EXHIBIT A

LAND DESCRIPTION

(Metes and Bounds)

Exhibit G

OWNER DISCLOSURE PROGRAM

The Administrator (as defined in the Service and Assessment Plan) for the [NAME] Public Improvement District (the PID) shall facilitate Notice to prospective property buyers in accordance with the following minimum requirements:

(a) Record notice of the PID in the appropriate land records for the Property.

(b) Require builders to attach the Recorded Notice of the Authorization and Establishment of the PID and the final Assessment Roll for such Assessed Parcel (or if the Assessment Roll is not available for such Assessed Parcel, then a schedule showing the maximum 30-year payment for such Assessed Parcel) in an addendum to each residential homebuyer's contract on brightly colored paper.

(c) Collect a copy of the addendum signed by each buyer from builders and provide to the City.

(d) Require signage indicating that the Property for sale is located in a special assessment district and require that such signage be located in conspicuous places in all model homes.

(e) Prepare and provide to builders an overview of the existence and effect of the PID for those builders to include in each sales packet of information that it provides to prospective homebuyers.

(f) Notify builders who estimate monthly ownership costs of the requirement that they must include special assessments in estimated Property taxes.

(g) Notify Settlement Companies through the builders that they are required to include special taxes on HUD 1 forms and include in total estimated taxes for the purpose of setting up tax escrows.

(h) Include notice of the PID in the homeowner association documents in conspicuous bold font.

(i) The City will include announcements of the PID on the City's web site.

The Developer and the Administrator shall regularly monitor the implementation of this disclosure program and shall take appropriate action to require these Notices be provided when one of them discovers that any requirement is not being complied with.

EXHIBIT H

FORM OF REIMBURSEMENT AGREEMENT

[NAME] PUBLIC IMPROVEMENT DISTRICT
REIMBURSEMENT AGREEMENT

This [NAME] Public Improvement District Reimbursement Agreement (this *Reimbursement Agreement*) is executed between the City of Castroville, Texas (the *City*) and _____, a Texas [limited liability company] (the *Developer*; the City and the Developer individually referred to as a *Party* and collectively as the *Parties*), effective _____, 202__. Unless specified otherwise, capitalized terms not defined herein shall have the meaning ascribed to them in the hereinafter-defined Service and Assessment Plan or the Development Agreement.

RECITALS

WHEREAS, by resolution adopted on [DATE], 202__ (the *Creation Resolution*), the City Council of the City (the *Council*) created and established the boundaries of [NAME] Public Improvement District (the *District*), covering approximately [___] acres of land described in the Creation Resolution (the *District Property*) to be developed by the Developer in phases as a mixed use, master-planned residential and commercial development; and

WHEREAS, the purpose of the District is to finance certain Authorized Improvements authorized by Chapter 372, as amended, Texas Local Government Code (the *PID Act*) that promote the interests of the City and confer a special benefit on the Assessed Property within the District; and

WHEREAS, in connection with its creation of the District, the City determined that it is in the best interests of the present and future landowners of, and is of special benefit to, the District Property to finance, construct and deliver certain Authorized Improvements, as more specifically described in the [NAME] Public Improvement District Service and Assessment Plan, adopted by the Council on [DATE], 202__ (as such plan may be updated and amended from time to time, the *Service and Assessment Plan*); and

WHEREAS, the Service and Assessment Plan describes the development of the District Property and related construction and acquisition of Authorized Improvements; and

WHEREAS, the City and the Developer have heretofore entered into that certain "Development Agreement", dated as of [DATE], 202__, and contemporaneously herewith, the Council approved the City's entering into that certain" Construction, Funding, and Acquisition Agreement" with the Developer (as amended from time to time, the *Financing Agreement*), which agreements, together, provide certain terms and provisions concerning the Developer's development of the Authorized Improvements and payment of the costs thereof; and

WHEREAS, in the Development Agreement and the Financing Agreement, the City and the Developer identify multiple sources of funds, including proceeds of PID Bonds to be issued pursuant to that certain Indenture of Trust, dated of even date herewith (the *Indenture*), by and between the City and _____ (the *Bond Trustee*), and the Developer's separate resources available and thereby committed pursuant to the terms of the "Completion Agreement" entered into contemporaneously herewith by and among the Developer, the City, and Trustee; and

WHEREAS, the Completion Agreement provides that the Developer's financial commitment thereunder to pay the Authorized Improvements Costs (plus interest thereon accruing at a rate of ____%

(calculated on the basis of a 360-day year, comprised of twelve 30-day months) from the date of initial delivery of the initial series of PID Bonds) shall be reimbursable thereto pursuant to the terms of this Reimbursement Agreement (such commitment to reimburse, the *Reimbursement Obligation*); and

WHEREAS, contemporaneously herewith, the Council adopted an assessment ordinance determining the estimated costs of the Authorized Improvements and levying Special Assessments against the assessable property within District to generate revenues (such Special Assessments, the *Assessments*; revenues therefrom, the *Assessment Revenues*) to pay Authorized Improvements Costs (or repay obligations incurred in satisfaction thereof, including the PID Bonds and the Reimbursement Obligation); and

WHEREAS, under the Indenture, the City has covenanted to deliver to the Trustee upon receipt, and has pledged as security for the repayment of the PID Bonds, certain of the Assessment Revenues (though it is the intent and expectation of the Parties that a portion of the pledged Assessment Revenues, on a subordinate basis and subject to availability after payment of debt service and other financial obligations relative to the PID Bonds and amounts owed to the City in satisfaction of the Allocated Water Capacity Cost (as defined in the Development Agreement), will be used to repay the Developer for the Reimbursement Obligation, as described in the following recital and elsewhere herein); and

WHEREAS, the Financing Agreement provides that the Reimbursement Obligation shall be repaid solely from (i) excess Assessment Revenues deposited to and from time to time held in the Reimbursement Fund (as defined in the Indenture) on a cash-flow basis and (ii) proceeds realized from the issuance of future series of PID Bonds; and

WHEREAS, the Parties now desire to enter into this Reimbursement Agreement for the purpose of establishing terms and conditions relating to the Reimbursement Obligation; and

NOW THEREFORE, FOR VALUABLE CONSIDERATION THE RECEIPT AND ADEQUACY OF WHICH ARE ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. Recitals. The recitals to this Reimbursement Agreement are true and correct and are incorporated as part of this Reimbursement Agreement for all purposes.

2. City Deposit of Revenue. The City shall cause the Assessment Revenues to be deposited as provided in the Development Agreement and the Indenture.

3. Payment of Authorized Improvement Costs. The City shall cause payment of the Authorized Improvements Costs, pursuant to executed and approved Certifications for Payment in and from the Available Sources of Payment (as defined in Section 2.02(a) of the Financing Agreement), all in accordance with the Financing Agreement and, as applicable, the Development.

4. Reimbursement Obligation. Subject to and in accordance with the terms, conditions, and requirements contained herein, the City agrees to reimburse Developer, and Developer shall be entitled to receive from the City, the Reimbursement Obligation. The effectiveness of the City's agreement to reimburse commences on the date of initial delivery of the initial series of PID Bonds and continues until the earlier of (i) the Reimbursement Obligation is fully satisfied and (ii) [DATE], 20__ (the *Maturity Date*).

The City's payment of the Reimbursement Obligation from available Assessment Revenues is authorized by the PID Act, and was approved by the City pursuant to the Council's adoption of an ordinance on [DATE], 202__. The Reimbursement Obligation shall be payable to Developer solely from (i) amounts from time to time on deposit in the Reimbursement Fund, on a cash-flow basis and pursuant to the payment terms specified in the Indenture and the Development Agreement and (ii) the proceeds of any future series

of PID Bonds. The Parties acknowledge and agree that the City is not responsible for any portion of the Reimbursement Obligation that remains unsatisfied beyond the latest possible Maturity Date.

The Reimbursement Obligation is payable to Developer solely as described herein. No other City funds, revenue, taxes, income, or property shall be used, even if the Reimbursement Obligation is not paid in full by the latest possible Maturity Date. The Reimbursement Obligation is not a City debt within the meaning of Article XI, Section 5, of the Constitution of the State of Texas. Notwithstanding the foregoing, the City acknowledges and agrees that until the Reimbursement Obligation is paid in full, the obligation of the City to cause the use of amounts on deposit in the Reimbursement Fund to pay the Reimbursement Obligation, or the use of proceeds of future series of PID Bonds issued (in whole or in part) to satisfy any portion of the Reimbursement Obligation is absolute and unconditional. The City does not have, and will not assert, any defenses to such obligation.

5. City Collection Efforts. The City will use all reasonable efforts to receive and collect, or cause to be received and collected by the Medina County Appraisal District, Assessments (including the foreclosure of liens resulting from the nonpayment of Assessments), and other charges due and owing under the Service and Assessment Plan, in the manner described and required in Section 2.03 of the Financing Agreement.

6. Process for Payment for the Reimbursement Obligation. The Developer may submit to the City a written request for payment (a *Payment Request*) of any funds at such time available in the Reimbursement Fund following February 1st of each year. Upon receipt of the Payment Request, and its determination of the accuracy, adequacy, and sufficiency thereof, the City shall cause funds within the Reimbursement Fund to be disbursed to Developer within 30 days of such determination (subject and pursuant, however, to the applicable Indenture and project plan and financing plan provisions concerning disbursement funds on deposit in the Reimbursement Fund). This process will continue until the Maturity Date. Under no circumstances will payments made under this Reimbursement Agreement, whether by periodic reimbursement from amounts from time to time held in the Reimbursement Fund, from the proceeds of any future series of PID Bonds, or a combination of each of the foregoing equal more than the Reimbursement Obligation.

7. Termination. At the Maturity Date, this Reimbursement Agreement shall terminate. If the Maturity Date occurs on [DATE], 20__ and at such time any portion of the Reimbursement Obligation remains unsatisfied (the *Unsatisfied Reimbursement Obligation*), such Unsatisfied Reimbursement Obligation shall be canceled and for all purposes of this Reimbursement Agreement shall be deemed to have been conclusively and irrevocably PAID IN FULL; provided, however, that if any Assessments for such tax year remain due and payable and are uncollected on such Maturity Date, the resultant Assessment Revenues, when, as, and if collected after such Maturity Date, (1) if any series of PID Bonds at such time remain outstanding or Allocated Water Capacity Cost remains unsatisfied, shall be deposited with the Trustee for disposition in the manner specified in the Indenture and (2) if no PID Bonds at such time remain outstanding, all or a portion thereof not in excess of the Unsatisfied Reimbursement Obligation shall be paid directly to Developer and applied against the Unsatisfied Reimbursement Obligation.

8. Mandatory Prepayments. Notwithstanding any provision of this Reimbursement Agreement to the contrary, the Parties hereby acknowledge and agree that to the extent a prepayment of an Assessment is required pursuant to the provisions of Section VI.F.1 of the Service and Assessment Plan in effect as of the date of this Reimbursement Agreement and remains unpaid for 90 days after such notice, the City, upon providing prior written notice to Developer, may reduce the amount of the Reimbursement Obligation by a corresponding amount; provided, however, that any such reduction shall never cause a reduction in the amount of the Reimbursement Obligation to less than zero.

9. No Waiver. Nothing in this Reimbursement Agreement is intended to constitute a waiver by the City of any remedy the City may otherwise have outside this Reimbursement Agreement against any person or entity involved in the design, construction, or installation of the Authorized Improvements.

10. Governing Law, Venue. This Reimbursement Agreement is being executed and delivered, and is intended to be performed in, the State of Texas. Except to the extent that the laws of the United States may apply to the terms hereof, the substantive laws of the State of Texas shall govern the validity, construction, enforcement, and interpretation of this Reimbursement Agreement. In the event of a dispute involving this Reimbursement Agreement, venue for such dispute shall lie in any court of competent jurisdiction in Medina County, Texas.

11. Notice. Any notice required or contemplated by this Reimbursement Agreement shall be deemed given at the addresses shown below: (i) one business day after deposit with a reputable overnight courier service for overnight delivery such as FedEx or UPS; or (ii) one business day after deposit with the United States Postal Service, Certified Mail, Return Receipt Requested. Any Party may change its address by delivering written notice of such change in accordance with this section.

To the City: Attn: City Administrator
City of Castroville
1209 Fiorella Street
Castroville, Texas 78009

With a copy to: Attn: Clay Binford
McCall, Parkhurst & Horton L.L.P.
112 E. Pecan Street, Suite 1310
San Antonio, Texas 78205

To the Developer: [ADD CONTACT]

With a copy to: [ADD CONTACT]

12. Invalid Provisions; Severability. If any provision of this Reimbursement Agreement is held invalid by any court, such holding shall not affect the validity of the remaining provisions, and the remainder of this Reimbursement Agreement shall remain in full force and effect. If any provision of this Reimbursement Agreement directly conflicts with the terms of the Indenture, the Indenture shall control regarding such conflicting provision.

13. Exclusive Rights of Developer. Developer's right, title and interest in and to the payments of Reimbursement Obligation, as described herein, shall be the sole and exclusive property of Developer (or its Transferee (defined herein)) and no other third party shall have any claim or right to such funds unless Developer transfers its rights to the Reimbursement Obligation to a Transferee in writing and otherwise in accordance with the requirements set forth herein and any applicable provisions of the Financing Agreement. Subject to the provisions of Section 10.01 of the Development Agreement, Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part, all or any portion of Developer's right, title, or interest under this Reimbursement Agreement including (but not limited to) any right, title or interest of Developer in and to payment of the Reimbursement Obligation (a *Transfer*; the party or entity to whom the transfer is made, a *Transferee*). Notwithstanding the foregoing, no Transfer shall be effective until written notice of the Transfer, that includes the following, is provided to the City: (A) the name and address of the Transferee and (B) a representation by Developer that the Transfer does not and will not result in the issuance of municipal securities by any other state of the United States or political subdivision thereof. Developer agrees that the

City may rely conclusively on any written notice of a Transfer provided by Developer without any obligation to investigate or confirm the accuracy or sufficiency of the notice of the Transfer. Any sale of a portion of the Property or assignment of any right hereunder shall not be deemed a Transfer unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is deemed to be a Transfer.

14. Failure; Default; Remedies.

a. If either Party fails to perform an obligation imposed on such Party by this Reimbursement Agreement (a *Failure*) and such Failure is not cured after written notice and the expiration of the cure periods provided in this section, then such Failure shall constitute a *Default.* Upon the occurrence of a Failure by a non-performing Party, the other Party shall notify the non-performing Party in writing specifying in reasonable detail the nature of the Failure. The non-performing Party to whom notice of a Failure is given shall have at least 30 days from receipt of the notice within which to cure the Failure; however, if the Failure cannot reasonably be cured within 30 days and the non-performing Party has diligently pursued a cure within such 30-day period and has provided written notice to the other Party that additional time is needed, then the cure period shall be extended for an additional period (not to exceed 90 days) so long as the non-performing Party is diligently pursuing a cure.

b. If Developer is in Default, the City's sole and exclusive remedy shall be to seek specific performance of Developer's obligations under this Reimbursement Agreement. No Default by Developer, however, shall: (i) affect the obligations of the City to reimburse Developer from amounts from time to time on deposit in the Reimbursement Fund as provided in Section 6 of this Reimbursement Agreement; or (ii) entitle the City to terminate this Reimbursement Agreement. In addition to specific performance, the City shall be entitled to attorney's fees, court costs, and other costs incurred by the City in obtaining such remedy.

c. If the City is in Default, Developer's sole and exclusive remedies shall be to: (i) seek a writ of mandamus to compel the City's performance hereunder; or (ii) seek specific performance of the City's obligation hereunder.

15. No Personal Liability. None of the City, any of its elected or appointed officials, or any of its employees shall incur any liability hereunder to Developer or any other party in their individual capacities by reason of this Reimbursement Agreement or their acts or omission under this Reimbursement Agreement.

16. Estoppel Certificate. Within 30 days after the receipt of a written request by Developer or any Transferee, the City will certify in a written instrument duly executed and acknowledged to any person, firm or corporation specified in such request as to (i) the validity and force and effect of this Reimbursement Agreement in accordance with its terms, (ii) modifications or amendments to this Reimbursement Agreement and the substance of such modification or amendments; (iii) the existence, to the best of the City's knowledge, of any Default hereunder; and (iv) such other factual matters that may be reasonably requested (which may, at the City's discretion, be qualified with necessary and appropriate knowledge qualifications).

17. Anti-Boycott Verification, No business with Sanctioned Countries. Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Reimbursement Agreement is a contract for goods or services, will not boycott Israel during the term of this Reimbursement Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section

does not contravene applicable State or federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with Developer and exists to make a profit.

Developer represents that neither it nor any of its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

https://comptrolier.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or
https://comptroller.texas.gov/purchasing/docs/fto-list.pdf.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable State or federal law and excludes Developer and any of its respective parent companies, wholly- or majority owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with Developer and exists to make a profit.

18. Form 1295. Submitted herewith is a completed Form 1295 in connection with Developer's participation in the execution of this Reimbursement Agreement generated by the Texas Ethics Commission's (the *TEC*) electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the *Form 1295*). Developer and the City understand and agree that, with the exception of information identifying the City and the contract identification number, none of the City or its officials, employees, or consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by Developer; and none of the City or its officials, employees, or consultants have verified such information.

19. Senate Bills 13 and 19 Compliance To the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section, to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

To the extent this Agreement constitutes a contract for goods or services for which a written

verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Developer verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law.

As used in the foregoing verification and the following definitions,

a. 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

b. 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

c. 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

20. Miscellaneous.

a. The failure by a Party to insist upon the strict performance of any provision of this Reimbursement Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Reimbursement Agreement.

b. The City does not waive or surrender any of its governmental powers, immunities, or rights except to the extent permitted by law and as necessary to allow Developer to enforce its remedies under this Reimbursement Agreement.

c. Nothing in this Reimbursement Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and Developer any rights, remedies, or claims under or by reason of this Reimbursement Agreement, and all covenants, conditions, promises, and agreements in this Reimbursement Agreement shall be for the sole and exclusive benefit of the City and Developer.

d. This Reimbursement Agreement may be amended only by written agreement of the Parties.

e. This Reimbursement Agreement may be executed in counterparts, each of which shall be deemed an original.

* * *

EXECUTED by the Parties hereto to be effective as of _____, 202__.

ADDRESSES OF PARTIES:

CITY OF CASTROVILLE, TEXAS

1209 Fiorella Street
Castroville, Texas 78009

By:_____
Name: _____
Title: _____

[DEVELOPER]

[ADDRESS]

By:_____
Name: _____
Title: _____

THE STATE OF TEXAS §
§
COUNTY OF MEDINA §

This instrument was acknowledged before me on the _____ day of _____, 202__, by _____, _____ of City of Castroville, Texas, a home rule city, body corporate and a political subdivision of the State of Texas, on behalf of the City of Castroville, Texas.

_____
Notary Public in and for
the State of Texas

_____
(Printed Name of Notary)

My Commission Expires:_____

THE STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the ___ day of _____, 202__, by _____, _____ of [DEVELOPER].

_____
Notary Public in and for
the State of Texas

_____
(Printed Name of Notary)

My Commission Expires:_____

Exhibit I

RESIDENTIAL CONSTRUCTION STANDARDS

As and if applicable, the specifications hereinafter provided may be modified to the extent contrary specifications are included in the Consultant's Plan and identified as having direct application to the Residential Project. Except as specifically provided in the Development Agreement, all development of the Residential Project shall be governed by the Code (including the City Subdivision Ordinance). The Residential Plan shall minimally incorporate the elements hereafter described.

- Centralized location of the amenity center.
- Developer will meet or exceed the area requirement set for total pond and open space inclusive of amenity center site.
- No single-family residential lot within the Residential Project shall be smaller than 6,000 square feet.
- Maximum Density: Overall single-family density will not exceed 5 units per acre.
- Minimum Building Setbacks:
  - Front Setback Line: twenty feet (20') and fifteen feet (15') on irregular shaped lots;
  - Side Setback Line: five feet (5'); and
  - Rear Setback Line: twenty feet (20').

- Residential Street and Walkway Construction:
  - Cul-de-sacs shall have a minimum diameter of 80' of pavement and 100' of Right of Way.
  - Residential areas will be connected by walkable trails and sidewalks.

- Prohibited Elements applicable to single-family residences:
  - Flat roofs;
  - Stove pipe chimneys;
  - Random roof penetrations or skylights facing the street;
  - White skylights;
  - Mirrored glass or any reflective film or windows;
  - Wood siding; however, cedar wood siding accents may be permitted as defined below;
  - Stone which appears glued on (cultured stone accents may be permitted);
  - Vivid, strong, bright colors; and/or
  - More than three (3) materials on front elevation.

- Minimum House Size; Slab and Exterior Construction Standards
  - All single-family houses shall consist of a minimum of 1,400 square feet in gross floor area.
  - Site-built on engineered, concrete slabs.

- Design Elements:
  - Variation to roof or building lines are required.
  - Decorative window shutters are encouraged.
  - Functional dormers are encouraged.
  - A minimum of two (2) of the following are required:
    - Windows and/or entries recessed into the façade by a minimum of one inch (1");
    - Pillar posts;
    - Balconies, porches or patios;
    - Window hoods/screens; and/or
    - Use of varying building materials; however, the use of more than three (3) building materials is prohibited.

- Heights and Views:
  - No building or residential structure may exceed thirty-five feet (35') in height as measured from the elevation of the finished slab, exclusive of chimneys and ventilators.

- Masonry:
  - Defined as Stone, Stucco, Stucco Board, or Brick
  - Masonry accents are masonry materials to create diversity in the façade or emphasis of architectural features.
  - 75% Masonry on the front elevation.
  - All Lots that back up to a street or thoroughfare, or an open space shall be 100% Masonry to the first-floor plate on the rear elevation that faces such street, thoroughfare, or open space.
  - Side elevations shall be 100% Masonry to the first-floor plate.
  - Masonite sheet or other sheet siding is not allowed.
  - Siding: Any siding shall be vertical board and batten or horizontal lap.
  - Decorative Shakes or Decorative Siding such as shakes, scallops or other decorative siding facades shall be no more than 20% of the front elevation, 20% of each side, or 20% of the rear of the home.
  - Decorative Cedar shakes are allowed in the shapes of (Fish-scale, Diamond, Half Cove, Hexagon, Octagonal, Round, Arrow or Bell).

- Driveways:
  - Developer shall provide for two (2) parking spaces on the driveway (which are in addition to the two (2) garage spaces identified and described below).

- Roofing:
  - 30-year dimensional shingles, standing seam metal, tile or similar are allowable roofing materials.
  - Roof pitches shall be no less than 4:12 to 8:12 with City Administration approval, such approval to not be unreasonably withheld if the home elevation fulfills a majority of the Residential Construction Standards.
  - Accent or decorative roof pitches shall be no less than 2:12.
  - Accent or Decorative Roofs include porches, dormers, shed roofs over windows, box or bay windows, etc.

- Architectural Features:
  - Porches, patios, and/or courtyards may protrude into the front or rear setback by no more than five feet (5').
  - Eaves and roof extensions may protrude into setbacks by no more than two feet (2').
  - Windowsills, belt courses, cornices, and other architectural features may protrude into setbacks by no more than twelve inches (12").

- Front Doors:
  - Front doors shall be a solid core door not less than six foot eight inches (6'8") in height.
  - Clear leaded glass or eight (8) panel distinguished by mullions are encouraged.
  - The use of double doors, enhanced by side lights or transoms is encouraged.

- Floorplan Restriction:
  - Homes with identical elevations shall be restricted from being built on adjacent lots or on lots directly across from each other on the same street and shall have two full lots separation between them on the i) same or ii) opposite side of the street.

- Garage Doors:

- Two (2) single garage doors, divided by an 8”-12” column, are encouraged.
- Garage doors shall be of a non-warping, non-peeling material, design and color complimentary of the adjacent elevation of the residence and consistent with the overall architectural style of the residence.
- Windows along the top of the garage doors are permitted.
- Must not extend beyond the front of the home or front porch, J-drive and side entry garages shall be exempt from this requirement. The garage may extend up to five (5’) feet in front of the body of the home or front porch with City Administration approval, such approval to not be unreasonably withheld if the home elevation fulfills a majority of the Residential Construction Standards.
- Detached, J-swing, side entry, carports, and recessed garages are encouraged.

- Accessory Buildings:
  - Accessory buildings, if permitted, including pool cabanas, detached garages and guesthouses, shall be constructed of the same materials and with the same quality of construction as the principal residence.

- Address Markers
  - Address markers shall be centrally located on the residence and well-lit, so as to be visible from the street.

- Enclosures:
  - Air conditioning compressors and pool equipment shall be enclosed by a structural screening element constructed of the same masonry materials as the principal residence, lot fencing, or non-deciduous landscaping.
  - In the event non-deciduous landscaping is used to screen any air conditioning compressor, at the time of installation, the non-deciduous landscaping shall screen one-half (1/2) of the vertical height of the air conditioning compressor.

- Landscaping Requirements for 50’ Lots:
  - Minimum of 100 square foot mulched landscape bed in the front yard.
  - Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
  - Minimum of ten (10) one (1) gallon plants in the front yard.
  - Minimum of six (6) three (3) gallon plants in the front yard.
  - Minimum of one (1) two-inch (2”) caliper hardwood tree shall be planted within the rear yard inside of any fencing.
  - Minimum of one (1) two-inch (2”) caliper hardwood tree shall be planted within the front yard or side yard in front of any fencing.
  - Landscape irrigation system for entire front and rear yard shall be installed.
  - Any Lots which are corner lots or side open space lots shall include the following:
    - Minimum of 100 square foot mulched landscape bed in the front yard.
    - Minimum of 100 square foot mulched landscape bed in the side yard.
    - Front yard and rear yard shall be fully sodded, except for landscape bed(s).
    - Minimum of fifteen (15) one (1) gallon plants in the front yard.
    - Minimum of ten (10) five (5) gallon plants in the front yard.
    - Minimum of three (3) two-inch (2”) caliper hardwood trees, planted not less than twelve feet (12’) apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
    - Minimum of six (6) one (1) gallon plants in the side yard.
    - Minimum of five (5) five (5) gallon plants in the side yard.
    - Landscape irrigation system for entire front yard, side yard and rear yard shall be

installed.

- Landscaping Requirements for 60’ Lots:
  - Minimum of 125 square foot mulched landscape bed in the front yard.
  - Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
  - Minimum of twelve (12) one (1) gallon plants in the front yard.
  - Minimum of eight (8) three (3) gallon plants in the front yard.
  - Minimum of one (1) two-inch (2”) caliper hardwood tree shall be planted within the rear yard inside of any fencing.
  - Minimum of two (2) two-inch (2”) caliper hardwood trees shall be planted within the front yard or side yard in front of any fencing.
  - Landscape irrigation system for entire front and rear yard shall be installed.
  - Any Lots which are corner lots or side open space lots shall include the following:
    - Minimum of 125 square foot mulched landscape bed in the front yard.
    - Minimum of 125 square foot mulched landscape bed in the side yard.
    - Front yard and rear yard shall be fully sodded, except for landscape bed(s).
    - Minimum of eighteen (18) one (1) gallon plants in the front yard.
    - Minimum of twelve (12) five (5) gallon plants in the front yard.
    - Minimum of three (3) two-inch (2”) caliper hardwood trees, planted not less than twelve feet (12’) apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
    - Minimum of eight (8) one (1) gallon plants in the side yard.
    - Minimum of seven (7) five (5) gallon plants in the side yard.
    - Landscape irrigation system for entire front yard, side yard and rear yard shall be installed.

- Landscaping Requirements for 70’ Lots:
  - Minimum of 150 square foot mulched landscape bed in the front yard.
  - Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
  - Minimum of fifteen (15) one (1) gallon plants in the front yard.
  - Minimum of ten (10) three (3) gallon plants in the front yard.
  - Minimum of one (1) two-inch (2”) caliper hardwood tree shall be planted within the rear yard inside of any fencing.
  - Minimum of two (2) two-inch (2”) caliper hardwood trees shall be planted within the front yard or side yard in front of any fencing.
  - Landscape irrigation system for entire front and rear yard shall be installed.
  - Any Lots which are corner lots or side open space lots shall include the following:
    - Minimum of 150 square foot mulched landscape bed in the front yard.
    - Minimum of 150 square foot mulched landscape bed in the side yard.
    - Front yard and rear yard shall be fully sodded, except for landscape bed(s).
    - Minimum of twenty (20) one (1) gallon plants in the front yard.
    - Minimum of fourteen (14) five (5) gallon plants in the front yard.
    - Minimum of three (3) two-inch (2”) caliper hardwood trees, planted not less than twelve feet (12’) apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
    - Minimum of eight (8) one (1) gallon plants in the side yard.
    - Minimum of seven (7) five (5) gallon plants in the side yard.
    - Landscape irrigation system for entire front yard, side yard and rear yard shall be installed.

- Fencing:
  - Fences are not required, but, if they are built facing adjacent to a street, all fencing shall be six-foot (6') cedar fencing, black decorative metal, or other with City Approval, including rustic Cedar posts and rails with or without wire fencing. Chain link fencing is prohibited.
  - Fencing shall have a total of three (3) 2x4 stringers for support.
  - Fencing on corner lots can be installed no closer than 7.5' to the Property Line on corner lots siding a street.

- Street Sign Examples

Ball on

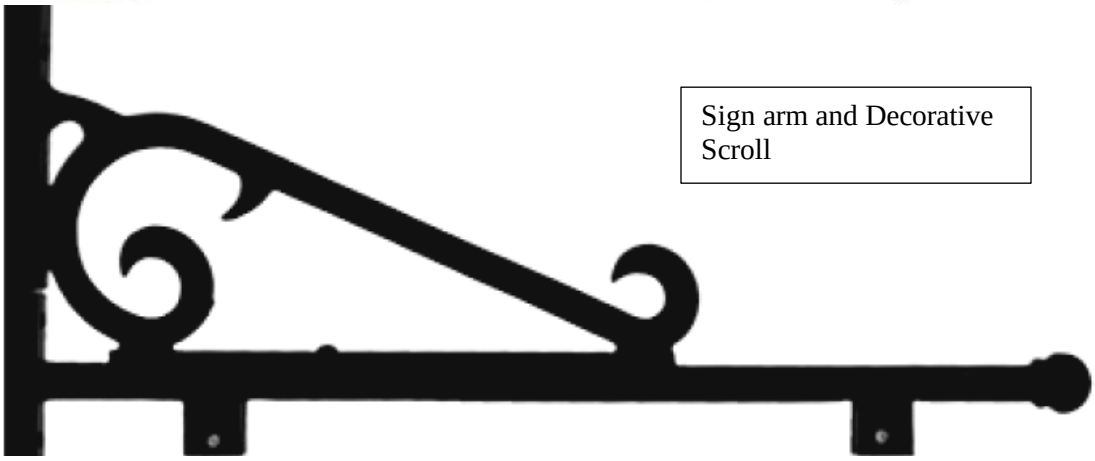


Fluted



Logo

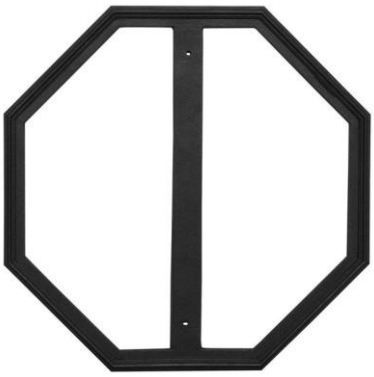




Sign arm and Decorative Scroll



Base



Traffic Sign

Exhibit J

FORM OF UTILITY SERVICE AGREEMENT

UTILITY SERVICE AGREEMENT

STATE OF TEXAS	**§**
	§
COUNTY OF MEDINA	**§**
	§
CITY OF CASTROVILLE	**§**

This Utility Service Agreement (including the General Conditions, the Special Conditions, and the Attachments hereto, this *Agreement*) is entered into by and between the CITY OF CASTROVILLE, TEXAS (the *City*) and [DEVELOPER] (the *Developer*). The City and the Developer are herein referred to generally as a *Party* and, together, the *Parties*. Terms capitalized but not otherwise defined herein shall have the meanings ascribed to them in the hereinafter-defined Development Agreement, a copy of which is attached hereto as Attachment IV.

W I T N E S S E T H

WHEREAS, the City and the Developer have entered into that certain Development Agreement (as the same is amended from time to time, the *Development Agreement*), pursuant to which the City and the Developer are obligated to undertake specified actions relative to the development that is the subject of the Development Agreement (such development, the *Development*; the property that is the subject of the Development Agreement and the location of the Development, the *Property*); and

WHEREAS, the Development Agreement contemplates the need for improvements to the City's water and wastewater utility systems (respectively, the *Water System* and the *Wastewater System* and, together, the *Systems*) that are outside the boundaries of the Property to extend Systems infrastructure to the Property's border for connection to necessary water and wastewater infrastructure improvements within the Property (such offsite improvements, as further defined and described herein (but specifically excluding the Water System improvements that are the subject of the Multi-Party Agreement, dated as August 9, 2022, among the City and various parties, including the Developer), the *Offsite Improvements*; such onsite improvements, as further defined and described herein, the *Onsite Improvements*; the Offsite Improvements and the Onsite Improvements, together, the *Improvements*); and

WHEREAS, the Development Agreement requires the Developer to design, construct, and finance all requisite Improvements, which includes all Improvements within and beyond the boundaries of the Property that are necessary for connection to the Systems to provide retail water and wastewater utility service (*Water Service* and *Wastewater Service*, respectively; together, *Service*) to the Development, and upon completion thereof, dedicate the same to the City; and

WHEREAS, the completion of the Offsite Improvements will allow for the Developer's connection of the Onsite Improvements to the Systems; and

WHEREAS, the Parties now desire to enter into this Agreement to memorialize the terms and conditions by which (i) the Improvements will be designed, constructed, financed and dedicated to the City and made a part of the Systems and (ii) Systems capacity is reserved for the purpose of providing Service to the Development; and

NOW, THEREFORE, in consideration of the foregoing Recitals, the covenants contained herein, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Developer and the City hereby agree as follows.

1. Interpretation of Agreement.

   a. The Parties acknowledge that the Service contemplated by this Agreement shall be provided in accordance with the applicable Governing Regulations identified in Section 3.01(b) of the Development Agreement. In the event the specific terms of this Agreement conflict with the Governing Regulations, the specific terms of this Agreement shall apply. The above notwithstanding, for the specific conflicting terms to prevail, the conflict must be expressly noted in this Agreement. The Parties further acknowledge that this Agreement is subject to future acts of the City Council with respect to the adoption or amendment of Impact Fees and City ordinances or resolutions specifying rates for Service.

   b. The Parties agree that a purpose of this Agreement is the City's reservation and dedication of [NUMBER] of Water Service living unit equivalents (*LUEs*) and [NUMBER] of Wastewater Service LUEs (such dedicated capacity, *Water Capacity* and *Wastewater Capacity*, respectively, and *Guaranteed Capacity*, collectively) from available Systems capacity (whether currently existing or to result from ongoing Systems expansion) for provision of Service to the Development.

   c. Any rights that the Developer claims arise under Chapter 245, as amended, Texas Local Government (*Chapter 245*) or Chapter 43, as amended, Texas Local Government Code, that are related to this Agreement shall be governed by the applicable provisions of the Development Agreement, particularly being Section 3.01(b) thereof.

2. Obligation Conditioned. The City's obligation to provide Service to the Property is conditioned upon present rules, regulations and statutes of the United States of America and the State of Texas and any court order that directly affects the City or its ownership and operation of the Systems. The Developer acknowledges that if the rules, regulations and statutes of the United States of America and/or the State of Texas that are in effect upon the Effective Date are repealed, revised or amended to such an extent that the City becomes incapable of, or is prevented from, providing the Service, then no liability of any nature is to be imposed upon the City as a result of the City's compliance with such legal or regulatory mandates. The City agrees that it will use its best efforts to prevent the enactment or to mitigate the impact of such legal or regulatory mandates.

3. Term.

   a. The term of this Agreement shall be twenty (20) years from the Effective Date, subject to extension in the same manner as extension of the Developer's obligations under the Development Agreement (which provisions are incorporated by reference as though herein reproduced), unless extended by mutual agreement, evidenced in writing, by the City and the Developer. Certain City obligations (described in Section 3.c below) may survive the expiration of the term of this Agreement if (i) all Impact Fees applicable to the Development have been paid and (ii) the Developer has complied with all requirements concerning the Improvements as are described, as applicable, in this Agreement and the Development Agreement.

   b. To the extent that the City's obligations do not survive the expiration of this Agreement, the Developer understands and agrees that a new utility service agreement must be entered into with the City to receive Service to the Development.

c. Provided compliance with clauses (i) and (ii) of Section 3.a above has occurred, the following obligations shall survive expiration of this Agreement:

i. The City's recognition of the Guaranteed Capacity to be provided by the Systems to the Development in the form of Service, as specified in S.C. 1.00 hereof.

ii. The City's continued provision of Service to retail customers located in the Property, so long as such customers pay for the Service and comply with the regulations applicable to individual customers (including payment of rates for Service, as from time to time specified by City ordinance or resolution).

4. Entire Agreement. The following documents attached hereto and incorporated herein are as fully a part of this Agreement as if herein repeated in full and, together, comprise this Agreement in its entirety:

Attachment I:	General Conditions
Attachment II:	Special Conditions
Attachment III:	Engineering Report Regarding Improvements
Attachment IV:	Development Agreement

Any of the above attachments that are created and submitted by the Developer as an attachment to this Agreement shall be limited to providing relevant engineering, planning, or managing information for the purposes of setting aside or reserving the Guaranteed Capacity as specified in the body of this Agreement, the General Conditions, and the Special Conditions. The Developer agrees that it will not attempt to rely, and the City does not authorize reliance, on any of the contents of any attachments created and submitted by the Developer as a basis for claiming rights under Chapter 245, except as specifically provided by Section 1.c hereof.

The Developer understands that this Agreement, including the Attachments, is subject to the Texas Public Information Act. The Developer, therefore, agrees that it will not claim that any of the information contained herein is subject to any third-party exception under that Act.

5. The Developer's Obligations. The Developer acknowledges and agrees that the Guaranteed Capacity runs with the land and shall be an appurtenance to the Property. The Developer agrees to record this Agreement in the Real Property Records of Medina County, Texas as quickly as practicable (but not more than fifteen (15) days from the Effective Date); otherwise, this Agreement will automatically terminate. Delivery to the City of a recorded copy of this Agreement shall serve as a condition precedent to any transfer of any portion of the Property or any portion of the Guaranteed Capacity in accordance with G.C.14.00. To the extent not reflected in the Plats from time to time submitted by the Developer to and accepted by the City pursuant to the terms of the Development Agreement, the Developer shall maintain records of allocated and unallocated Water Capacity and Wastewater Capacity (by LUE) for use by the Development by developers thereof and therein and provide the City with copies of such records upon receipt of the City's written request for the same.

6. **INDEMNITY**. **TO THE EXTENT ALLOWED BY APPLICABLE LAW, THE DEVELOPER FURTHER AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS THE CITY AND ITS SUCCESSOR AND ASSIGNS FROM THE CLAIMS OF THIRD PARTIES ARISING OUT OF THE CITY'S RECOGNITION RESERVATION AND TRANSFER OF THE GUARANTEED CAPACITY UNDER THIS AGREEMENT TO THE DEVELOPER'S SUBSEQUENT PURCHASERS, SUCCESSORS AND ASSIGNS.**

7. Notices. Any notice, request, demand, report, certificate, or other instrument which may

be required or permitted to be furnished to or served upon the parties shall be delivered in accordance with the provisions for notice specified in Section 8.05 of the Development Agreement.

8. Severability. If for any reason any one or more paragraphs of this Agreement are held legally invalid, such judgment shall not prejudice, affect impair or invalidate the remaining paragraphs of the Agreement as a whole, but shall be confined to the specific sections, clauses, or paragraphs of this Agreement held legally invalid.

9. Effective Date. The Effective Date of this Agreement shall be the date signed by the later of an authorized City representative and an authorized Developer representative.

10. Ownership**.** By signing this Agreement, the Developer represents and warrants that it is the owner of the Property or has the authority of the Property owner to develop the Property. Any misrepresentation of authority or ownership by the Developer shall make this Agreement voidable by the City. If the Developer does not own the Property, then the Developer must provide documentation from the owner of the Property to show that the Developer has the proper authority to develop the Property.

* * *

ACCEPTED AND AGREED TO IN ALL THINGS:

CITY OF CASTROVILLE, TEXAS	[DEVELOPER]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Address: 1209 Fiorella Street **Castroville, Texas 78009**	Address: _____ _____
Date: _____	**Date:** _____

ACKNOWLEDGEMENTS

STATE OF TEXAS, COUNTY OF MEDINA §

BEFORE ME, the undersigned Notary Public, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing instrument and that he has executed the same as _____ for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this_____day of_____, 2022.

(seal)

_____
Notary Public

STATE OF TEXAS, COUNTY OF _____ §

BEFORE ME, the undersigned Notary Public, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing instrument and that he has executed the same as _____ for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this_____day of_____, 2022.

(seal)

_____
Notary Public

ATTACHEMENT I

GENERAL CONDITIONS OF THE UTILITY SERVICE AGREEMENT

G.C.1.00 Definition of Terms.

Unless defined in the Agreement, the terms used in this General Conditions of the Utility Service Agreement (the *General Conditions*) shall have the same definitions and meaning as those set out in the Development Agreement. In the event a term is specifically defined in the General Conditions, and the definition is in conflict with that found in the Development Agreement or the Code, and such conflict is acknowledged in the General Conditions, the definition set out in the General Conditions shall apply.

G.C.2.00 Required Submittals.

Plans and specifications for Improvements.

G.C.3.00 Developer Development and Dedication of Improvements.

Subject to the provisions of Section G.C.4.00 and G.C.5.00 below, the Improvements shall be designed and constructed by the Developer and, upon completion, dedicated to the City, who shall thereafter own, operate, and maintain the same as a part of the Systems. Offsite Improvements shall be constructed within easements and rights-of-way provided or identified by the City (who shall, to the extent necessary and legally able, assist the Developer in obtaining, at the Developer's cost and expense, such necessary easements or rights-of-way). With respect to Onsite Improvements, the Developer shall acquire all necessary easements and rights-of-way to accommodate the development of Onsite Improvements. The Developer recognizes that the approval of easement or right-of-way adequacy, location, size, grade, and invert elevation for construction of Improvements is reserved to the City

Upon respective completion of the Offsite Improvements and Onsite Improvements, the Developer shall dedicate, grant, and convey to the City, and the City (subject to Section G.C.6.00) shall accept the dedication, grant, and conveyance of, such Improvements, accompanied by all construction warranties and associated easements and rights-of-way, without lien or other encumbrance. As and after the City's acceptance of the same, the Improvements shall be made a part of the Systems and be owned, operated, and maintained by the City.

The responsibility for payment of the costs of the development and dedication of the Improvements as herein specified, unless specifically otherwise herein provided, shall be the sole and absolute responsibility of the Developer. Except as may otherwise be specified herein, the City shall have no payment obligation for the Improvements and the Developer shall have no right or claim for City financial contribution to the costs of the Improvements. The foregoing limitation does not impact the anticipated use of assessments levied on the property pursuant to Chapter 372, as amended, Texas Local Government Code to pay for certain public improvements (including Improvements), as contemplated under the Development Agreement.

G.C.4.00 Design and Construction Requirements.

The design and construction of all Improvements shall minimally comply with all applicable Governing Regulations, applicable rules and regulations of Medina County, Texas, the State of Texas, and any agency thereof with jurisdiction thereon (including, but not limited to, the Texas Commission on Environmental Quality, the Public Utility Commission of Texas, and the Texas Department of Health). In addition, and

except as specifically provided otherwise herein, design and construction of the Improvements shall comply with the provisions of Article VIII, Chapter 100 of the Code.

The Developer shall involve the City, as and to the extent requested or required by the City, with the Improvements' design. Prior to solicitating any bid or letting any contract for construction of any of the Improvements, the City shall have approved the final plans and specifications for such Improvements. Modifications to plans and specifications to accommodate change orders shall also be subject to City approval.

Notwithstanding any provision herein to the contrary, and unless during the design process the City approves a variance to the foregoing requirement, Improvements shall be designed to provide for the same diameter, pressure, and volume capacity as the component of the Systems to which the Improvements connect. In addition, Onsite Improvements shall be extended to one or more boundaries of the Property, as determined by the City during the design process, to allow for connection to the Systems by adjoining property owners.

G.C. 5.00 Oversizing.

The City, during the design process, may require the installation of oversized Improvements or components thereof. If such oversizing requirement results in incremental cost increases attributable to the oversized Improvements component when compared to the cost of the size or capacity of such Improvements component that is required to only provide Service to the Property (such increased cost, the *Incremental Cost*), then such City oversizing requirement shall be conditioned on the City's providing to the Developer (i) compensation equal to the Increased Cost or (ii) a method of Increased Cost recovery acceptable to the Developer. Any requisite oversizing component of Improvements shall be considered Improvements, with no distinction from any other component of the Improvements, for all other purposes of this Agreement.

G.C.6.00 City Inspection; Acceptance.

The City, or any consultant acting on its behalf, shall have the right to inspect Improvements during their construction for any reasonable and legitimate City purpose, including assurance of conformity to approved designs, the terms of the construction contracts, this Agreement, and any Governing Regulations and satisfaction of warranty requirements associated with such construction. The Developer shall be solely responsible for any necessary corrections or remedial actions required by the City that result from its findings during such inspections.

The City's acceptance of the Developer's dedication of completed Improvements shall be subject to the City's prior determination that the Improvements were constructed in accordance with approved plans and specifications, that associated construction warranties remain valid and in effect (and that the Developer has taken no action that would or could compromise such validity and effectiveness) without reduction in duration or scope, and that no liens or encumbrances associated with such Improvements shall transfer to the City as a result of the subject dedication.

G.C.7.00 Joint Venture Agreements.

In the event the Developer enters into a Joint Venture Agreement covering the costs of the Improvements, the Developer shall send a copy of such agreement to the City.

G.C.8.00 Assignment.

This Agreement may be assigned only in conjunction with an assignment of the Development Agreement; provided, however, the Developer may assign, convey, or transfer some or all of the Guaranteed Capacity to buyers of portions of the Property in accordance with the terms specified in G.C.14.00.

G.C.9.00 Event of Foreclosure.

In the event the Developer's interest in the Property is extinguished by an act of foreclosure, and the foreclosing party has supplied sufficient evidence to the City that it is the successor in interest to the Property as a result of such foreclosure, and that there are no lawsuits pending concerning the Property, the City shall consider the foreclosing party a Developer successor in interest if the foreclosing party executes a utility service agreement with the City (after the City Council determines that the execution of such an agreement will not be adverse to the City's interest).

G.C.10.00 Payment for Provision of Utility Service.

Customers within the Development receiving Service shall be charged the applicable rates for Service from time to time specified by ordinance or resolution adopted by the City Council. Billing and collection for charges for Service shall be the responsibility of the City.

G.C.11.00 Impact Fee Payment.

For the Wastewater Capacity, the Developer shall pay to the City the Impact Fees in the amounts from time to time and at the times specified in the Governing Regulations. In addition, and to the extent the Developer's development of the Property results in the City's providing to the Developer Systems capacity, in the form of Water Service LUEs, in excess of the Water Capacity, the Developer agrees to pay all applicable Impact Fees as provided and in accordance with the applicable provisions of the Code and implementing City ordinances or resolutions relating to such Systems capacity in excess of the Water Capacity. Any conveyance of any portion of the Property shall include a written statement to the transferee of such portion of the Property concerning the requirement to pay Impact Fees as previously described as a result of the development of such Property pursuant to and in accordance with the applicable provisions of the Code. Notwithstanding the foregoing, the City makes no representations or guarantees concerning the availability of Systems capacity in excess of the Guaranteed Capacity.

The Developer agrees that this Agreement does not constitute an assessment of Impact Fees on the Property or the Development regarding Water Capacity; however, because fees owed to the City hereunder by the Developer for Water Capacity are used by the City to pays costs of Systems expansion to make available the Water Capacity, such payment shall supersede and replace any Impact Fees that would otherwise be due and owing to the City for the Developer's accessing the Water Capacity. This provision shall control in case of any conflict with any other provision of this Agreement or any other provision of the Development Agreement.

G.C.12.00 City's Obligation to Provide Service.

Provision of Service to the Property shall not commence until (i) completion of (a) the Offsite Improvements, (b) the Onsite Improvements necessary to provide Service to the portion of the Property for which Service is requested, and (c) the Systems improvements being undertaken by the City to expand Systems capacity in order to enable its provision of the Guaranteed Capacity, and (ii) the City has approved and accepted the Offsite Improvements and Onsite Improvements identified in Clause (i)(b) of this Section G.C.12.00.

To the extent that all applicable Impact Fees and capacity charges (including, specifically, the capacity charges relating to the Water Capacity) have been paid and all Offsite Improvements and the Onsite Improvements necessary to provide Service to the Property pursuant to an approved Plat have been completed and made a part of the Systems in accordance with the terms of this Agreement and the Development Agreement, such portion of the Property that is the subject of such approved Plat shall be entitled to Service by permanent use and benefit of Water Capacity and Wastewater Capacity from and up to the Guaranteed Capacity.

G.C.13.00 Conformance of Plans.

All water and wastewater facilities serving the Property other than and in addition to the Improvements shall be designed and constructed in conformance with this Agreement, the Development Agreement, and the Governing Regulations. Once initially approved by the City, changes in the water and wastewater system design shall be resubmitted to the City for written approval.

G.C.14.00 LUE Transfers.

The transfer of Guaranteed Capacity for use outside the boundaries of the Property shall not be allowed.

The City considers this Agreement to run with the Property; however, LUE transfers from Water Capacity and Wastewater Capacity, respectively, to subdivided tracts within the Property are the responsibility of the Developer and approval of such transfers is not required by the City. The Developer shall maintain a separate accounting of the Water Service LUEs and Wastewater Service LUEs derived from the Guaranteed Capacity that are used by the Developer and/or transferred after the Effective Date to portions of the Property. If the Developer sells a portion of the Property and transfers part of the Guaranteed Capacity that is provided under this Agreement, then that Guaranteed Capacity transfer must be included in the deed, bill of sale or instrument conveying the land and the Developer must require the buyer of the land who receives the allocated Water Service LUEs and Wastewater Service LUEs from Guaranteed Capacity to record the instrument effectuating the transfer.

If and as applicable, the City will recognize the LUE allocations within the Property site plan delivered to the City so long as those allocations are compliant and consistent with the provisions of this Agreement and do not, in the aggregate, exceed the Guaranteed Capacity. For portions of the Property that have areas of unplanned use, the demand will be calculated at four (4) Water Service LUEs and Wastewater Service LUEs per acre unless the engineering report specifies otherwise or there is not enough Guaranteed Capacity remaining for the Property to allocate four (4) LUEs per acre.

In no event will the City be responsible to third parties for providing Service beyond the total Guaranteed Capacity identified in this Agreement for the Property. The Developer expressly disclaims, releases, and holds harmless the City from any liability, damages, costs, or fees, and agrees to indemnify the City for any liability, including, costs and attorney's fees, associated with any dispute related to the transfer of all or a portion of Guaranteed Capacity approved for the Property in this Agreement.

* * *

ATTACHMENT II

SPECIAL CONDITIONS OF THE UTILITY SERVICE AGREEMENT

S.C.1.00 Tract Location; Ultimate Demand; and Cost.

The Property is described in the Development Agreement. The Property is not located over the Edwards Aquifer Recharge or Contributing Zone. The Property is located inside the City's water certificate for convenience and necessity (*CCN*), inside the City's wastewater CCN, and does not require the City's financial participation in the development of infrastructure.

Water Capacity. The Water Capacity shall not exceed [NUMBER] (__) Water Service LUEs. The Parties agree that the Developer shall pay the City an amount equal to $[_____] per Water Service LUE, for a total of $[_____], for the Water Capacity, which amount shall be payable to the City from Assessment Revenues in accordance with the Service and Assessment Plan (each of such terms as defined in the Development Agreement).

Wastewater Capacity. The Wastewater Capacity shall not exceed [NUMBER] (__) Wastewater Service LUEs. The Parties agree that the Wastewater Capacity shall be subject to Impact Fees and that the timing and amount of payment shall be in accordance with the Code or City ordinance or resolution (as the same exists as the date hereof and may be updated, supplemented, or amended from time to time).

S.C.2.00 Requirement for Utilization of Guaranteed Capacity.

The City's dedication of the Guaranteed Capacity to the Developer represents an allocation by the City of a scarce City resource. By entering into this Agreement, the Developer represents to the City that the Developer has a present intent to utilize the Guaranteed Capacity for the purpose of making Service available to the Property. If all of the Guaranteed Capacity has not been utilized by the fifteenth (15^{th}) anniversary of the Effective Date, the City shall have the ability, exercisable at its discretion upon prior delivery of written notice to the Developer, to reallocate to another user such unutilized portion the Guaranteed Capacity. Any such reallocation shall be conditioned on the City's reimbursement to the Developer of any amounts paid by the Developer to the City for such reallocated portion of the Guaranteed Capacity pursuant to this S.C.2.00.

S.C.3.00 Time for Impact Fee Assessment and Payment.

Impact Fees owed pursuant to G.C.11.00, S.C.1.00, the Code, and applicable City ordinance or resolution, if any, will be assessed at the rates, and be payable at the times, as specified in the Code and ordinances or resolutions from time to time adopted by the City implementing or modifying the same.

* * *

ATTACHMENT III

ENGINEERING REPORT REGARDING IMPROVEMENTS

To be delivered to the City by the Developer with adequate time for the City's review, comment, and approval, pursuant to the terms of this Agreement. The Parties hereby agree that adequate time means sixty (60) days from the initial date of submission. Upon the City's approval, the Engineering Report (which includes Improvements plans and specifications) shall be appended to and become a part of this Agreement as Attachment III.

ATTACHMENT IV

DEVELOPMENT AGREEMENT

Exhibit K

PETITION FOR ANNEXATION OF LAND INTO
THE CITY OF CASTROVILLE EXTRATERRITORIAL JURISDICTION

TO THE HONORABLE CITY COUNCIL, CITY OF CASTROVILLE, TEXAS:

I or we, , owner(s) of the land described below by metes and bounds and, being contiguous and adjacent land and territory to the present corporate limits of the City of Castroville, Texas, hereby request annexation of the described land into the City of Castroville Extraterritorial Jurisdiction. I (we) understand that the request does not necessarily mean that the land will be annexed into the Extraterritorial Jurisdiction, but that the City will consider the request based upon requests received from other Developers and an evaluation of services to be provided.

Name: Address: City/State/Zip:
{INSERT LEGAL DESCRIPTION AND/OR ATTACH PLAT & METES AND BOUNDS DESCRIPTION}

Wherefore, petitioners respectfully request that the hereinabove described land be forthwith incorporated into and become a part of the territory of the municipal corporation of the City of Castroville, Medina County, Texas.

Respectfully Submitted, [NAME OF LANDOWNER]

By: [NAME, TITLE]

STATE OF TEXAS COUNTY OF MEDINA

BEFORE ME, the undersigned authority, on this day personally appeared as of petitioner , who having knowledge of the facts contained herein acknowledged to me that he executed the same for the purposes and consideration therein expressed, on this day of , 2023.

_____
Notary Public

Exhibit L

PETITION FOR ANNEXATION OF LAND INTO THE CITY OF CASTROVILLE

TO THE HONORABLE CITY COUNCIL, CITY OF CASTROVILLE, TEXAS:

I or we, , owner(s) of the land described below by metes and bounds and, being contiguous and adjacent land and territory to the present corporate limits of the City of Castroville, Texas, hereby request annexation of the described land into the City of Castroville. I (we) understand that the request does not necessarily mean that the land will be annexed, but that the City will consider the request based upon requests received from other Developers and an evaluation of services to be provided.

Name: Address: City/State/Zip:
{INSERT LEGAL DESCRIPTION AND/OR ATTACH PLAT & METES AND BOUNDS DESCRIPTION}

Wherefore, petitioners respectfully request that the hereinabove described land be forthwith incorporated into and become a part of the territory of the municipal corporation of the City of Castroville, Medina County, Texas.

Respectfully Submitted, [NAME OF LANDOWNER]

By: [NAME, TITLE]

STATE OF TEXAS COUNTY OF MEDINA

BEFORE ME, the undersigned authority, on this day personally appeared as of petitioner , who having knowledge of the facts contained herein acknowledged to me that he executed the same for the purposes and consideration therein expressed, on this day of , 2023.

_____
Notary Public

Exhibit M

MULTI-PARTY AGREEMENT

MULTI-PARTY AGREEMENT TO PAY DESIGN COSTS ASSOCIATED WITH PLANNED CITY UTILITY SYSTEM EXPANSION

STATE OF TEXAS	§
	§
COUNTY OF MEDINA	§
	§
CITY OF CASTROVILLE	§

THIS MULTI-PARTY PARTY AGREEMENT (this *Agreement*) is made effective this 9th day of August, 2022 (the *Effective Date*), by and among the City of Castroville, Texas (the *City*) and the parties initially and from time to time identified in Schedule I hereto (collectively, the *Private Parties*; the City and the Private Parties, together, the *Parties*).

W I T N E S S E T H

WHEREAS, the City has been approached by the Private Parties concerning development of currently vacant land in and around the northeastern and southeastern quadrants of the City and within its water certificate of convenience and necessity; and

WHEREAS, to accommodate and serve the complete development of these parcels as represented to the City, the City's water system (the *System*) will require significant capacity upgrades and expansion; and

WHEREAS, the City desires that System expansion be undertaken in a comprehensive manner, taking into consideration efficient operation and provision of service to all planned developments in the general, geographic region (as opposed to accommodating individual tracts of land or development as and when requested); and

WHEREAS, the Parties have previously collaborated to determine the necessary size, scope, and location of System improvements to accommodate communicated and projected development growth in the manner heretofore described (together, and as further described in the hereinafter-defined Report attached hereto Exhibit A, the *Improvements*); and

WHEREAS, the City has communicated to the Private Parties a comprehensive plan to design, finance, construct, and make available for connection to the Improvements (together, the *Plan*), generally to include each of the Parties paying their pro-rated cost therefor (on the basis of allocated System capacity as a percentage of all System capacity resultant from the Improvements), either (with respect to the City) directly or (with respect to the Private Parties) through a financing mechanism resultant from the establishment of separate public improvement districts (*PIDs*), each unique to the respective Private Parties' developments; and

WHEREAS, the City seeks from the Private Parties evidence of their commitment to participate in the Plan; and

WHEREAS, the Private Parties have expressed to the City their respective desire to accelerate the timeframe for commencement of construction of the Improvements, which will require the City's

engagement of its engineers, RESPEC Company, LLC (the *Engineer*), prior to implementation, but during development, of the Plan; and

WHEREAS, the Parties have determined that entering into this Agreement to memorialize commitment to Plan participation and to facilitate initiation of Improvements design is in their respective best interest; and

NOW, THEREFORE, in consideration of the foregoing Recitals, the covenants contained herein, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties agree as follows:

1. System Capacity Increase Resultant from Improvements; Allocation of Capacity. Based on the report of the Engineer attached hereto as Exhibit A (the *Report*), the findings and conclusions of which the Parties hereby agree and concur, the Improvements will result in increased System capacity equal to 5,000 living unit equivalents or *LUEs* (the *Capacity*). The City's Comprehensive Development Ordinance (Chapter 100 of the City's Code of Ordinances) defines an LUE to mean "the typical flow that would be produced by a single-family residence", which definition is hereby incorporated into and made part of this Agreement.

Utilizing information heretofore provided to the City, acting by and through the Engineer, by the respective Private Party (or representative thereof), with respect to which information the City and the Engineer disclaim any and all responsibility for completeness or accuracy, the Parties agree to the allocation of the Capacity and the corresponding percentage as the applicable allocation of all Improvements costs to the Parties (the *Allocation Percentage*), as evidenced in the following table.

Party	Allocated LUEs	Allocated Percentage (%)
City of Castroville, Texas	1,936	38.72
Cobblestone (Gutierrez)	1,300	26.00
Alsatian Oaks Phase II	789	15.78
Jagge Ranch	800	16.00
Victory Lane	175	3.50
Total	**5,000**	**100.00**

2. Reallocation of Capacity. Subject to LUE availability and written approval by the City Administrator (upon approval of the City Council), a Private Party may request an increase or decrease in the amount of initially Allocated LUEs (as evidenced in the table appearing in Section 1 above). If approved, the City shall adjust the Allocated LUEs, Allocated Percentage and Allocated Cost and make corresponding financial arrangements to reconcile the economic impact of such adjustment.

3. Engineer's Performance of Improvements Design; Scope and Ownership of Designs. The Engineer will design the Improvements, the scope and estimated cost of which are as evidenced in Exhibit B attached hereto (the *Scope of Work*). The Engineer shall be engaged by the City to design the Improvements in accordance with the findings of the Report. The responsibility for enforcement of the terms of the contract under which the Engineer is engaged shall belong to the City. The designs shall be subject to approval solely by the City. All Improvements designs prepared by the Engineer shall be owned solely and exclusively by the City.

4. Payment of Costs of Improvements Design. Each of the Parties shall be responsible for the costs of the Scope of Work in an amount equal to the total of such costs multiplied by each Parties' respective Allocation Percentage. The Engineer has provided an initial estimated cost of the Scope of Work of $1,096,540 (the *Initial Cost*), to which amount all Parties agree. During the course of the Improvements' design, the City is authorized to agree to increase the Initial Cost by up to 33 1/3% without seeking the consent of the Private Parties, with such increase allocable to the Parties on the basis of their respective Allocation Percentage (such increased cost, plus the Initial Cost, the *Cost*). The City shall notify each of the other Private Parties within seven business days of its agreement to an increase in the Initial Cost of the Scope of Work, as well as within seven business days of any subsequent increase in Cost.

At execution of this Agreement, each of the Private Parties agree to pay to the City an amount equal to 40% of the Initial Cost allocated to such Private Party, as evidenced in the table below. This initial amount is anticipated, when added to the City's own contributed amounts, to satisfy periodic Scope of Work billings by the Engineer through Plan implementation, when the unpaid balance of the allocated Cost is due and owing from each of the Private Parties (through financial resources anticipated to result from implementation of the Plan, to include proceeds resultant from the issuance of individual series of PID bonds).

Party	Allocated Percentage (%)	Allocation of Estimated Cost of Scope of Work ($)	% of Allocated Cost Due at Execution	Allocated Cost Due at Execution ($)
City of Castroville, Texas	38.72	429,405.29	--	--
Cobblestone (Gutierrez)	26.00	285,100.40	40.00	114,040.16
Alsatian Oaks Phase II	15.78	173,034.01	40.00	69,213.61
Jagge Ranch	16.00	175,446.40	40.00	70,178.56
Victory Lane	3.50	38,378.90	40.00	15,351.56
Total	**100.00**	**1,096,540.00**		**268,783.89**

In the event that Scope of Work billings of the Engineer exceed the amounts deposited by the Private Parties with the City at the time of execution of this Agreement or at any time thereafter, and the Plan's implementation, in the City's sole discretion, is not anticipated to occur in a manner that will permit the timely payment of these billings, the City may demand in writing from the Private Parties payment of an additional 20% of the Costs (as allocated to each of the Private Parties in accordance with the Allocation Percentage) at such time unpaid. These additional amounts shall be deliverable to the City, in available funds, within 10 calendar days of the date of demand.

Payments made by the Private Parties to the City to pay Costs shall be nonrefundable to the Private Parties. The Parties agree and acknowledge that Costs paid by the Prior Parties prior to implementation of the Plan are eligible for reimbursement to each Private Party pursuant to the relevant Plan provisions applicable such Private Party.

5. No Property Substitution. This Agreement is specific to the parcels of properties identified in the Report. As a result, no substitution of property by any Private Party is permitted. Removal of a parcel of property from the Plan will result in the applicable Private Party's removal from this Agreement (in which case Capacity shall be reallocated as specified in Section 5 hereof).

6. Termination of Agreement; Release/Expulsion of Parties. This Agreement shall remain valid and in effect until completion of the Scope of Work or superseded by Plan implementation. At its discretion, the City may, in writing, release a Private Party herefrom upon the City's receipt of written request of such Private Party that specifies its reasons for requesting release. Release of a Private Party herefrom shall result in a termination of that Party's participation in the Plan and the Capacity allocated to such Private Party pursuant to Section 1 hereof to be reallocated to the City.

The City is engaging the Engineer and authorizing commencement of the Scope of the Work in advance of the Plan's effectiveness at the request of the Private Parties. Further, execution of the Plan requires coordinated, timely performance by all Parties and their consultants. Accordingly, the City expressly reserves the unilateral right to terminate a Private Party's continued participation under this Agreement for nonperformance, which termination shall be conditioned on at least five days' prior written or verbal notice of such nonperformance to the nonperforming Private Party. Termination of a Private Party herefrom shall result in a termination of that Party's participation in the Plan and the Capacity allocated to such Private Party pursuant to Section 1 hereof to be reallocated to the City.

7. Covenants. The Parties covenant that each will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Agreement. Each of the Parties covenants that it is duly authorized under the laws of the State of Texas to execute and deliver this Agreement and to perform its respective duties and obligations hereunder.

8. Covenants Evidencing Qualifications to Contract with a Texas Political Subdivision. Each of the Private Parties represent that neither it nor any of its parent company, any wholly- or majority-owned subsidiaries, or other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on any of the following pages of such officer's Internet website:

https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or
https://comptroller.texas.gov/purchasing/docs/fto-list.pdf.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, as amended, and to the extent such Section does not contravene applicable Texas or federal law and excludes one of the Private Parties and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. Each of the Parties understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with such Party and exists to make a profit.

To the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, each of the Private Parties hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section, to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate

Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, each Private Party verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law.

As used in the foregoing verification and the following definitions,

(i) 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

(ii) 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or

propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

(iii) 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code

9. Notice. Any notice required or permitted to be delivered hereunder shall be in writing and shall be deemed received on the earlier of (i) actual receipt by mail, Federal Express or other delivery service, fax, email or hand delivery; or (ii) three (3) business days after being sent by United States mail, postage prepaid, certified mail, return receipt requested, addressed to a Party, as the case may be, at the address stated on the applicable signature page hereto.

10. No Oral Modification; Amendments in Writing. This Agreement may not be modified, amended or altered except by an agreement in writing signed by the City and the Private Parties that at such time are parties hereto; provided, however, that Schedule I hereto may be modified to accommodate the City's addition or removal from time to time of any Private Parties hereto (any of which additions or removals shall not be considered an amendment or modification hereto and may be undertaken by the City at its sole discretion and without necessary consent from any of the other Private Parties that are at such time a party hereto); provided further, however, that no modification to Schedule I by the City shall result in an increase to a then-participating Private Party's Allocated Capacity unless agreed to in writing by that Private Party.

11. Governing Law. This Agreement has been prepared, is being executed and delivered, and is intended to be performed in the State of Texas, County of Medina, City of Castroville, and the substantive laws of such state and county shall govern the validity, construction, enforcement and interpretation of this Agreement.

12. Severability. If any covenant, provision, or agreement of this Agreement shall be held illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement, then and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and that this Agreement shall otherwise continue in full force and effect.

13. Entirety This Agreement embodies the entire agreement between the Parties, and supersedes all prior agreements and understandings, if any, relating to the subject matter hereof.

14. Binding Effect and Assignment. The terms of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives; provided, however, that none of the Private Parties may, without the prior written consent of the City and evidence that all Costs at such time and owing by the assigning Private Party have been paid, assign any rights, powers, duties, or obligations hereunder; provided further, however, that

this Agreement shall not inure to the benefit of any party other than the Parties. Notwithstanding the foregoing, assignment by a Private Party to a parent, subsidiary, affiliate entity or newly-created entity resulting from a merger, acquisition or other corporate restructure or reorganization of the Private Party, or to any entity owned or controlled, or under common control, directly or indirectly by Private Party, or to a designated assignee thereof (as identified on such Private Party's signature page hereto) shall not require the City's consent, so long as no Costs are owed by the assigning Private Party at the time of assignment. The assigning Private Party shall notify the City in writing as of the effectiveness of any such assignment.

15. Headings. Section headings are for convenience of reference only and shall in no way affect the interpretation of this Agreement.

16. Counterparts. This Agreement may be executed in any number of counterparts, all of which taken shall constitute one and the same agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart.

17. Time of the Essence. Time is of the essence of this Agreement and undertaking and implementing the objectives hereof.

18. Construction. The parties hereto acknowledge that such parties and their respective counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

* * *

EXECUTED this 9th day of August, 2022.

CITY OF CASTROVILLE, TEXAS

By: _____

Name: DARRIN Schroeder

Title: MAYOR

Address: 1209 Fiorella Street
Castroville, Texas 78009

EXECUTED this 5th day of August, 2022.

HWY 90 CASTROVILLE PARTNERS, LTD

By: J.W. Collins Jr

Name: Will Collins

Title: Managing Member

Address: 4040 Broadway, Suite 508
San Antonio, Texas 78209

EXECUTED this 5th day of August, 2022.

VICTORY LANE PARTNERS, LTD

By: _____

Name: Greg Gibson

Title: Co-Manager

Address: 9311 San Pedro Ave., Suite 850
San Antonio, Texas 78216

EXECUTED this 3 day of August, 2022.

DICKERSON TAUSCH PROPERTIES, LLC

By: _____

Name: Terry Dickerson

Title: Mgr.

Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

CROWN MONEY, LLC

By: _____

Name: Terry Dickerson

Title: _____ Mgr

Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

MKT 179, LLC

By: _____

Name: Terry Dickerson

Title: _____ Mgr

Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

DocuSign Envelope ID: 2E027DD4-5AEE-4356-A6AF-05352BDFB731

EXECUTED this 9th day of August, 2022.

CASTROVILLE HOLDINGS CO. LTD.

By: _____

Name: Hugo A. Gutierrez, Jr.

Title: Managing Partner

Address: 19230 Stone Oak Parkway, Suite 30
San Antonio, Texas 78258

McCOY-JONES VENTURES, LLC

By: _____
4CD47D77CB10489...

Name: Odis Jones

Title: Manager

Address: 77 Sugar Creek Center Blvd, Suite 405
Sugarland, Texas 77478

SCHEDULE I

Parties to Agreement

- HWY 90 Castroville Partners, LTD
- Victory Lane Partners, LTD
- Dickerson Tausch Properties, LLC
  Crown Money, LLC
  MKT 179, LLC
- Castroville Holdings Co. Ltd.
  McCoy Jones Ventures, LLC

EXHIBIT A

REPORT ON RECOMMENDED WATER IMPROVEMENTS FOR ALSATIAN OAKS DEVELOPMENT PHASE II AND FOUR ADDITIONAL SUBDIVISIONS

EXHIBIT B

SCOPE OF WORK AND ESTIMATE COST

MASTER SERVICES AGREEMENT – TASK ORDER 16

THIS CONTRACT effective this 28th day of June, 2022, by and between City of Castroville (hereinafter referred to as the "Client"), and RESPEC Company, LLC, a company authorized to do business under the laws of the State of Texas with an office at 407 Paris St, Suite 1, Castroville, TX 78009 (hereinafter referred to as the "Consultant").

WITNESSETH:

The Client is a State of Texas Municipality. This Master Services Agreement is agreed such that the Consultant can provide engineering and consulting services in support of the Client.

WHEREAS, the Client desires to retain the Consultant to perform certain services as hereinafter set forth, and the Consultant wishes to perform such services, upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, the parties hereby agree to amend the agreement as follows:

EXHIBIT A - Scope of Services

Add:
Base Services

This project is proposed to develop a new groundwater source, treatment, a new pressure zone, and water storage. The site is expected to be in the northeastern corner of the development known as Alsatian Oaks. The facilities are expected to include;

- new well and planning for future well location onsite;
- chlorination;
- disinfection contact facilities;
- connecting pipelines;
- site power requirements and backup power;
- security fencing and facility access;
- pumping;
- interface with existing pressure zone; and
- either an elevated tank or ground storage and elevated combination of roughly 1.5 MGD to serve approximately 5,000 living unit equivalents (LUEs).

Consultant will complete the following scope:

- Task 1 – Finalize Conceptual Design and Planning
  - Finalize exact site location and size of facilities.
  - Prepare draft easement for sanitary control – coordinate with property developer's engineer for legal description, and potential plat of proposed well site.
  - Determine final facilities configuration and sizes.
  - Develop a process flow diagram complete with sizes of all facilities.
  - Review permitting requirements and begin process.
  - Review FAA standards for height restrictions and/or lighting requirements for elevated structures

- Review specific design requirements for water demand and verify approach for balancing elevated capacity needs and/or ground storage capacity.
- Establish proposed water system model based on new pressure zone and how that new zone interfaces with the existing City pressure zone.
- Define facilities necessary to treat the water (assumes disinfection through chlorine and contact time);
- Prepare treatment scheme.
- Prepare facilities layout plan, preliminary site plans, opinion of probable construction costs, and process flow diagrams; and
- Present facilities layout and sizing to City for feedback.

- Task 2 – Preliminary Engineering
  - Develop more detailed site plan and layout of facilities including yard piping;
  - Develop plan views of facilities, including location and nature of pressure zone interface with current pressure zone;
  - Develop plan views of connection piping and yard piping
  - Prepare ultimate water main sizing for distribution from the new water source to the overall water system;
  - Develop hydraulic profile of facilities making up new source of supply
  - Develop and layout plan for treatment, equipment, and contact time requirements
  - Prepare a preliminary control narrative outline
  - Prepare initial plan and profile of tank requirements
  - Prepare Opinion of Probable Construction Costs; and
  - Present preliminary plans to City for feedback.
- Task 3 – Final Design and Permitting
  - Develop construction documents for new well, storage and associated improvements.
  - Develop full plans including all sections, profiles, and plan views, as well as necessary details.
  - Prepare technical specifications for all materials, equipment and construction. Note specifications will be in CSI format and consistent with any Castroville adopted
  - Submit plans and application for approval to Texas Commission on Environmental Quality. Provide follow-up with TCEQ for approvals of new source of supply system.
  - Establish new water system ID for the new production facility.
  - Obtain final approval for electrical upgrades to the facility and work with City to have CPS Energy scheduled.
  - Achieve final permit requirements for well construction from the Edwards Aquifer Authority.
  - Submit any portions of the work that require building permits for required permitting
  - Prepare Final Opinion of Probable Construction Costs based on final design plans; and
  - Finalize construction documents for bidding purposes.
- Task 4 – Bidding
  - Issue Construction documents and specifications for solicitation.
  - Respond to Requests for Information (RFIs);
  - Issue addenda as necessary; and
  - Provide feedback on responsive contractors for construction of new well production facility.

- Task 5 – Construction Phase services
  - Attend construction progress meetings.
  - Review submittals.
  - Respond to RFI's as necessary; and
  - Construction administration services and oversight.
- Task 6 – Close Out
  - Coordinate with Contractor and Subconsultants for record drawings

Assumptions:

- Purpose of this effort is to develop construction documents for the creation of a new source of supply and pressure zone which would include new water plant site to include a new well, storage capacity, water main extension to connect to the existing water system and associated improvements.
- Based on feedback from the Alsatian Oaks Feasibility, the site at the northeast corner of the Alsatian Oaks Master Plan area will be utilized for these improvements.
- City has adequate water rights to support the proposed water plant capacity.
- Cursory review request via the FAA system will be submitted for the elevated tank. It is assumed additional studies for FAA compliance are not required.
- Construction phase services assumes a 12-month construction schedule.

Exclusions:

- Fees
- Materials Testing
- Land Acquisition

EXHIBIT B – Compensation

Add:
The base contract is amended to include a not-to-exceed lump sum amount of $1,096,540 and work will commence on June 28, 2022.

IN WITNESS WHEREOF, the parties hereto have signed their respective names on the date first above written.

City of Castroville	**RESPEC Company, LLC**
By _____	By _____
Title City Administrator	Title Sr. Vice President
Date JUN. 30, 2022	Date 06/28/2022

Exhibit N

AIRPORT PROXIMITY CONSENT

Instructions for the Airport Zone Disclosure Form

(1) Written notice that the residential property to be sold or leased is within an established Airport Zone shall be disclosed to the buyer/lessee as soon as possible after the start of the transaction. All advertising materials for the property should include the pertinent Airport Zone information, including all applicable zones, the name of the public airport, and references to where the buyer/lessee can find more information in relation to Airport Zones. Information about disclosure requirements in relation the Airport Zones, as well as other pertinent Airport Zone requirements, may be found in the Castroville Zoning & Development Code which is available on the City of Castroville web page at www.castrovilletx.gov.

(2) The determination as to whether the property lies within an Airport Zone or any other applicable zone may be made by using the Castroville Interactive GIS Mapping System. The GIS portal can check if any of the Airport Zones apply to a particular parcel of land through by comparing the embedded Medina CAD parcel data with the airport zoning layer.

Alternatively, the Castroville Department of Planning, Zoning, and Development may make the determination upon the written request of the property owner or agent. The request must include the street address of the subject property as well as the parcel identification number (tax identification number) for the property. Requests may be submitted via e-mail (Permits@castrovilletx.gov).

(3) For sales transactions, a copy of the fully executed Airport Zone Disclosure Form shall be attached to the contract for sale. For lease transactions, a copy of the fully executed Airport Zone Disclosure Form must be attached to the lease agreement. For both sale and lease transactions, the Seller or Lessor is responsible for providing a copy of the fully executed Airport Zone Disclosure Form after closing of the sale or commencement of the lease to the Castroville Department of Planning, Zoning, and Development at 1209 Fiorella St. Castroville, TX 78009. The completed form may also be e-mailed to Permits@castrovilletx.gov.

(4) Failure to complete this form and follow the provisions of the Castroville Zoning & Development Code could subject a property owner and/or sales agent to penalties or fines as set forth in the laws and ordinances of the City of Castroville. For more information regarding the designated areas listed above, the possible impacts due to the proximity of public airports, and the zoning requirements, please contact the Castroville Department of Planning, Zoning, and Development at 830-931-4070 or visit the website at www.castrovilletx.gov/2215/Community-Development.

DRAFT

STATE OF TEXAS

COUNTY OF

MEDINA

Airport Zone Disclosure Form

ATTENTION: Pursuant to City of Castroville Ordinance XXXX, any owner of residential property who sells or leases that property is required to disclose to buyers or lessees (for leases that run for more than seven (7) months) if the property is located, in whole or in part, within a Public Airport Notification Zone, and any other designated areas, as defined by the Castroville Comprehensive Plan and Land Development Code, and that said property may be subject to varying degrees of accident potential, noise, and other impacts from operations conducted at or above public airports. **This disclosure must be attached to the contract of sale or the lease agreement. The Seller or Lessor must provide a completed copy of this disclosure after closing of the sale or commencement of the lease to the Castroville Department of Planning, Zoning, and Development at 1209 Fiorella St. Castroville, TX 78009. The completed form may also be e-mailed to Permits@castrovilletx.gov).**

****
**

To be completed by Sellor/Lessor

Street Address of Property:

Parcel Identification Number of Property:

Public Airfield:_____

This property also lies, in whole or in part, within an area(s) designated as a(n):

Public Airport Zone	_____	Castroville Airport Zone 1	_____
Clear Zone/Runway Protection Zone	_____	Castroville Airport Zone 2	_____
Noise Zone 55 decibels or greater	_____	Public Airport Influence Area	_____
Castroville Airport Notification Zone	_____	Public Airport Influence Area	_____

****

**** CERTIFICATION**

As to Seller/Lessor:

Seller/Lessor:_____Printed Name:_____Date:
_____

Seller/Lessor:_____Printed Name:_____Date:
_____ Sales Agent:_____
_____License Number:_____
(Sales Agent/Realtor must sign if involved in the transaction)

As to Buyer/Lessee:

Buyer/Lessee:_____Printed Name:_____Date:
_____ Buyer/Lessee:_____Printed Name:_____
_____Date:_____ Sales Agent:_____
_____License Number:_____
(Sales Agent/Realtor must sign if involved in the transaction)

This form must be affixed to the contract of sale or lease agreement.
Failure to complete this form and follow the provisions of Ordinance XXXX and the Castroville Land Development Code could subject a property owner and/or sales agent to penalties or fines as set forth in the laws and ordinances of Castroville County. For more information regarding the designated areas listed above, the possible impacts due to the proximity of public airports, and the requirements of Ordinance XXXX, contact the Castroville Department of Planning, Zoning, and Development at 830-931-4070 or visit the website at www.castrovilletx.gov/2215/Community-Development.

DRAFT

City of Castroville Aircraft and Airport Noise Disclosure Statement

The buyer hereby acknowledges that they are aware of the proximity of Castroville Municipal Airport. The buyer is also aware of flight paths that aircraft use to ingress and egress the airport and the proximity of the same to the lot and property that they have offered to purchase. The buyer also understands that existing and future noise levels at this location, associated with future airport operations, may have an adverse effect on the property. The buyer also understands that local airports have been at their present location for many years and that future demand and airport operations may increase significantly. For further information, please contact the Castroville City Administrator or the Airport Manager at1209 Fiorella St. Castroville, Texas 78009.

The Buyer acknowledge receipt of this disclosure.

Buyer's Signature	Buyer's Signature

DRAFT

CITY COUNCIL AGENDA REPORT

AGENDA OF: January 27, 2026

DEPARTMENT: Community Development

SUBJECT: Final Plat – Flat Creek Unit 1

RECOMMENDATION:

City Staff recommends approval of the final plat of Flat Creek Subdivision – Unit 1.

BACKGROUND:

Engineer: KCI Technologies, Inc. – Lance Elling, P.E.

Surveyor: Gary B. Neill, RPLS #3964

Property Owner: KF Flat Creek, LP

Description: Approximately 20.091 acres

Location: Generally located along US Highway 90 West, Castroville, Texas

Development Type: Single-Family Residential

Type of Subdivision Plat: Major Subdivision – Final Plat

Number of Lots: 65

The attached application is a request for approval of the Final Plat for Flat Creek Subdivision – Unit 1, consisting of approximately 20.091 acres and proposing the development of 65 single-family residential lots. Unit 1 represents a phase of the larger Flat Creek development, which is governed by an approved Development Agreement and associated development standards.

The Final Plat establishes residential lots, public right-of-way, drainage, and utility easements necessary to support future development in accordance with the City's Subdivision Ordinance (Chapter 100).

The Planning and Zoning Commission recommended approval at the January 14, 2026 meeting.

DISCUSSION:

A review of the submitted Final Plat and supporting documentation has been conducted by City staff and the City's consulting engineer. K Friese + Associates completed its sixth and final review and confirmed that all prior review comments have been addressed. The City Engineer has determined that the Final Plat is in general conformance with the City of Castroville's ordinances and recommends approval.

Staff finds that the plat complies with the requirements of Chapter 100 (Subdivision Ordinance) and is consistent with the approved Development Agreement for the Flat Creek project.

Public notice is not required for final plat approval.

ATTACHMENTS / ADDITIONAL INFORMATION:

- Planning and Zoning Commission Action
- Final Plat – Flat Creek Subdivision, Unit 1
- Approved PUD Plan
- Approved Site Plan – Per Development Agreement
- Subdivision Plat Application – Flat Creek Unit 1
- Performance Bond
- Pay Application
- Water Rights Transfer Letter
- Engineer Review Letter – K Friese + Associates
- TxDOT Email – Approving Drainage
- HOA Documents
- Maintenance Agreement
- Build Out Budget
- Approved Development Agreement

CITY OF CASTROVILLE

PLANNING AND ZONING COMMISSION ACTION

January 14, 2026

The City of Castroville Planning and Zoning Commission is considering the following:

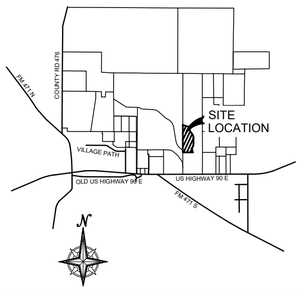
Discussion and possible action on Flat Creek Unit 1 - Final Plat.

RECOMMENDATION:

Approved.

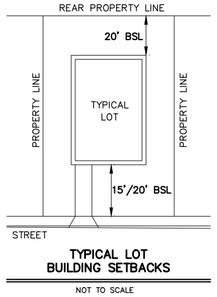
Chairperson
Planning and Zoning Commission

14 Jan 26
Date



LOCATION MAP

NTS



TYPICAL LOT BUILDING SETBACKS

NOT TO SCALE

LEGEND

1.	BUILDING SETBACK LINE	B.S.L.
2.	VEHICULAR NON-ACCESS EASEMENT	V.N.A.E.
3.	FINISHED FLOOR ELEVATION	F.F.E.
4.	GAS, ELECTRIC, TELEPHONE & CABLE TELEVISION EASEMENT	G.E.T.TV.E.
5.	OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, MEDINA COUNTY, TEXAS.	O.P.R.
6.	DEED AND PLAT RECORDS, MEDINA COUNTY, TEXAS.	D.P.R.
7.	COUNTY BLOCK	C.B.
8.	VARIABLE	VAR.
9.	VOLUME	VOL.
10.	PAGE	PG.
11.	EASEMENT	ESM'T
12.	RIGHT OF WAY	R.O.W.
13.	ACRES	AC
14.	LINEAR FEET	LF
15.	STREET CENTERLINE	℄
16.	EXISTING CONTOUR	980
17.	PROPOSED FINISHED CONTOUR	990
18.	EFFECTIVE FLOODPLAIN	
19.	1/2" IRON ROD FOUND W/ NO CAP, OR CAP SHOWN	
20.	1/2" IRON ROD FOUND W/ KCI CAP	
21.	1/2" IRON ROD SET W/ KCI CAP	

SURVEY NOTES:

1.) THE VALUE OF THE TWO SETS OF COORDINATES SHOWN HEREON WERE OBTAINED WITH GLOBAL POSITIONING RECEIVERS WITH REFERENCE TO DATUM NAD83 (2011) CONVERTED TO FEET. COORDINATES ARE TEXAS STATE PLANE COORDINATES - SOUTH CENTRAL ZONE AND ARE GRID. THE COMBINED SCALE FACTOR IS 1.00017.

2.) MONUMENTATION AS SHOWN HEREON. SET 1/2" REBAR WITH A "KCI" PLASTIC CAP AT ALL CORNERS (WHERE POSSIBLE) AT COMPLETION OF CONSTRUCTION.

3.) THE BASIS OF BEARING SHOWN HEREIN IS THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD83) BETWEEN END MONUMENT SHOWN HEREON CALLED N00°01'59"E.

4.) THE CONTOURS SHOWN HEREON WERE TAKEN FROM A FIELD SURVEY COMPLETED ON DECEMBER, 2023.

FLOODPLAIN VERIFICATION NOTE:

A PORTION OF THE FEMA 1% ANNUAL CHANCE (100-YEAR) FLOODPLAIN EXISTS WITHIN THIS PLAT AS VERIFIED BY FEMA MAP PANEL: 48325C0530D EFFECTIVE MAY 15, 2020. FLOODPLAIN INFORMATION IS SUBJECT TO CHANGE AS A RESULT OF FUTURE FEMA MAP REVISIONS AND/OR AMENDMENTS.

UTILITY EASEMENT:

UTILITIES, INCLUDING, WITHOUT LIMITATION, SEWER, WATER, GAS, ELECTRICITY, TELEPHONE, AND CABLE TELEVISION, WITH ALL NECESSARY AND/OR DESIRABLE LINES, LATERAL AND/OR APPURTENANCES THERETO (THE "UTILITIES")

TOGETHER WITH THE RIGHT OF INGRESS AND EGRESS OVER THE ADJACENT LAND TO OR FROM THE EASEMENT FOR THE PURPOSE OF CONSTRUCTION, RECONSTRUCTION, INSPECTING, PATROLLING, OPERATING, MAINTAINING, REPAIRING, AND REMOVING THE UTILITIES; THE RIGHT TO PLACE NEW OR ADDITIONAL UTILITIES IN THE EASEMENT AND TO CHANGE THE SIZE THEREOF; THE RIGHT TO RELOCATE ALONG THE SAME GENERAL DIRECTION OF THE UTILITIES; THE RIGHT TO REMOVE FROM THE EASEMENT ALL TREES AND PARTS THEREOF, OR OTHER OBSTRUCTIONS, WHICH REASONABLY ENDANGER OF MAY REASONABLY INTERFERE WITH THE EFFICIENCY OR OPERATION OF THE UTILITIES; AND THE RIGHT TO PLACE TEMPORARY STRUCTURES FOR USE IN CONSTRUCTING OR PREPARING THE UTILITIES.

1. THE PROPERTY OWNER RETAINS THE RIGHT TO USE ALL OR ANY PART OF THE EASEMENT FOR ANY PURPOSE WHICH DOES NOT DAMAGE, DESTROY, INJURE, AND/OR UNREASONABLY INTERFERE WITH THE USE OF THE EASEMENT. HOWEVER, THE EASEMENT SHALL BE KEPT CLEAR OF ALL STRUCTURE OR OTHER IMPROVEMENTS.

2. THE CITY SHALL MAKE COMMERCIALLY REASONABLE EFFORTS TO ENSURE THAT DAMAGE TO THE PROPERTY IS MINIMIZED AND THE CITY WILL AT ALL TIMES, AFTER DOING ANY WORK IN CONNECTION WITH THE SYSTEM, RESTORE THE PROPERTY TO THE CONDITION IN WHICH THE PROPERTY WAS FOUND BEFORE SUCH WORK WAS UNDERTAKEN TO THE EXTENT THAT SUCH RESTORATION IS REASONABLE IN ACCORDANCE WITH THE CITY'S USUAL AND CUSTOMARY PRACTICES.

STATE OF TEXAS
COUNTY OF MEDINA

I HEREBY CERTIFY THAT PROPER ENGINEERING CONSIDERATION HAS BEEN GIVEN IN THIS PLAT TO THE MATTERS OF STREETS, LOTS AND DRAINAGE LAYOUT. TO THE BEST OF MY KNOWLEDGE THIS PLAT CONFORMS TO ALL REQUIREMENTS OF THE SUBDIVISION ORDINANCE, EXCEPT FOR THOSE VARIANCES GRANTED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF CASTROVILLE.

_____
REGISTERED PROFESSIONAL ENGINEER
LANCE T. ELLING

SWORN TO AND SUBSCRIBED BEFORE ME THIS THE _____ DAY OF _____, _____.

_____
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

STATE OF TEXAS
COUNTY OF MEDINA

I HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECT AND WAS PREPARED FROM AN ACTUAL SURVEY OF THE PROPERTY MADE ON THE GROUND UNDER MY SUPERVISION.

_____
REGISTERED PUBLIC SURVEYOR
GARY B. NEILL, R.P.L.S. #3964

SWORN TO AND SUBSCRIBED BEFORE ME THIS THE _____ DAY OF _____, _____.

_____
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

SIDEWALK NOTES:

FIVE-FOOT WIDE REINFORCED CONCRETE SIDEWALKS SHALL BE INSTALLED ADJACENT TO ALL STREET FRONTAGE PROPERTY LINES OF EACH LOT FRONTING A STREET AT SUCH TIME AS THAT LOT IS DEVELOPED.

FENCE NOTES:

EASEMENT ACCESS AT FENCES: DOUBLE SWING GATES OR A REMOVABLE FENCE PANEL SHALL BE INSTALLED WHEREVER FENCES CROSS UTILITY EASEMENTS.

OBSTRUCTIONS OF DRAINAGE: ADEQUATE STRUCTURES SHALL BE PROVIDED TO ALLOW THE UNHINDERED PASSAGE OF ALL STORM AND DRAINAGE FLOWS WHEREVER FENCES CROSS DRAINAGE EASEMENTS

CAPITAL RECOVERY FEE ASSESSMENT:

ASSESSMENT AND COLLECTION OF THE CITY OF CASTROVILLE WATER AND WASTEWATER UTILITIES' CAPITAL RECOVERY FEES SHALL BE THE AMOUNT PER LOT AS SET FORTH IN CITY ORDINANCE No. 239.

OPEN SPACE:

LOT 902, BLOCK 1 AND LOT 900, BLOCK 2 ARE DESIGNATED TO OPEN SPACE, ELECTRIC, GAS, TELEPHONE AND CABLE TV.

LOT 903, BLOCK 1, IS DESIGNATED ONLY TO OPEN SPACE & PUBLIC DRAINAGE.

LOT 901, BLOCK 1, LOT 901 BLOCK 2 AND LOT 906, BLOCK 4 ARE DESIGNATED TO OPEN SPACE AND SHALL BE THE RESPONSIBILITY OF THE PROPERTY OWNERS, OR THE PROPERTY OWNERS' ASSOCIATION AND NOT THE RESPONSIBILITY OF THE CITY OF CASTROVILLE.

THE TOTAL PUBLIC OPEN SPACE ACREAGE INCLUDES ALL 900 SERIES LOT. THE TOTAL RESERVED PUBLIC OPEN SPACE REQUIRED IN ACCORDANCE WITH THE DEVELOPMENT AGREEMENT IS SHOWN ON THE APPROVED PLANNED UNIT DEVELOPMENT PLAN FOR THIS PLAT.

CLEAR VISION:

CLEAR VISION AREAS MUST BE FREE OF VISUAL OBSTRUCTION IN ACCORDANCE WITH THE AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS (AASHTO) POLICY ON GEOMETRIC DESIGN OF HIGHWAYS AND STREETS, OR LATEST VERSION THEREOF.

EASEMENT NOTES:

ALL PROPERTIES DESIGNATED AS EASEMENTS SHALL OR MAY BE UTILIZED FOR THE FOLLOWING PURPOSES:

DRAINAGE EASEMENT:

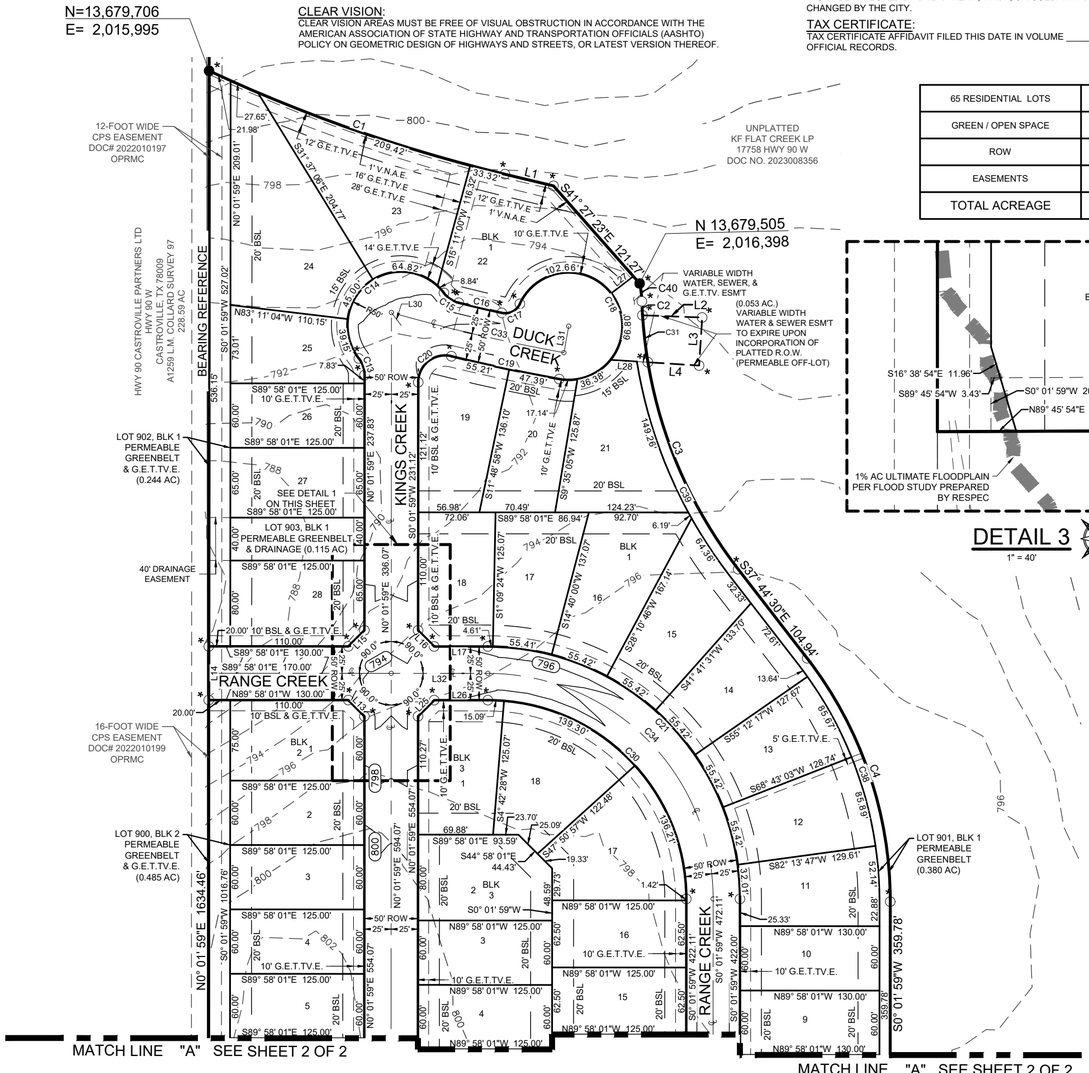
DRAINAGE, WATER DIVERSION, AND SANITARY CONTROL, INCLUDING WITHOUT LIMITATION, WALLS, BEDS, EMBANKMENTS, SPILLWAYS, APPURTENANCES, AND OTHER ENGINEERED DEVICES (THE "DRAINAGE SYSTEM")

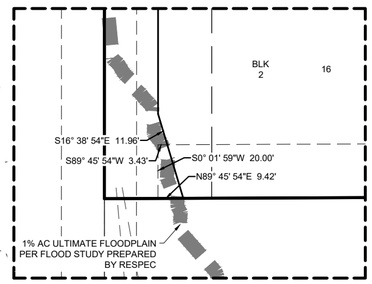
TOGETHER WITH THE RIGHT OF INGRESS AND EGRESS OVER THE ADJACENT LAND TO OR FROM THE EASEMENT FOR THE PURPOSE OF CONSTRUCTING, RECONSTRUCTING, INSPECTING, PATROLLING, OPERATING, MAINTAINING, REPAIRING, AND REMOVING THE DRAINAGE SYSTEM; THE RIGHT TO CHANGE THE SIZE THEREOF; THE RIGHT TO RELOCATE ALONG THE SAME GENERAL DIRECTION OF THE DRAINAGE SYSTEM; THE RIGHT TO CREATE AND/OR DREDGE A STREAM COURSE, REFILL, OR DIG OUT SUCH STREAM COURSE, ESTABLISH OR CHANGE STREAM EMBANKMENTS WITH THE EASEMENT, INSTALL STORM SEWER SYSTEMS, CULVERTS, WATER GAPS, AND PROTECTING RAILS; THE RIGHT TO REMOVE FROM THE EASEMENT ALL TREES AND PARTS THEREOF, OR OTHER OBSTRUCTIONS, WHICH REASONABLY ENDANGER OR MAY REASONABLY INTERFERE WITH THE EFFICIENCY OF THE DRAINAGE SYSTEM; AND THE RIGHT TO PLACE TEMPORARY STRUCTURES FOR USE IN CONSTRUCTING OR REPAIRING THE DRAINAGE SYSTEM.

WITH RESPECT TO THE DRAINAGE SYSTEM, IT IS EXPRESSLY AGREED AND UNDERSTOOD BY ALL PARTIES HERETO, THAT THE INTENTION IS TO IMPROVE CONDITIONS OF SANITATION AND WATER DRAINAGE CONTROL ON THE PROPERTY FOR THE BENEFIT OF THE PROPERTY, ADJACENT PROPERTY, AND THE COMMUNITY, BUT THE CITY DOES NOT GUARANTEE OR WARRANT THAT SUCH CONTROL WORK WILL BE EFFECTIVE, NOR DOES THE CITY ASSUME ANY ADDITIONAL LIABILITY WHATSOEVER FOR THE EFFECTS OF FLOOD, STANDING WATER, OR DRAINAGE ON OR TO THE PROPERTY, OR ANY OTHER PROPERTY OR PERSONS THAT MIGHT BE AFFECTED BY SAID STREAM, WASH, OR GULLY IN ITS NATURAL STATE OR AS CHANGED BY THE CITY.

TAX CERTIFICATE:

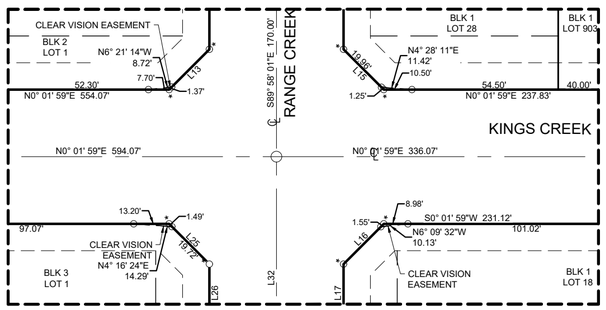
TAX CERTIFICATE AFFIDAVIT FILED THIS DATE IN VOLUME ____, PAGE ___, MEDINA COUNTY OFFICIAL RECORDS.



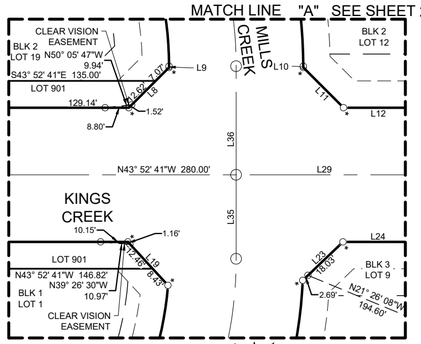


DETAIL 3
1" = 40'

65 RESIDENTIAL LOTS	13.871 AC
GREEN / OPEN SPACE	1.341 AC
ROW	4.631 AC
EASEMENTS	0.248 AC
TOTAL ACREAGE	20.091



DETAIL 1
1" = 40'



DETAIL 2
1" = 40'

SEE LINE & CURVE TABLE ON SHEET 2 OF 2 OF THIS PLAT

PLAT NOTES APPLY TO EVERY PAGE OF THIS MULTIPLE PAGE PLAT

SUBDIVISION PLAT ESTABLISHING FLAT CREEK SUBDIVISION UNIT 1

BEING A TOTAL OF 20.091 ACRES OF LAND OUT OF THE CALLED 123.23 ACRES TRACT RECORDED IN DOCUMENT NO. 2023008356, DEED RECORDS OF MEDINA COUNTY, TEXAS, AND BEING OUT OF THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, MEDINA COUNTY, TEXAS.

GRAPHIC SCALE
100 0 50 100 200
(IN FEET)
1 inch = 100 ft.

KCI TECHNOLOGIES, INC.
2806 W. BITTERS RD, SUITE 218
SAN ANTONIO, TEXAS 78248
PHONE: (210) 641-9999
FAX: (210) 641-6440
REGISTRATION #F-10573 / #101943-65

DATE OF PREPARATION: 08/2024

STATE OF TEXAS
COUNTY OF MEDINA

THE OWNER OF LAND SHOWN ON THIS PLAT, IN PERSON OR THROUGH A DULY AUTHORIZED AGENT, DEDICATES TO THE USE OF THE PUBLIC FOREVER ALL STREETS, ALLEYS, PARKS, WATERCOURSES, DRAINS, EASEMENTS AND PUBLIC PLACES THEREON SHOWN FOR THE PURPOSE AND CONSIDERATION THEREIN EXPRESSED.

_____
OWNER: JEFFREY CZAR, JR.
KF FLAT CREEK, LP
2722 WEST BITTERS RD, SUITE 106
SAN ANTONIO, TX 78248

_____
DULY AUTHORIZED AGENT:

STATE OF TEXAS
COUNTY OF MEDINA
BEFORE ME, THE UNDERSIGNED AUTHORITY ON THIS DAY PERSONALLY APPEARED JEFFREY CZAR, JR. KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATIONS THEREIN EXPRESSED AND IN THE CAPACITY THEREIN STATED. GIVEN UNDER MY HAND & SEAL OF OFFICE

THIS _____ DAY OF _____ A.D., 20____.

_____
NOTARY PUBLIC, MEDINA COUNTY, TEXAS

THIS PLAT OF FLAT CREEK SUBDIVISION UNIT 1 HAS BEEN SUBMITTED TO AND CONSIDERED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF CASTROVILLE, TEXAS, AND IS HEREBY APPROVED BY SUCH COMMISSION.

DATED THIS _____ DAY OF _____ A.D., 20____.

BY:_____
CHAIRMAN

BY:_____
SECRETARY

THIS PLAT OF FLAT CREEK SUBDIVISION UNIT 1 HAS BEEN SUBMITTED TO AND CONSIDERED BY THE CITY COUNCIL OF THE CITY OF CASTROVILLE, TEXAS, AND IS HEREBY APPROVED BY SUCH COUNCIL.

DATED THIS _____ DAY OF _____ A.D. 20____

_____
MAYOR

_____
CITY SECRETARY

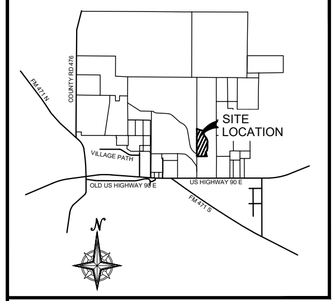
STATE OF TEXAS
COUNTY OF MEDINA

I, GINA CHAMPION, COUNTY CLERK OF SAID COUNTY, DO HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT IN WRITING WITH ITS CERTIFICATE OF AUTHENTICATION WAS FILED FOR RECORD IN MY OFFICE ON THE ____ DAY OF _____, 20____ A.D. AT ____ O'CLOCK __M AND DULY RECORDED THIS ____ DAY OF _____, 20____ A.D. AT ____ O'CLOCK __M, IN THE PLAT RECORDS OF SAID COUNTY IN CABINET _____, _____ TO CERTIFY WHICH, WITNESS MY HAND AND SEAL AT THE COUNTY COURT OF SAID COUNTY, AT MY OFFICE IN HONDO, TEXAS, THE DATE SHOWN ABOVE WRITTEN.

_____
GINA CHAMPION, COUNTY CLERK
MEDINA COUNTY, TEXAS

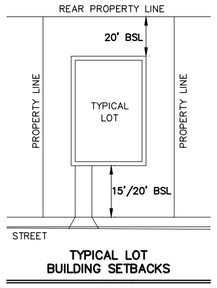
THIS DOCUMENT HAS BEEN PRODUCED FROM MATERIAL THAT WAS STORED AND/OR TRANSMITTED ELECTRONICALLY AND MAY HAVE BEEN INADVERTENTLY ALTERED. RELY ONLY ON FINAL HARD COPY MATERIALS BEARING THE CONSULTANT'S ORIGINAL SIGNATURE AND SEAL.

Dec 18, 2025, 12:01pm User ID: BradleyBrickson File: L:\Develop\Proj_2023_KCI\762308222_Flat_Creek_Subdivision-Unit_1\Cadd\762308222 000 PLAT.dwg



LOCATION MAP

NTS



TYPICAL LOT BUILDING SETBACKS

NOT TO SCALE

LEGEND

1. BUILDING SETBACK LINE — B.S.L.
2. VEHICULAR NON-ACCESS EASEMENT — V.N.A.E.
3. FINISHED FLOOR ELEVATION — F.F.E.
4. GAS, ELECTRIC, TELEPHONE & CABLE TELEVISION EASEMENT — G.E.T.TV.E.
5. OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, MEDINA COUNTY, TEXAS. — O.P.R.
6. DEED AND PLAT RECORDS, MEDINA COUNTY, TEXAS. — D.P.R.
7. COUNTY BLOCK — C.B.
8. VARIABLE — VAR.
9. VOLUME — VOL.
10. PAGE — PG.
11. EASEMENT — ESM'T
12. RIGHT OF WAY — R.O.W.
13. ACRES — AC
14. LINEAR FEET — L.F.
15. STREET CENTERLINE — ℄
16. EXISTING CONTOUR — 980
17. PROPOSED FINISHED CONTOUR — 990
18. EFFECTIVE FLOODPLAIN
19. 1/2" IRON ROD FOUND W/ NO CAP, OR CAP SHOWN
20. 1/2" IRON ROD FOUND W/ KCI CAP
21. 1/2" IRON ROD SET W/ KCI CAP

SURVEY NOTES:

1.) THE VALUE OF THE TWO SETS OF COORDINATES SHOWN HEREON WERE OBTAINED WITH GLOBAL POSITIONING RECEIVERS WITH REFERENCE TO DATUM NAD83 (2011) CONVERTED TO FEET. COORDINATES ARE TEXAS STATE PLANE COORDINATES - SOUTH CENTRAL ZONE AND ARE GRID. THE COMBINED SCALE FACTOR IS 1.00017.

2.) MONUMENTATION AS SHOWN HEREON. SET 1/2" REBAR WITH A "KCI" PLASTIC CAP AT ALL CORNERS (WHERE POSSIBLE) AT COMPLETION OF CONSTRUCTION.

3.) THE BASIS OF BEARING SHOWN HEREIN IS THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD83) BETWEEN END MONUMENT SHOWN HEREON CALLED N00°01'59"E.

4.) THE CONTOURS SHOWN HEREON WERE TAKEN FROM A FIELD SURVEY COMPLETED ON DECEMBER, 2023.

FLOODPLAIN VERIFICATION NOTE:

A PORTION OF THE FEMA 1% ANNUAL CHANCE (100-YEAR) FLOODPLAIN EXISTS WITHIN THIS PLAT AS VERIFIED BY FEMA MAP PANEL: 48325C0530D EFFECTIVE MAY 15, 2020. FLOODPLAIN INFORMATION IS SUBJECT TO CHANGE AS A RESULT OF FUTURE FEMA MAP REVISIONS AND/OR AMENDMENTS.

UTILITY EASEMENT:

UTILITIES, INCLUDING, WITHOUT LIMITATION, SEWER, WATER, GAS, ELECTRICITY, TELEPHONE, AND CABLE TELEVISION, WITH ALL NECESSARY AND/OR DESIRABLE LINES, LATERAL AND/OR APPURTENANCES THERETO (THE "UTILITIES")

TOGETHER WITH THE RIGHT OF INGRESS AND EGRESS OVER THE ADJACENT LAND TO OR FROM THE EASEMENT FOR THE PURPOSE OF CONSTRUCTION, RECONSTRUCTION, INSPECTING, PATROLLING, OPERATING, MAINTAINING, REPAIRING, AND REMOVING THE UTILITIES; THE RIGHT TO PLACE NEW OR ADDITIONAL UTILITIES IN THE EASEMENT AND TO CHANGE THE SIZE THEREOF; THE RIGHT TO RELOCATE ALONG THE SAME GENERAL DIRECTION OF THE UTILITIES; THE RIGHT TO REMOVE FROM THE EASEMENT ALL TREES AND PARTS THEREOF, OR OTHER OBSTRUCTIONS, WHICH REASONABLY ENDANGER OF MAY REASONABLY INTERFERE WITH THE EFFICIENCY OR OPERATION OF THE UTILITIES; AND THE RIGHT TO PLACE TEMPORARY STRUCTURES FOR USE IN CONSTRUCTING OR PREPARING THE UTILITIES.

1. THE PROPERTY OWNER RETAINS THE RIGHT TO USE ALL OR ANY PART OF THE EASEMENT FOR ANY PURPOSE WHICH DOES NOT DAMAGE, DESTROY, INJURE, AND/OR UNREASONABLY INTERFERE WITH THE USE OF THE EASEMENT. HOWEVER, THE EASEMENT SHALL BE KEPT CLEAR OF ALL STRUCTURE OR OTHER IMPROVEMENTS.

2. THE CITY SHALL MAKE COMMERCIALLY REASONABLE EFFORTS TO ENSURE THAT DAMAGE TO THE PROPERTY IS MINIMIZED AND THE CITY WILL AT ALL TIMES, AFTER DOING ANY WORK IN CONNECTION WITH THE SYSTEM, RESTORE THE PROPERTY TO THE CONDITION IN WHICH THE PROPERTY WAS FOUND BEFORE SUCH WORK WAS UNDERTAKEN TO THE EXTENT THAT SUCH RESTORATION IS REASONABLE IN ACCORDANCE WITH THE CITY'S USUAL AND CUSTOMARY PRACTICES.

STATE OF TEXAS
COUNTY OF MEDINA

I HEREBY CERTIFY THAT PROPER ENGINEERING CONSIDERATION HAS BEEN GIVEN IN THIS PLAT TO THE MATTERS OF STREETS, LOTS AND DRAINAGE LAYOUT. TO THE BEST OF MY KNOWLEDGE THIS PLAT CONFORMS TO ALL REQUIREMENTS OF THE SUBDIVISION ORDINANCE, EXCEPT FOR THOSE VARIANCES GRANTED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF CASTROVILLE.

REGISTERED PROFESSIONAL ENGINEER
LANCE T. ELLING

SWORN TO AND SUBSCRIBED BEFORE ME THIS THE _____ DAY OF _____, _____.

NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

STATE OF TEXAS
COUNTY OF MEDINA

I HEREBY CERTIFY THAT THIS PLAT IS TRUE AND CORRECT AND WAS PREPARED FROM AN ACTUAL SURVEY OF THE PROPERTY MADE ON THE GROUND UNDER MY SUPERVISION.

REGISTERED PUBLIC SURVEYOR
GARY B. NEILL, R.P.L.S. #3964

SWORN TO AND SUBSCRIBED BEFORE ME THIS THE _____ DAY OF _____, _____.

NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

SIDEWALK NOTES:

FIVE-FOOT WIDE REINFORCED CONCRETE SIDEWALKS SHALL BE INSTALLED ADJACENT TO ALL STREET FRONTAGE PROPERTY LINES OF EACH LOT FRONTING A STREET AT SUCH TIME AS THAT LOT IS DEVELOPED.

FENCE NOTES:

EASEMENT ACCESS AT FENCES: DOUBLE SWING GATES OR A REMOVABLE FENCE PANEL SHALL BE INSTALLED WHEREVER FENCES CROSS UTILITY EASEMENTS.

OBSTRUCTIONS OF DRAINAGE: ADEQUATE STRUCTURES SHALL BE PROVIDED TO ALLOW THE UNHINDERED PASSAGE OF ALL STORM AND DRAINAGE FLOWS WHEREVER FENCES CROSS DRAINAGE EASEMENTS

CAPITAL RECOVERY FEE ASSESSMENT:

ASSESSMENT AND COLLECTION OF THE CITY OF CASTROVILLE WATER AND WASTEWATER UTILITIES' CAPITAL RECOVERY FEES SHALL BE THE AMOUNT PER LOT AS SET FORTH IN CITY ORDINANCE No. 239.

OPEN SPACE:

LOT 902, BLOCK 1 AND LOT 900, BLOCK 2 ARE DESIGNATED TO OPEN SPACE, ELECTRIC, GAS, TELEPHONE AND CABLE TV.

LOT 903, BLOCK 1, IS DESIGNATED ONLY TO OPEN SPACE & PUBLIC DRAINAGE.

LOT 901, BLOCK 1, LOT 901 BLOCK 2 AND LOT 906, BLOCK 4 ARE DESIGNATED TO OPEN SPACE AND SHALL BE THE RESPONSIBILITY OF THE PROPERTY OWNERS, OR THE PROPERTY OWNERS' ASSOCIATION AND NOT THE RESPONSIBILITY OF THE CITY OF CASTROVILLE.

THE TOTAL PUBLIC OPEN SPACE ACREAGE INCLUDES ALL 900 SERIES LOT. THE TOTAL RESERVED PUBLIC OPEN SPACE REQUIRED IN ACCORDANCE WITH THE DEVELOPMENT AGREEMENT IS SHOWN ON THE APPROVED PLANNED UNIT DEVELOPMENT PLAN FOR THIS PLAT.

CLEAR VISION:

CLEAR VISION AREAS MUST BE FREE OF VISUAL OBSTRUCTION IN ACCORDANCE WITH THE AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS (AASHTO) POLICY ON GEOMETRIC DESIGN OF HIGHWAYS AND STREETS, OR LATEST VERSION THEREOF.

EASEMENT NOTES:

ALL PROPERTIES DESIGNATED AS EASEMENTS SHALL OR MAY BE UTILIZED FOR THE FOLLOWING PURPOSES:

DRAINAGE EASEMENT:

DRAINAGE, WATER DIVERSION, AND SANITARY CONTROL, INCLUDING WITHOUT LIMITATION, WALLS, BEDS, EMBANKMENTS, SPILLWAYS, APPURTENANCES, AND OTHER ENGINEERED DEVICES (THE "DRAINAGE SYSTEM")

TOGETHER WITH THE RIGHT OF INGRESS AND EGRESS OVER THE ADJACENT LAND TO OR FROM THE EASEMENT FOR THE PURPOSE OF CONSTRUCTING, RECONSTRUCTING, INSPECTING, PATROLLING, OPERATING, MAINTAINING, REPAIRING, AND REMOVING THE DRAINAGE SYSTEM; THE RIGHT TO CHANGE THE SIZE THEREOF; THE RIGHT TO RELOCATE ALONG THE SAME GENERAL DIRECTION OF THE DRAINAGE SYSTEM; THE RIGHT TO CREATE AND/OR DREDGE A STREAM COURSE, REFILL, OR DIG OUT SUCH STREAM COURSE, ESTABLISH OR CHANGE STREAM EMBANKMENTS WITH THE EASEMENT, INSTALL STORM SEWER SYSTEMS, CULVERTS, WATER GAPS, AND PROTECTING RAILS; THE RIGHT TO REMOVE FROM THE EASEMENT ALL TREES AND PARTS THEREOF, OR OTHER OBSTRUCTIONS, WHICH REASONABLY ENDANGER OR MAY REASONABLY INTERFERE WITH THE EFFICIENCY OF THE DRAINAGE SYSTEM; AND THE RIGHT TO PLACE TEMPORARY STRUCTURES FOR USE IN CONSTRUCTING OR REPAIRING THE DRAINAGE SYSTEM.

WITH RESPECT TO THE DRAINAGE SYSTEM, IT IS EXPRESSLY AGREED AND UNDERSTOOD BY ALL PARTIES HERETO, THAT THE INTENTION IS TO IMPROVE CONDITIONS OF SANITATION AND WATER DRAINAGE CONTROL ON THE PROPERTY FOR THE BENEFIT OF THE PROPERTY, ADJACENT PROPERTY, AND THE COMMUNITY, BUT THE CITY DOES NOT GUARANTEE OR WARRANT THAT SUCH CONTROL WORK WILL BE EFFECTIVE, NOR DOES THE CITY ASSUME ANY ADDITIONAL LIABILITY WHATSOEVER FOR THE EFFECTS OF FLOOD, STANDING WATER, OR DRAINAGE ON OR TO THE PROPERTY, OR ANY OTHER PROPERTY OR PERSONS THAT MIGHT BE AFFECTED BY SAID STREAM, WASH, OR GULLY IN ITS NATURAL STATE OR AS CHANGED BY THE CITY.

TAX CERTIFICATE:

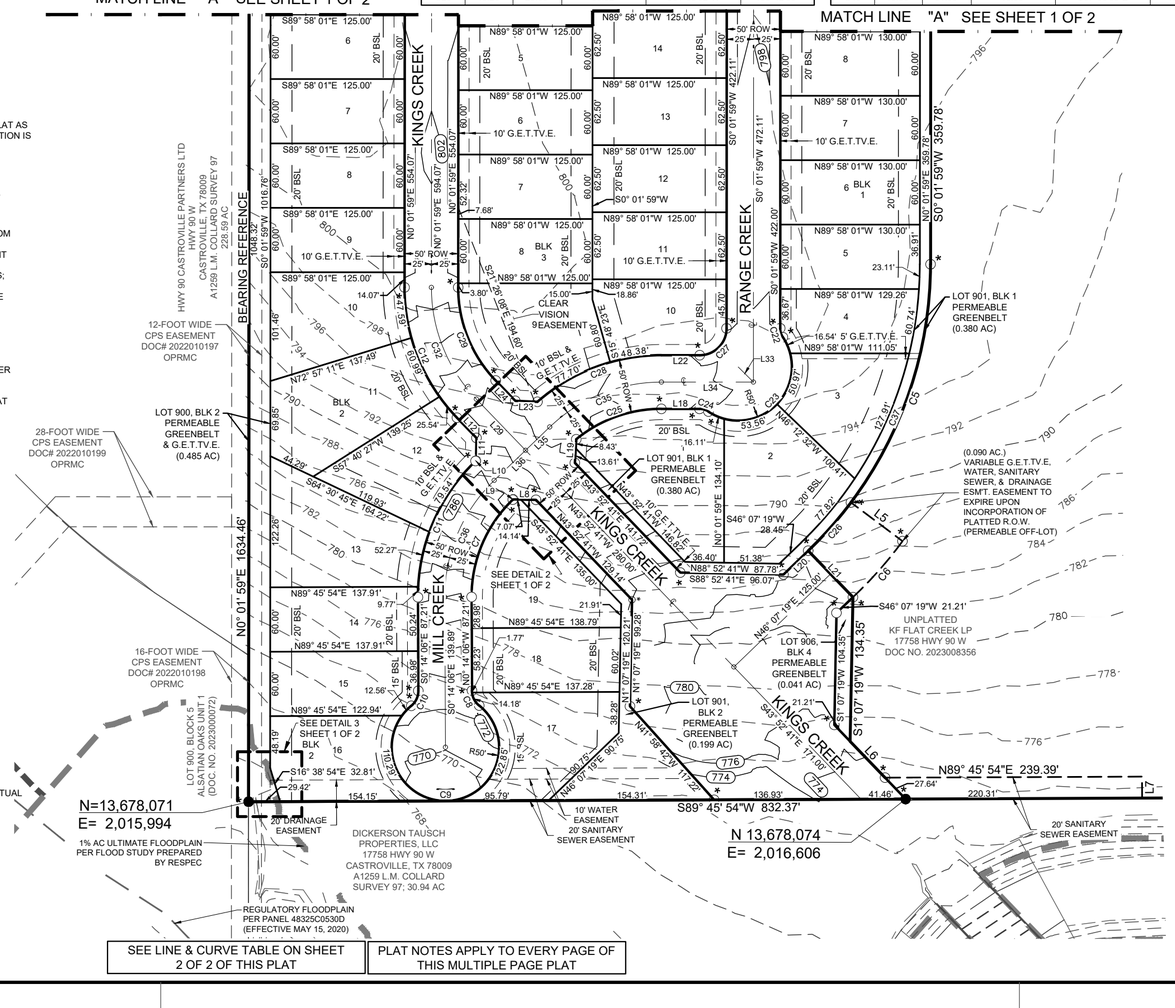
TAX CERTIFICATE AFFIDAVIT FILED THIS DATE IN VOLUME _____, PAGE ____, MEDINA COUNTY OFFICIAL RECORDS.

Line Table		
Line	Length	Direction
L1	46.53'	S76°28'35"E
L2	55.63'	S87°50'39"E
L3	44.81'	S03°38'22"W
L4	47.87'	N86°21'38"W
L5	60.00'	S53°05'56"E
L6	46.98'	S43°52'41"E
L7	20.00'	S00°14'06"E
L8	21.21'	N88°52'41"W
L9	0.47'	S46°07'19"W
L10	0.47'	N46°07'19"E
L11	21.21'	N01°07'19"E
L12	26.12'	N43°52'41"W
L13	21.21'	N44°58'01"W
L14	50.00'	N00°01'59"E
L15	21.21'	S45°01'59"W
L16	21.21'	S44°58'01"E
L17	50.00'	S89°58'01"E
L18	35.53'	N89°58'01"W
L19	22.04'	S03°23'49"W

Line Table		
Line	Length	Direction
L20	32.07'	S46°07'19"W
L21	60.00'	S43°52'41"E
L22	35.64'	N89°58'01"W
L23	20.72'	N87°33'43"W
L24	26.32'	N43°52'41"W
L25	21.21'	N45°01'59"E
L26	50.00'	S89°58'01"E
L27	26.09'	N52°17'29"E
L28	24.64'	N86°21'38"W
L29	66.12'	N43°52'41"W
L30	15.00'	S36°59'15"E
L31	25.00'	N10°10'11"E
L32	90.00'	S89°58'01"E
L33	20.00'	N44°58'01"W
L34	85.64'	N89°58'01"W
L35	31.27'	S46°07'19"W
L36	40.47'	S46°07'19"W

Curve Table					
Curve	Length	Radius	Chord Length	Chord Direction	Delta Angle
C1	292.37'	1460.00'	291.88'	S70°44'22"E	11°28'25"
C2	12.99'	430.00'	12.99'	S02°40'59"E	1°43'50"
C3	212.55'	430.00'	210.39'	S23°34'52"E	28°19'16"
C4	243.94'	370.00'	239.55'	S18°51'15"E	37°46'30"
C5	238.08'	370.00'	234.00'	S18°28'02"W	36°52'05"
C6	69.75'	370.00'	69.65'	S41°32'46"W	10°48'03"
C7	101.13'	125.00'	98.40'	S22°56'37"W	46°21'24"
C8	15.95'	18.00'	15.43'	S25°37'23"E	50°46'34"
C9	245.70'	50.00'	63.24'	S89°45'54"W	281°33'08"
C10	15.95'	18.00'	15.43'	N25°09'11"E	50°46'34"
C11	141.59'	175.00'	137.76'	N22°56'36"E	46°21'24"
C12	134.12'	175.00'	130.86'	N21°55'21"W	43°54'41"
C13	16.62'	25.00'	16.31'	S19°00'35"E	38°05'09"
C14	157.81'	50.00'	100.00'	S52°21'58"W	180°50'16"
C15	16.96'	25.00'	16.63'	S56°38'50"E	38°51'53"
C16	41.13'	1599.00'	41.12'	S76°48'59"E	1°28'25"
C17	20.37'	15.00'	18.84'	N63°32'50"E	77°47'56"
C18	222.98'	50.00'	79.06'	S27°35'29"E	255°31'18"
C19	102.60'	1649.00'	102.59'	N78°02'52"W	3°33'54"
C20	45.25'	25.00'	39.32'	S51°53'02"W	103°42'05"

Curve Table					
Curve	Length	Radius	Chord Length	Chord Direction	Delta Angle
C21	369.14'	235.00'	332.34'	S44°58'01"E	90°00'00"
C22	8.80'	15.00'	8.67'	S16°45'54"E	33°35'47"
C23	137.18'	50.00'	98.03'	S45°01'59"W	157°11'34"
C24	8.80'	15.00'	8.67'	N73°10'07"W	33°35'47"
C25	85.87'	125.00'	84.19'	S70°21'09"W	39°21'40"
C26	60.07'	370.00'	60.00'	S41°33'04"W	9°18'05"
C27	39.27'	25.00'	35.36'	S45°01'59"W	90°00'00"
C28	126.08'	175.00'	123.37'	S69°23'38"W	41°16'44"
C29	95.80'	125.00'	93.47'	N21°55'21"W	43°54'41"
C30	290.60'	185.00'	261.63'	S44°58'01"E	90°00'00"
C31	44.07'	430.00'	44.05'	S06°29'04"E	5°52'20"
C32	114.96'	150.00'	112.17'	N21°55'21"W	43°54'41"
C33	165.03'	1624.00'	164.96'	S76°55'09"E	5°49'20"
C34	329.87'	210.00'	296.98'	S44°58'01"E	90°00'00"
C35	114.96'	150.00'	112.17'	S68°04'39"W	43°54'41"
C36	121.36'	150.00'	118.08'	S22°56'37"W	46°21'24"
C37	289.58'	360.00'	281.84'	N23°04'39"E	46°05'19"
C38	237.35'	360.00'	233.07'	N18°51'15"W	37°46'30"
C39	219.81'	440.00'	217.53'	N23°25'49"W	28°37'23"
C40	16.83'	91.00'	16.80'	S07°06'53"E	10°35'38"



SEE LINE & CURVE TABLE ON SHEET 2 OF 2 OF THIS PLAT

PLAT NOTES APPLY TO EVERY PAGE OF THIS MULTIPLE PAGE PLAT

SUBDIVISION PLAT ESTABLISHING FLAT CREEK SUBDIVISION UNIT 1

BEING A TOTAL OF 20.091 ACRES OF LAND OUT OF THE CALLED 123.23 ACRES TRACT RECORDED IN DOCUMENT NO. 2023008356, DEED RECORDS OF MEDINA COUNTY, TEXAS, AND BEING OUT OF THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, MEDINA COUNTY, TEXAS.

GRAPHIC SCALE
100 0 50 100 200
(IN FEET)
1 inch = 100 ft.

KCI TECHNOLOGIES, INC.
2806 W. BITTERS RD, SUITE 218
SAN ANTONIO, TEXAS 78248
PHONE: (210) 641-9999
FAX: (210) 641-6440
REGISTRATION #F-10573 / #101943-65

DATE OF PREPARATION: 08/2024

STATE OF TEXAS
COUNTY OF MEDINA

THE OWNER OF LAND SHOWN ON THIS PLAT, IN PERSON OR THROUGH A DULY AUTHORIZED AGENT, DEDICATES TO THE USE OF THE PUBLIC FOREVER ALL STREETS, ALLEYS, PARKS, WATERCOURSES, DRAINS, EASEMENTS AND PUBLIC PLACES THEREON SHOWN FOR THE PURPOSE AND CONSIDERATION THEREIN EXPRESSED.

OWNER: JEFFREY CZAR, JR.
KF FLAT CREEK, LP
2722 WEST BITTERS RD, SUITE 106
SAN ANTONIO, TX 78248

DULY AUTHORIZED AGENT:

STATE OF TEXAS
COUNTY OF MEDINA
BEFORE ME, THE UNDERSIGNED AUTHORITY ON THIS DAY PERSONALLY APPEARED JEFFREY CZAR, JR. KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATIONS THEREIN EXPRESSED AND IN THE CAPACITY THEREIN STATED. GIVEN UNDER MY HAND & SEAL OF OFFICE

THIS _____ DAY OF _____ A.D., 20____.

NOTARY PUBLIC, MEDINA COUNTY, TEXAS

THIS PLAT OF FLAT CREEK SUBDIVISION UNIT 1 HAS BEEN SUBMITTED TO AND CONSIDERED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF CASTROVILLE, TEXAS, AND IS HEREBY APPROVED BY SUCH COMMISSION.

DATED THIS _____ DAY OF _____ A.D., 20____.

BY:_____
CHAIRMAN

BY:_____
SECRETARY

THIS PLAT OF FLAT CREEK SUBDIVISION UNIT 1 HAS BEEN SUBMITTED TO AND CONSIDERED BY THE CITY COUNCIL OF THE CITY OF CASTROVILLE, TEXAS, AND IS HEREBY APPROVED BY SUCH COUNCIL.

DATED THIS _____ DAY OF _____ A.D. 20____

MAYOR

CITY SECRETARY

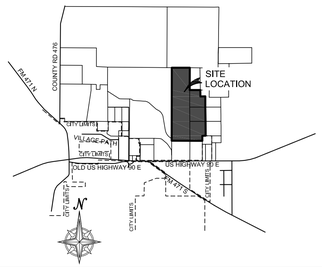
STATE OF TEXAS
COUNTY OF MEDINA

I, GINA CHAMPION, COUNTY CLERK OF SAID COUNTY, DO HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT IN WRITING WITH ITS CERTIFICATE OF AUTHENTICATION WAS FILED FOR RECORD IN MY OFFICE ON THE ____ DAY OF _____, 20____ A.D. AT _____O'CLOCK __M AND DULY RECORDED THIS ____ DAY OF _____, 20____ A.D. AT _____O'CLOCK __M, IN THE PLAT RECORDS OF SAID COUNTY IN CABINET _____ TO CERTIFY WHICH, WITNESS MY HAND AND SEAL AT THE COUNTY COURT OF SAID COUNTY, AT MY OFFICE IN HONDO, TEXAS, THE DATE SHOWN ABOVE WRITTEN.

GINA CHAMPION, COUNTY CLERK
MEDINA COUNTY, TEXAS

THIS DOCUMENT HAS BEEN PRODUCED FROM MATERIAL THAT WAS STORED AND/OR TRANSMITTED ELECTRONICALLY AND MAY HAVE BEEN INADVERTENTLY ALTERED. RELY ONLY ON FINAL HARD COPY MATERIALS BEARING THE CONSULTANT'S ORIGINAL SIGNATURE AND SEAL.

Dec 18, 2025, 12:01pm User ID: Bradley.Brickson File: L:\develop\Proj_2023_KCI\762308222_Flat_Creek_Subdivision-Unit_1\Cadd\762308222 000 PLAT.dwg



LOCATION MAP
N.T.S.

PARK DATA

BASED ON THE 254.69 ACRE TRACT THE REQUIRED PARK DEDICATION FOR THIS DEVELOPMENT IS 50.94 ACRES (20% OF TOTAL GROSS AREA BEING PLATTED).

THIS DEVELOPMENT IS PROPOSED IN PHASES AND HAS RESERVED 46.21 ACRES FOR PARK OR OPEN SPACE DEDICATION. THE REQUIRED DEDICATION WILL OCCUR AT A MINIMUM WITH SECTION 100-76 WHICH DEFINES TIMETABLE FOR TIMING OF IMPROVEMENTS AND DEDICATION.

PRIVATE PARK FACILITIES AND/OR OPEN SPACE RECREATIONAL IMPROVEMENTS WILL MEET THE REQUIREMENTS AND SHALL CONFORM TO THE ELEMENTS OF SECTION 100-76. THE HOMEOWNER ASSOCIATION WILL BE RESPONSIBLE FOR OPERATION AND MAINTENANCE OF THE DEDICATED PARKS.

ADDITIONAL PARKLAND REQUIREMENT HAS BEEN ADDRESSED IN THE DEVELOPERS AGREEMENT, EXHIBIT D AND WITHIN SECTION 3.12.

MINIMUM BUILDING SETBACKS

	REGULAR LOTS	IRREGULAR LOTS
FRONT SETBACK	20'	15
SIDE SETBACK	5'	
REAR SETBACK	20'	

*SEE "EXHIBIT I" IN DEVELOPERS AGREEMENT

NOTES

1. THIS PUD FOLLOWS THE DEVELOPMENT AGREEMENT BY AND AMONG THE CITY OF CASTROVILLE, TEXAS AND MKT 179 INVESTMENTS, LLC (FORMERLY DICKERSON TAUSCH PROPERTIES, LLC) AND CROWN MONEY, LLC AND MKT 179, LLC AND KF FLAT CREEK, LP.
2. ALL LAND USE IS DETACHED SINGLE FAMILY RESIDENTIAL UNLESS OTHERWISE NOTED.
3. INDIVIDUAL LOT DIMENSION WILL BE SHOWN ON SUBDIVISION PLATS.
4. ALL INTERNAL STREETS WITHIN THE P.U.D. LIMITS ARE LOCAL TYPE "A" WITH A 50' R.O.W, 30' PAVEMENT, AND 9' PARKWAYS UNLESS OTHERWISE NOTED. ALL STREET TO BE PUBLIC UNLESS OTHERWISE NOTED.
5. LOCAL "A" STREETS ARE SHOWN FOR INFORMATIONAL PURPOSE AND MAY CHANGE AT THE TIME OF PLATTING.
6. SIDEWALKS WILL BE INSTALLED IN THE PUBLIC RIGHT-OF-WAY PER UDC SECTION 100-120. THE MINIMUM WIDTH OF SIDEWALKS ADJOINING A PLANTING STRIP SHALL BE FIVE (5) FEET IN WIDTH. THE MINIMUM WIDTHS OF SIDEWALKS IN COLLECTOR (MINIMUM 60 FEET OF RIGHT-OF-WAY WIDTH) AND FIVE (5) FEET FOR RESIDENTIAL LOCAL TYPE A (MINIMUM 50 FEET RIGHT-OF-WAY WIDTH).
7. SEWER SERVICE TO BE PROVIDED BY CITY OF CASTROVILLE, WATER SERVICE TO BE PROVIDED BY CITY OF CASTROVILLE, & ELECTRIC AND GAS (IF AVAILABLE) SERVICE TO BE PROVIDED BY CITY PUBLIC SERVICE.
8. THIS DEVELOPMENT IS WITHIN THE MEDINA VALLEY INDEPENDENT SCHOOL DISTRICT.
9. DEVELOPER WILL COMPLY WITH SECTION 100-53 OF THE UDC REGARDING PARKS/OPEN SPACE REQUIREMENTS IN EFFECT AT THE TIME OF THE P.U.D, SUBMITTAL.
10. A VARIABLE SIGHT CLEARANCE EASEMENT WILL BE REQUIRED AT CORNER LOTS OF THE INTERSECTION DOES NOT MEET SIGHT DISTANCE REQUIREMENTS AS DEFINED IN LATEST EDITION OF AASHTO MANUAL.
11. DETAILED DRAINAGE ANALYSIS WILL BE COMPLETED WITH SUBDIVISION PLATS.
12. NO PORTION OF THIS PROPERTY IS WITHIN THE EDWARDS AQUIFER RECHARGE ZONE.
13. THE BASIS OF BEARING IS THE NORTHWEST LINE BETWEEN FOUND MONUMENTS SHOWN AND CALLED N 0° 01' 20" E AS OBTAINED BY GPS OBSERVATION BASED ON DATUM NAD83 (2011) - TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE.
14. PLATTED UNITS WILL FOLLOW THE APPROVED DEVELOPER AGREEMENT.
15. INTERNAL STREETS WILL MEET STREET INTERSECTION REQUIREMENTS PER UDC SECTION 100-113(f).
16. INTERNAL STREETS WILL MEET MAXIMUM STREET LENGTH REQUIREMENTS PER UDC SECTION 100-55(a).
17. BLOCK WILL MEET BLOCK LENGTH REQUIREMENTS PER UDC 100-55(a).

LEGEND

- UNIT BOUNDARY
- (10) UNIT NUMBER
- 1% AC EFFECTIVE FLOODPLAIN
- 975 EXISTING CONTOUR
- O.P.R. OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, BEXAR COUNTY, TEXAS.
- D.P.R. DEED AND PLAT RECORDS, BEXAR COUNTY, TEXAS.
- VOL VOLUME
- PG PAGE
- ROW RIGHT OF WAY
- AC ACRE
- PARK/OPEN SPACE (OWNED AND MAINTAINED BY HOA)
- DRAINAGE / OPEN SPACE AREA (TO BE DEDICATED WITH EACH SUBDIVISION PHASE)
- OPEN SPACE/ GREENSCAPE BUFFER (OWNED AND MAINTAINED BY HOA)
- WATER TOWER

N

0 200' 400'

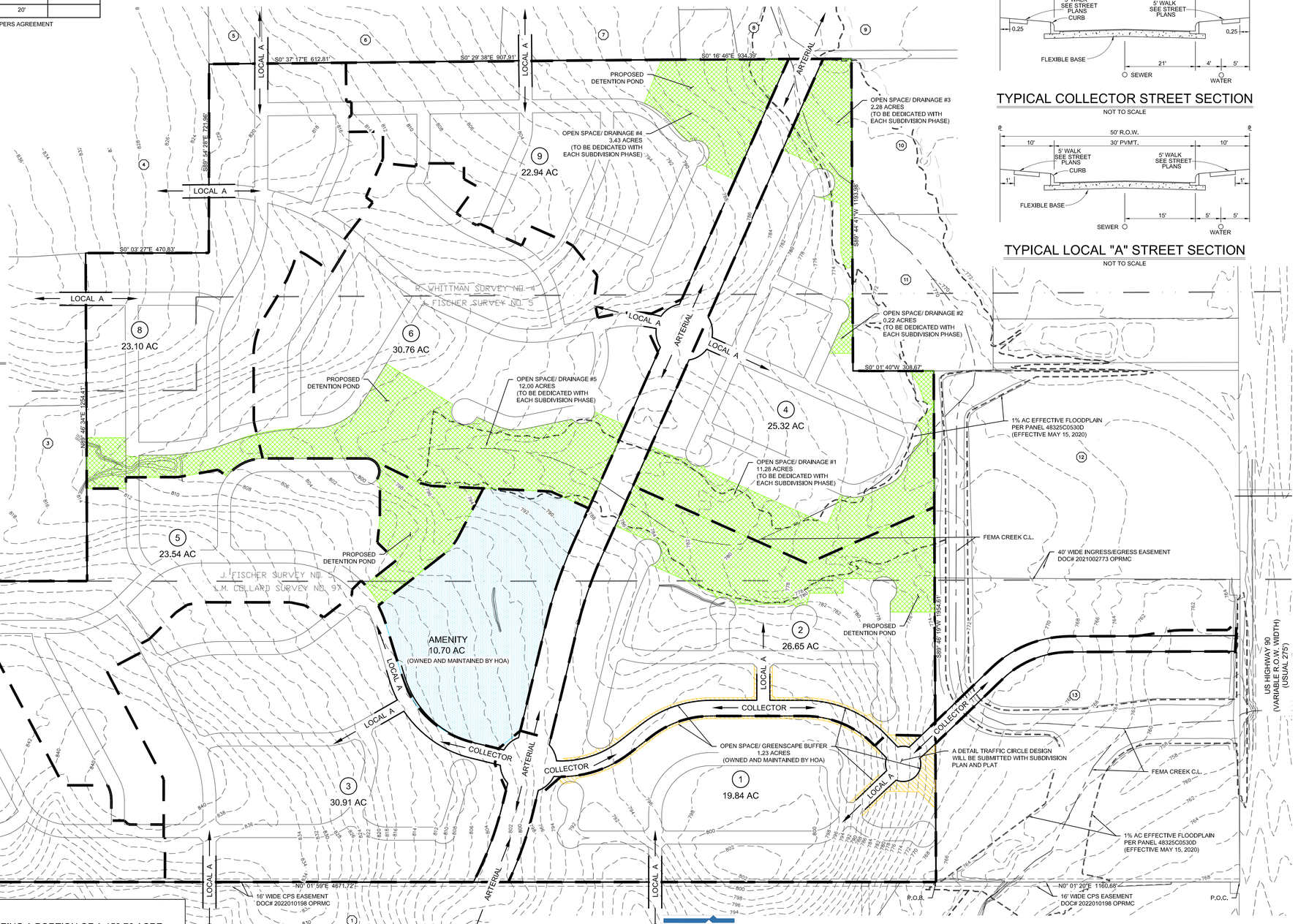
1" = 200'

LAND USE AND DENSITY TABLE

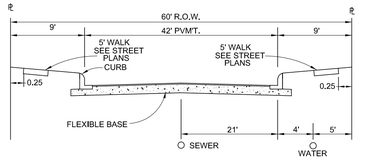
UNIT #	LAND USE	GROSS AREA (ACREAGE)	MAX # OF DWELLING UNITS	PARK/ OPEN SPACE (ACRES)	DENSITY (DU/AC)	PHASING SEQUENCE
1	SINGLE FAMILY	19.84	62	0.85	3.13	2025
2	SINGLE FAMILY	26.65	70	6.62	2.63	2025
3	SINGLE FAMILY	30.91	81	2.70	2.62	2025
4	SINGLE FAMILY	25.32	84	7.54	3.32	2027
5	SINGLE FAMILY	23.54	76		3.23	2027
6	SINGLE FAMILY	30.76	81	7.58	2.63	2027
7	SINGLE FAMILY	27.90	69		2.47	2030
8	SINGLE FAMILY	23.10	77	1.72	3.33	2029
9	SINGLE FAMILY	22.94	73	3.43	3.18	2031
	NON-SINGLE FAMILY (AMENITY)	10.70		10.70		2025
	NON-SINGLE FAMILY (ARTERIAL)	7.96				2025
	NON-SINGLE FAMILY (TOWER)	5.07		5.07		2025
TOTAL		254.69	673	46.21	2.64	LOTS PER ACRE

NAME AND ADDRESS OF ADJACENT OWNERS

1. HWY 90 CASTROVILLE PARTNERS LTD, 228.59 ACRES, PO BOX 790209, SAN ANTONIO, TX 78279
2. JZG PROPOERTIES LTD, 297.26 ACRES, PO BOX 921, HELOTES, TX 78023
3. CROWN MONEY LLC, 20.20 ACRES, PO BOX 7269, ABILENE, TX 79608
4. KELLER BURNELL R & VICKI, 50.96 ACRES, 501 PRIVATE RD 4751, CASTROVILLE, TX 78009
5. KELLER BURNELL R & VICKI, 4.17 ACRES, 501 PRIVATE RD 4751, CASTROVILLE, TX 78009, VOLUME 90, PAGE 209, O.P.R.
6. RITZ JOSEPH PAUL & DEANNA C, 10.07 ACRES, 461 PRIVATE ROAD 4749, CASTROVILLE, TX 78009
7. PERSYN HILDA AELVOET, 6.59 ACRES, 415 PRIVATE ROAD 4749, CASTROVILLE, TX 78009
8. PIPER SHANE & JOHNIE, 0.93 ACRES, 283 PRIVATE ROAD 4749, CASTROVILLE, TX 78009, VOLUME 403, PAGE 139, O.P.R.
9. PERSYN HILDA AEVOLET, 3.65 ACRES, 415 PRIVATE ROAD 4749, CASTROVILLE, TX 78009
10. CROWN MONEY LLC, 6.11 ACRES, PO BOX 7269, ABILENE, TX 79608
11. CITY OF CASTROVILLE, 8.00 ACRES, 1209 FIORELLA, CASTROVILLE, TX 78009, VOLUME 530, PAGE 663, O.P.R.
12. JBS ASSOCIATES LLC, 21.32 ACRES, 210 EL RANCHO WAY, SAN ANTONIO, TX 78209
13. DICKERSON TAUSCH PROPERTIES LLC, 22.10 ACRES, PO BOX 977, CASTROVILLE, TX 78009



TYPICAL COLLECTOR STREET SECTION
NOT TO SCALE



TYPICAL LOCAL "A" STREET SECTION
NOT TO SCALE

LEGAL DESCRIPTION

BEING A TOTAL OF 254.69 ACRES OF LAND, BEING A PORTION OF A 153.76 ACRE TRACT OF LAND, CALLED 154.17, ALL OF A 41.58 ACRE TRACT OF LAND, CALLED TRACT 2, ALL OF A 41.46 ACRE TRACT OF LAND, CALLED TRACT 3, AND ALL OF A 48.41 ACRE TRACT OF LAND, CALLED TRACT 4, OF THE JOHN FISCHER ESTATE LANDS DIVISION, LYING IN THE JOSEPH FISCHER SURVEY NO. 5, ABSTRACT NO. 1269, THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, AND THE ROMANUS WHITMAN SURVEY NO. 4, ABSTRACT NO. 1348, MEDINA COUNTY, TEXAS

OWNER/DEVELOPER:
KF FLAT CREEK, L.P.
2722 W. BITTERS, RD. SUITE 106
SAN ANTONIO, TEXAS 78259
(210) 662-0066

PREPARED BY:
KCI TECHNOLOGIES, INC.
2806 W. BITTERS, RD. SUITE 218
SAN ANTONIO, TEXAS 78248
PHONE: (210) 641-9999
FAX: (210) 641-6440
REGISTRATION #F-10573 / #101943-65

PREPARED: APRIL 2024

REV	DATE	DESCRIPTION

SEAL:
FOR REVIEW ONLY
Issued for permit purposes.
Engineer:
ENGINEER'S NAME 00000000
Date:
LIC No. 000000

KCI TECHNOLOGIES, INC.
2806 W. BITTERS RD. SUITE 218
SAN ANTONIO, TEXAS 78248
PHONE: (210) 641-9999
FAX: (210) 641-6440
REGISTRATION #F-10573 / #101943-65

FLAT CREEK SUBDIVISION
PLANNED UNIT DEVELOPMENT (P.U.D.)

DRAFTING:	C.P.	CHECK:	C.P.
DESIGN:	C.P.	CHECK:	M.S.
SUBMITTAL PHASE:			MDP
DATE:			03/2024
KCI JOB #:			762308213

SHEET:
PUD

THIS DOCUMENT HAS BEEN PROVIDED FROM MATERIAL THAT HAS STORED AND/OR TRANSMITTED ELECTRONICALLY AND MAY HAVE BEEN INADVERTENTLY ALTERED. REFLY ONLY ON FINAL HARD COPY MATERIALS BEARING THE CONSULTANTS ORIGINAL SIGNATURE AND SEAL.

Mon, Oct 28, 2024, 10:42pm User ID: Christopher Perez File: L:\Develop\Proj_2023_2Q\762308213_Flat_Creek_Subdivision--Whitt\Cad\762308213 PUD.dwg

DEVELOPMENT SUMMARY						
AREA/PHASE	LAND USE	AREA (Ac.)	DENSITY (DU/Ac.)	UNITS/LOTS	OPEN SPACE REQ. (Ac.)	OPEN SPACE PROVIDED (Ac.)
AM	AMENITY CENTER	10.70				10.70
OS	OPEN SPACE AREAS	6.29				6.29
FLP	FLOODPLAIN	15.01				15.01
LDA	LOCAL DRAIN AREAS	4.49				-
DET	DETENTION AREAS	9.21				-
RES-1	SINGLE-FAMILY RESIDENTIAL	16.99	4.24	72	3.40	0.17
RES-2	SINGLE-FAMILY RESIDENTIAL	16.14	3.66	59	3.23	0.16
RES-3	SINGLE-FAMILY RESIDENTIAL	15.94	4.77	76	3.19	0.16
RES-4	SINGLE-FAMILY RESIDENTIAL	64.41	3.66	236	12.88	0.64
RES-5	SINGLE-FAMILY RESIDENTIAL	76.92	2.94	226	15.38	0.77
ROW	ARTERIAL RIGHT OF WAY	14.24				
CS	CITY SERVICES-WATERTOWER SITE	4.35				4.35
	TOTAL	254.69		669	38.08	38.25

1.6 AC
1.5 AC
10.7 AC
0.6 AC
1.4 AC
1.2 AC
0.9 AC
0.94 AC
1.0 AC
Roadway by Others
US HIGHWAY 90

KINGFISH
REAL ESTATE | DEVELOPMENT | CONSULTING

FLAT CREEK SUBDIVISION CONCEPTUAL LAND USE SITE PLAN

CITY OF CASTROVILLE - MEDINA COUNTY - TEXAS

August 15, 2023 - Ver M

City of Castroville Subdivision Plat Application

Permit	
Submittal	03-12-2024
	office use

Proposed Subdivision Name	Flat Creek Unit 1
Legal Description & Acreage *(Prior to Plat)*	A 254.69 ACRE TRACT OF LAND, BEING A PORTION OF A 153.76 ACRE TRACT OF LAND, CALLED 154.17, ALL OF A 41.58 ACRE TRACT OF LAND, CALLED TRACT 2, ALL OF A 41.46 ACRE TRACT OF LAND, CALLED TRACT 3, AND ALL OF A 48.41 ACRE TRACT OF LAND, CALLED
Current Street Address(es)	TRACT 4, OF THE JOHN FISCHER ESTATE LANDS DIVISION, LYING IN THE JOSEPH FISCHER SURVEY NO. 5, ABSTRACT NO. 1269, THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, AND THE ROMANUS WHITMAN SURVEY NO. 4, ABSTRACT NO. 1348, MEDINA COUNTY, TEXAS
Development Type *(Proposed Use)*	Single Family Residential
Type of Subdivision Plat *(ex. Replat, Vacate, Amending)*	Major Subdivision Plat
Number of Lots *(Created or Altered)*	65

	APPLICANT	**SURVEYOR**	
Business Name	KCI Technologies	Gary Neill	
Contact Name	Lance Elling	Gary Neill	*RPLS#* 3964
Address	2806 West Bitters Rd., Suite 218	San Antonio, Tx 78248	
Phone	210-641-9999		
E-mail	lance.elling@kci.com	lance.elling@kci.com	

Include Property Owner(s) information on additional sheets.

- Is the property within the City Limits of Castroville? YES ■ NO ☐
- Are utilities currently available to serve each proposed lot? YES ■ NO ☐
- Does the property require a roadway, alley, or public right-of-way extension/addition? YES ■ NO ☐
- In the past five years, has this property been restricted to residential use for not more than two residential units per lot? YES ☐ NO ■
- Is this Plat associated with any Planned Unit Developments? YES ☐ NO ■

Submittal Requirements:

Form and content of plat submittal must be in accordance with the requirements found in Chapter 100 of the City Code.

I hereby certify that this application is, to the best of my knowledge, complete and accurate. I also acknowledge that the approval procedure as set out in Texas Local Government Code Chapter § 212.009 shall not begin until (1) the City Administrator or the Council's designated employee has certified in writing that the plat application is completed in accordance with the City Code of Ordinances and State law; and, (2) a formal application for review and submission has been acknowledged in writing as received by the City Administrator or the Council's designated employee.

Applicant's Signature: Lance Elling Date: 03/13/2024

AFFIDAVIT: CONSULTANT AND LEGAL REVIEW FEES

PROJECT INFORMATION	
Project Address: 1875 Highway 90E	
Project Name: Flat Creek Subdivision	

PROPERTY OWNER OR REPRESENTATIVE INFORMATION		
Name(s): KF Flat Creek LP		**Main Contact:** Shad Schmid
Mailing Address: 2722 West Bitters Road Suite 106		
Phone: 210-882-6800	**Fax:**	**Email:** shad@kingfishtx.com

BILLING INFORMATION		
Name(s): KF Flat Creek LP		**Attn:** Shad Schmid
Billing Address: 2722 West Bitters Road Suite 106		
Phone: 210-882-6800	**Fax:**	**Email:** shad@kingfishtx.com

In accordance with the City of Castroville's adopted Comprehensive Fee Schedule, the following Consultant and Legal fees may be applicable in addition to other project fees throughout the course of your project:

- **Consultant Review Fees** are fees charged by the City to reimburse the City for costs incurred in the review of construction plans, reports, drainage studies, TIA's, landscape plans & any other documents associated with plats, site plans, mixed use concept plans or special submittals as necessary per application submitted. Fees include professional fees billed by engineering consultants or any consultant utilized by the City to review development applications. Fees may be waived by City Manager if project is minor in nature.
- **Legal Review Fees** are fees charged by the City to reimburse the City for legal fees incurred in the review, preparation and/or amendment of any legal document associated with a development application, such as, but not limited to Development Agreement or Public Infrastructure Agreement.

Consultant Fees and Legal Fees are calculated as the actual cost billed to the City by the City's consultants or legal advisors plus a 5% administration fee for City Staff coordination related to those services.

Consultants and Legal Advisors typically bill the City monthly. When the City receives a monthly bill that contains fees applicable to your specific project, the Community Development Department will invoice the individual named in the Billing Information table above.

By signing this affidavit, I attest that I am the owner of the listed property, or their legal representative for this project. I agree that I have read the provided information and understand that these fees may be applicable throughout the entirety of my project. I further agree that, upon receipt of invoice(s) for Consultant and Legal Review Fees, that I will pay the invoiced amount in accordance with the instructions on such invoice(s).

Signature: _____ Date: 3/12/24

INSURORS INDEMNITY COMPANIES

Phone: 877 816 2800 | PO Box 32577
Waco, Texas 76703-4200

SUBDIVISION IMPROVEMENTS PERFORMANCE BOND

BOND NO. CNB-25-0006312-00

KNOW ALL MEN BY THESE PRESENTS:

THAT we, KF Flat Creek, LP, as Principal, and INSURORS INDEMNITY COMPANY, a corporation organized and doing business and under and by virtue of the laws of the State of Texas and duly licensed to conduct surety business in the State of Texas, as Surety, are held and firmly bound unto City of Castroville, as Obligee, in the sum of One Hundred Eighty Four Thousand One Hundred Four Dollars Dollars($ $184,104.95) for which payment, well and truly to be made, we bind ourselves, our heirs, executors and successors, jointly and severally firmly by these presents.

THE CONDITION OF THE OBLIGATION IS SUCH THAT:

WHEREAS, the above named Principal, has agreed to construct in Flat Creek Subdivision Unit 1, Subdivision, in Castroville the following improvements: Streets, Drainage, Sidewalks, Water & Sewer.

NOW, THEREFORE, the condition of this obligation is such, that if the above Principal shall well and truly perform said agreement or agreements during the original term thereof or of any extension of said term that may be granted by the Obligee with or without notice to the Surety, this obligation shall be void, otherwise it shall remain in full force and effect.

IN WITNESS WHEREOF, the seal and signature of said Principal is hereto affixed and the corporate seal and the name of the said Surety is hereto affixed and attested by its duly authorized Attorney-in-Fact, this 19th day of December, 2025.

KF Flat Creek, LP
Principal

BY: _____

INSURORS INDEMNITY COMPANY

BY: _____
Mark Phillips
Attorney-in-Fact

Bond verification: bonddept@insurorsindemnity.com

IIC 010 8-21

POWER OF ATTORNEY of INSURORS INDEMNITY COMPANY
Waco, Texas

KNOW ALL PERSONS BY THESE PRESENTS: **Number:** CNB-25-0006312-00

That INSURORS INDEMNITY COMPANY, Waco, Texas, organized and existing under the laws of the State of TEXAS, and authorized and licensed to do business in the State of TEXAS and the United States of America, does hereby make, constitute and appoint

Mark Phillips of the City of San Antonio, State of TEXAS

as Attorney in Fact, with full power and authority hereby conferred upon him to sign, execute, acknowledge, and deliver for and on its behalf as Surety and as its act and deed, all of the following classes of document, to -wit:

Indemnity, Surety and Undertakings that may be desired by contract, or may be given in any action or proceeding in any court of law or equity; Indemnity in all cases where indemnity may be lawfully given and with full power and authority to execute consents and waivers to modify or change or extend any bond or document executed for this Company.

INSURORS INDEMNITY COMPANY

Attest: Tammy Tieperman
Tammy Tieperman, Secretary

By: Dave E. Talbert
Dave E. Talbert, President

State of Texas
County of McLennan

On the 1st day of January, 2025, before me a Notary Public in the State of Texas, personally appeared Dave E. Talbert and Tammy Tieperman, who being by me duly sworn, acknowledged that they executed the above Power of Attorney in their capacities as President, and Corporate Secretary, respectively, of Insurors Indemnity Company, and acknowledged said Power of Attorney to be the voluntary act and deed of the Company.

Cheyenne Wasden
Notary Public, State of Texas

CHEYENNE WASDEN
Notary ID # 13367382-3
My Commission Expires
08-30-2025

Insurors Indemnity Company certifies that this Power of Attorney is granted under and by authority of the following resolutions of the Company adopted by the Board of Directors on November 11, 2014:

RESOLVED, that all bonds, undertakings, contracts or other obligations may be executed in the name of the Company by persons appointed as Attorney in Fact pursuant to a Power of Attorney issued in accordance with these Resolutions. Said Power of Attorney shall be executed in the name and on behalf of the Company either by the Chairman and CEO or the President, under their respective designation. The signature of such officer and the seal of the Company may be affixed by facsimile to any Power of Attorney, and, unless subsequently revoked and subject to any limitation set forth therein, any such Power of Attorney or certificate bearing such facsimile signature and seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signature and seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is validly attached.

RESOLVED, that Attorneys in Fact shall have the power and authority, subject to the terms and limitations of the Power of Attorney issued to them, to execute and deliver on behalf of the Company and to attach the seal of the Company to any and all bonds and undertakings, and any such instrument executed by such Attorneys in Fact shall be binding upon the Company as if signed by an Executive Officer and sealed and attested to by the Secretary or Assistant Secretary of the Company.

I, Tammy Tieperman, Secretary of Insurors Indemnity Company, do hereby certify that the foregoing is a true excerpt from the Resolutions of the said Company as adopted by its Board of Directors on November 11, 2014, and that this Resolution is in full force and effect. I certify that the foregoing Power of Attorney is in full force and effect and has not been revoked.

In Witness Whereof, I have set my hand and the seal of INSURORS INDEMNITY COMPANY on this 19th day of December 2025.

Tammy Tieperman
Tammy Tieperman, Secretary

NOTE: IF YOU HAVE ANY QUESTION REGARDING THE VALIDITY OR WORDING OF THIS POWER OF ATTORNEY, PLEASE CALL 800 933 7444 OR WRITE TO US AT P. O. BOX 32577, WACO, TEXAS 76703 OR EMAIL US AT BONDDEPT@INSURORSINDEMNITY.COM.

IIC 2-22-025

INSURORS INDEMNITY COMPANIES

Phone: 877 816 2800 | PO Box 32577
Waco, Texas 76703-4200

IMPORTANT NOTICE - AVISO IMPORTANTE

To obtain information or make a complaint:

You may call Insurors Indemnity Company's toll-free telephone number for information or to make a complaint at:

1-877-816-2800

You may also write to Insurors Indemnity Company at:

P.O. Box 32577
Waco, TX 76703-4200
Or
225 South Fifth Street
Waco, TX 76701

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at

1-800-252-3439

You may write the Texas Department of Insurance at:

Consumer Protection (111-1A)
P.O. Box 149091
Austin, TX 78714-9091
Fax: 512-490-1007

Web: http://www.tdi.texas.gov

E-mail: ConsumerProtection@tdi.texas.gov

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim, you should contact the agent or the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis de Insurors Indemnity Company's para informacion o para someter una queja al

1-877-816-2800

Usted tanbien puede escribir a Insurors Indemnity Company:

P.O. Box 32577
Waco, TX 76703-4200
O
225 South Fifth Street
Waco, TX 76701

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

Consumer Protection (111-1A)
P.O. Box 149091
Austin, TX 78714-9091
Fax: 512-490-1007

Web: http://www.tdi.texas.gov

E-mail: ConsumerProtection@tdi.texas.gov

DISPUTAS SOBRE PRIMAS O RECLAMOS:

Si tiene una disputa concemiente a su prima o a un reclamo, debe comunicarse con el agente o la compania primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA:

Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

APPLICATION AND CERTIFICATE FOR PAYMENT/ DNT Construction

TO (OWNER): 10623
KF Flat Creek, LP
c/o King Fish Development, LLC
2722 West Bitters Road, Suite 106
San Antonio, Texas 78248

PROJECT: 20-2967
Flat Creek Unit 1,

ENGINEER
KCI TECHNOLOGIES, INC
2806 W. Bitters, Rd. Ste 218
San Antonio, TX 78248

DNT Construction
P O Box 6210
Round Rock, Texas 78683

APPLICATION NO: Nine (9) *Revision 3*
PERIOD TO: 11/30/2025
DNT CONSTRUCTION
INVOICE NO. 2967-9U1A3
CONTRACT DATE:

Distribution	
$	54,309.44
$	5,430.94
$	**48,878.50**

CHANGE ORDER SUMMARY			
Change orders approved in previous months by Owner		ADDITIONS	DEDUCTIONS
	TOTAL	$0.00	($58,124.10)
Approved this Month			
Number	Date Approved		
1	6-May-25	$68,205.00	
2	2-Oct-25	$9,901.40	
3	20-Nov-25		($58,124.10)
4			
	TOTALS	$78,106.40	($58,124.10)
Net change by Change Orders		$19,982.30	

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: DNT CONSTRUCTION

By: C. Trevino Date: 12.5.25
Crystal Trevino, Contract Administrator

Application is made for Payment, as shown below, in connection with the Contract.
Continuation Sheet Attached

1	**ORIGINAL CONTRACT SUM**	$ 2,147,685.36
2	**Net change by Change Orders**	$ 19,982.30
3	**CONTRACT SUM TO DATE**	$ 2,167,667.66
4	**TOTAL COMPLETED & STORED TO DATE** (Column G on J703)	$ 2,167,667.66
5	**Retainage:**	
	a. 10 % of Cpt Wk $ 216,766.71 (Column D + E on J703)	
	b. _10_% of Stored Mtl $ - (Column F on J703)	
	Total Retainage (Line 5a + 5b or (Total in Column 1 of J703)	$ 216,766.71
6	**TOTAL EARNED LESS RETAINAGE** (Line 4 less 5 Total)	$ 1,950,900.95
7	**LESS PREVIOUS CERTIFICATES FOR PAYMENT** (Line 6 from prior Certificates)	$ 1,902,022.45
8	**CURRENT PAYMENT DUE**	**$ 48,878.50**
9	**BALANCE TO FINISH, PLUS RETAINAGE** (Line 3 less Line 6)	$ 216,766.71

State of: TEXAS County of: BEXAR
Subscribed and sworn to before me this 5 day of December, 2025
Notary Public: **Lorena Naveja**
My Commission Expires: **March 10, 2029**
Lorena Naveja

LORENA NAVEJA
Notary Public, State of Texas
Comm. Expires 03-10-2029
Notary ID 132965923

ENGINEER CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Engineer certifies to the Owner that to the best of the Engineer's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED
(Attach explanation if amount certified differs from the amount applied for.)
ENGINEER

By:_____ Date:_____

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

DNT CONSTRUCTION MONTHLY PROGRESS PAYMENT

CONTRACT: 20-2967

PROGRESS PAYME

CONTRACTOR: **DNT CONSTRUCTION**
P O Box 6210
Round Rock, Texas 78683

PROGRESS PAYMENT PERIOD: 11/30/2025

SWPPP - UNIT 1						CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE		AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	Type 2 Rock Filter Dam	70.00	LF	$	37.65	$2,635.50	0.00	70.00	70.00	$2,635.50	$0.00	$2,635.50	100%
2	Curb Inlet Gravel Filters	39.00	LF	$	19.95	$778.05	0.00	39.00	39.00	$778.05	$0.00	$778.05	100%
3	Type I Construction Exit	1.00	EA	$	1,825.50	$1,825.50	1.00	0.00	1.00	$1,825.50	$1,825.50	$0.00	100%
4	Silt Fence	3903.00	LF	$	2.55	$9,952.65	3903.00	0.00	3903.00	$9,952.65	$9,952.65	$0.00	100%
5	Concrete Washout Pit	1.00	EA	$	570.50	$570.50	1.00	0.00	1.00	$570.50	$570.50	$0.00	100%
						$15,762.20				**$15,762.20**	**$12,348.65**	**$3,413.55**	100%

SITEWORK - UNIT 1						CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE		AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	Site Clearing and Grubbing (See Tree Plan)	20.00	AC	$	3,459.60	$69,192.00	20.00	0.00	20.00	$69,192.00	$69,192.00	$0.00	100%
2	Lot Excavation	4604.00	CY	$	3.35	$15,423.40	4604.00	0.00	4604.00	$15,423.40	$15,423.40	$0.00	100%
3	Lot Embankment (79G)	18798.00	CY	$	2.25	$42,295.50	18798.00	0.00	18798.00	$42,295.50	$42,295.50	$0.00	100%
4	Unit 3 Pond Excavation (To Balance Site)	4068.00	CY	$	0.90	$3,661.20	4068.00	0.00	4068.00	$3,661.20	$3,661.20	$0.00	100%
5	Retaining Walls	4322.00	SF	$	35.90	$155,159.80	4322.00	0.00	4322.00	$155,159.80	$155,159.80	$0.00	100%
						$285,731.90				**$285,731.90**	**$285,731.90**	**$0.00**	**100%**

STREET IMPROVEMENTS - UNIT 1						CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE		AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	Demo Concrete (Curb, Guard Posts, Signs)	58.00	LF	$	6.60	$382.80	58.00	0.00	58.00	$382.80	$382.80	$0.00	100%
2	Street Excavation	7868.00	CY	$	2.55	$20,063.40	7868.00	0.00	7868.00	$20,063.40	$20,063.40	$0.00	100%
3	Street Embankment	1318.00	CY	$	2.30	$3,031.40	1318.00	0.00	1318.00	$3,031.40	$3,031.40	$0.00	100%
4	8" Lime Treated Subgrade	14764.00	SY	$	3.30	$48,721.20	14764.00	0.00	14764.00	$48,721.20	$48,721.20	$0.00	100%
5	Lime (40 LB/SY)	296.00	TN	$	357.10	$105,701.60	296.00	0.00	296.00	$105,701.60	$105,701.60	$0.00	100%
6	8.5" Flex Base - Local A	12578.00	SY	$	11.25	$141,502.50	12578.00	0.00	12578.00	$141,502.50	$141,502.50	$0.00	100%
7	18.5" Flex Base - Collector	2186.00	SY	$	20.00	$43,720.00	2186.00	0.00	2186.00	$43,720.00	$43,720.00	$0.00	100%
8	Prime Coat	2953.00	GAL	$	4.00	$11,812.00	2953.00	0.00	2953.00	$11,812.00	$11,812.00	$0.00	100%
9	Tack Coat	1338.00	GAL	$	3.55	$4,749.90	1338.00	0.00	1338.00	$4,749.90	$4,749.90	$0.00	100%
10	2" Type D Asphalt HMAC - Local A	11364.00	SY	$	12.10	$137,504.40	11364.00	0.00	11364.00	$137,504.40	$137,504.40	$0.00	100%
11	3" Type D Asphalt HMAC - Collector	2009.00	SY	$	18.15	$36,463.35	2009.00	0.00	2009.00	$36,463.35	$36,463.35	$0.00	100%
12	Concrete Curb w/ Rebar	6955.00	LF	$	13.20	$91,806.00	6955.00	0.00	6955.00	$91,806.00	$91,806.00	$0.00	100%
13	Header Curb	72.00	LF	$	19.05	$1,371.60	72.00	0.00	72.00	$1,371.60	$1,371.60	$0.00	100%
14	Concrete Sidewalk	526.00	SY	$	67.60	$35,557.60	52.60	473.40	526.00	$35,557.60	$3,555.76	$32,001.84	100%
15	Timber Guard Post	13.00	EA	$	199.70	$2,596.10	0.00	13.00	13.00	$2,596.10	$0.00	$2,596.10	100%
16	R1-1 Stop Sign (30"x30") (High Intensity)	5.00	EA	$	285.20	$1,426.00	0.00	5.00	5.00	$1,426.00	$0.00	$1,426.00	100%
17	9" Street Name, Blocks Numbers (High Density)	14.00	EA	$	216.80	$3,035.20	0.00	14.00	14.00	$3,035.20	$0.00	$3,035.20	100%
18	OM4-3 End of Road Markers	6.00	EA	$	313.80	$1,882.80	0.00	6.00	6.00	$1,882.80	$0.00	$1,882.80	100%
19	R1-2 Yield (36") (High Intensity)	3.00	EA	$	285.20	$855.60	0.00	3.00	3.00	$855.60	$0.00	$855.60	100%
20	W16-7 Diagonal Arrow Sign (24" x 12")	6.00	EA	$	211.10	$1,266.60	0.00	6.00	6.00	$1,266.60	$0.00	$1,266.60	100%
21	W11A-2 PED Crossing (30" x 30")	6.00	EA	$	325.20	$1,951.20	0.00	6.00	6.00	$1,951.20	$0.00	$1,951.20	100%
22	W14-1P Dead End Street Marker (36" x 9")	1.00	EA	$	245.30	$245.30	0.00	1.00	1.00	$245.30	$0.00	$245.30	100%
23	4" Thermo Solid Yellow Line	239.00	LF	$	4.55	$1,087.45	0.00	239.00	239.00	$1,087.45	$0.00	$1,087.45	100%
24	4" Thermo Solid Yellow Double Line	119.00	LF	$	9.15	$1,088.85	0.00	119.00	119.00	$1,088.85	$0.00	$1,088.85	100%
25	8" Thermo Solid Yellow Line	184.00	LF	$	9.15	$1,683.60	0.00	184.00	184.00	$1,683.60	$0.00	$1,683.60	100%
26	8" Thermo Broken White Line	112.00	LF	$	18.25	$2,044.00	0.00	112.00	112.00	$2,044.00	$0.00	$2,044.00	100%
27	24" Thermo White Line (Crosswalk Bar)	96.00	LF	$	27.40	$2,630.40	0.00	96.00	96.00	$2,630.40	$0.00	$2,630.40	100%
28	Traffic Button (Type II A-A)	16.00	EA	$	11.40	$182.40	0.00	16.00	16.00	$182.40	$0.00	$182.40	100%
29	Wheel Chair Ramp Type 3	18.00	EA	$	2,396.00	$43,128.00	0.00	18.00	18.00	$43,128.00	$0.00	$43,128.00	100%
30	Two Way Blue Reflective Marker (Fire Hydrant)	4.00	EA	$	11.40	$45.60	0.00	4.00	4.00	$45.60	$0.00	$45.60	100%
						$747,536.85				**$747,536.85**	**$650,385.91**	**$97,150.94**	100%

DRAIN A IMPROVEMENTS						CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE		AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	Channel Excavation	72.00	CY	$	2.55	$183.60	72.00	0.00	72.00	$183.60	$183.60	$0.00	100%
2	18' Elevated Sidewalk	14.00	CY	$	1,882.60	$26,356.40	14.00	0.00	14.00	$26,356.40	$26,356.40	$0.00	100%
3	Concrete Headwall	0.70	CY	$	8,557.10	$5,989.97	0.70	0.00	0.70	$5,989.97	$5,989.97	$0.00	100%
4	Hydromulch	300.00	SY	$	3.65	$1,095.00	300.00	0.00	300.00	$1,095.00	$1,095.00	$0.00	100%
5	Sidewalk Pipe Railing	62.00	LF	$	95.35	$5,911.70	62.00	0.00	62.00	$5,911.70	$5,911.70	$0.00	10
6	Slotted Armor Curb	19.00	LF	$	296.70	$5,637.30	19.00	0.00	19.00	$5,637.30	$5,637.30	$0.00	10
						$45,173.97				**$45,173.97**	**$45,173.97**	**$0.00**	10

DNT CONSTRUCTION MONTHLY PROGRESS PAYMENT

CONTRACT: 20-2967

PROGRESS PAYME
PROGRESS PAYMENT PERIOD: 11/30/2025

CONTRACTOR: **DNT CONSTRUCTION**
P O Box 6210
Round Rock, Texas 78683

DRAIN B IMPROVEMENTS					CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	30" RCP (Class 3)	247.00	LF	$ 119.40	$29,491.80	247.00	0.00	247.00	$29,491.80	$29,491.80	$0.00	100%
2	4' x 4' Junction Box	1.00	EA	$ 6,654.20	$6,654.20	1.00	0.00	1.00	$6,654.20	$6,654.20	$0.00	100%
3	10' Curb Inlet	1.00	EA	$ 26,430.25	$26,430.25	1.00	0.00	1.00	$26,430.25	$26,430.25	$0.00	100%
4	Concrete Collars	1.30	CY	$ 402.40	$523.12	1.30	0.00	1.30	$523.12	$523.12	$0.00	100%
5	6" Concrete Rip Rap	8.00	SY	$ 316.30	$2,530.40	8.00	0.00	8.00	$2,530.40	$2,530.40	$0.00	100%
6	Trench Excavation Safety Protection	247.00	LF	$ 1.15	$284.05	247.00	0.00	247.00	$284.05	$284.05	$0.00	100%
7	12"-18" Rock Rubble	23.00	SY	$ 85.55	$1,967.65	0.00	23.00	23.00	$1,967.65	$0.00	$1,967.65	100%
					$67,881.47				**$67,881.47**	**$65,913.82**	**$1,967.65**	100%

SEWER - UNIT 1					CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	Trench Protection	5767.00	LF	$ 1.15	$6,632.05	5767.00	0.00	5767.00	$6,632.05	$6,632.05	$0.00	100%
2	8" PVC SDR 26 0-6'	263.00	LF	$ 45.65	$12,005.95	263.00	0.00	263.00	$12,005.95	$12,005.95	$0.00	100%
3	8" PVC SDR 26 6-8'	1228.00	LF	$ 49.20	$60,417.60	1228.00	0.00	1228.00	$60,417.60	$60,417.60	$0.00	100%
4	8" PVC SDR 26 8-10'	604.00	LF	$ 54.80	$33,099.20	604.00	0.00	604.00	$33,099.20	$33,099.20	$0.00	100%
5	8" PVC SDR 26 10-12'	532.00	LF	$ 61.95	$32,957.40	532.00	0.00	532.00	$32,957.40	$32,957.40	$0.00	100%
6	8" PVC SDR 26 12-14'	501.00	LF	$ 69.60	$34,869.60	501.00	0.00	501.00	$34,869.60	$34,869.60	$0.00	100%
7	8" PVC SDR 26 14-16'	107.00	LF	$ 86.05	$9,207.35	107.00	0.00	107.00	$9,207.35	$9,207.35	$0.00	100%
8	8" PVC SDR 26 16-18'	140.00	LF	$ 118.70	$16,618.00	140.00	0.00	140.00	$16,618.00	$16,618.00	$0.00	100%
9	Manholes	18.00	EA	$ 5,137.30	$92,471.40	18.00	0.00	18.00	$92,471.40	$92,471.40	$0.00	100%
10	Extra Depth Manhole	64.60	VF	$ 611.20	$39,483.52	64.60	0.00	64.60	$39,483.52	$39,483.52	$0.00	100%
11	6" Laterals	2392.00	LF	$ 60.85	$145,553.20	2392.00	0.00	2392.00	$145,553.20	$145,553.20	$0.00	100%
12	Concrete Encasement, Cradles, Saddles, Collars	5.10	CY	$ 255.00	$1,300.50	5.10	0.00	5.10	$1,300.50	$1,300.50	$0.00	100%
13	Vertical Stacks	93.60	VF	$ 90.35	$8,456.76	93.60	0.00	93.60	$8,456.76	$8,456.76	$0.00	100%
14	Sewer Main TV Inspection	3375.00	LF	$ 2.00	$6,750.00	3375.00	0.00	3375.00	$6,750.00	$6,750.00	$0.00	100%
					$499,822.53				**$499,822.53**	**$499,822.53**	**$0.00**	100%

WATER IMPROVEMENTS - UNIT 1					CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	Trench Protection	3673.00	LF	$ 0.55	$2,020.15	3673.00	0.00	3673.00	$2,020.15	$2,020.15	$0.00	100%
2	8" Pipe, P.V.C., C-900, Class 235 (DR-18)	3447.000	LF	$ 54.25	$186,999.75	3447.00	0.00	3447.00	$186,999.75	$186,999.75	$0.00	100%
3	12" Pipe, P.V.C., C-900, Class 235 (DR-18)	200.000	LF	$ 84.65	$16,930.00	200.00	0.00	200.00	$16,930.00	$16,930.00	$0.00	100%
4	16" Pipe, P.V.C., C-900, Class 235 (DR-18)	26.000	LF	$ 111.20	$2,891.20	26.00	0.00	26.00	$2,891.20	$2,891.20	$0.00	100%
5	3/4" Single Short Service	41.000	EA	$ 791.80	$32,463.80	41.00	0.00	41.00	$32,463.80	$32,463.80	$0.00	100%
6	3/4" Single Long Service	24.000	EA	$ 1,267.30	$30,415.20	24.00	0.00	24.00	$30,415.20	$30,415.20	$0.00	100%
7	8" Gate Valve w/ Box	8.000	EA	$ 2,845.60	$22,764.80	8.00	0.00	8.00	$22,764.80	$22,764.80	$0.00	100%
8	12" Gate Valve w/ Box	1.000	EA	$ 4,575.60	$4,575.60	1.00	0.00	1.00	$4,575.60	$4,575.60	$0.00	100%
9	Meter Box	65.000	EA	$ 305.30	$19,844.50	65.00	0.00	65.00	$19,844.50	$19,844.50	$0.00	100%
10	Standard Firehydrant	4.000	EA	$ 6,179.10	$24,716.40	4.00	0.00	4.00	$24,716.40	$24,716.40	$0.00	100%
11	Ductile Iron Fittings	1.800	TN	$ 9,077.30	$16,339.14	1.80	0.00	1.80	$16,339.14	$16,339.14	$0.00	100%
12	16" Tie-in to Existing 16"	1.000	EA	$ 2,954.40	$2,954.40	1.00	0.00	1.00	$2,954.40	$2,954.40	$0.00	100%
13	Hydrostatic Test	1.000	LS	$ 8,348.60	$8,348.60	1.00	0.00	1.00	$8,348.60	$8,348.60	$0.00	100%
14	2" Temporary Blowoff	1.000	EA	$ 2,277.90	$2,277.90	1.00	0.00	1.00	$2,277.90	$2,277.90	$0.00	100%
15	2" Permanent Blowoff	3.00	EA	$ 2,899.40	$8,698.20	3.00	0.00	3.00	$8,698.20	$8,698.20	$0.00	100%
16	24" Steel Casing	25.00	LF	$ 214.60	$5,365.00	25.00	0.00	25.00	$5,365.00	$5,365.00	$0.00	100%
					$387,604.64				**$387,604.64**	**$387,604.64**	**$0.00**	100%

Conduit (Additive)					CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	1-6" & 2-4" PVC Bundle	1134.00	LF	$ 43.40	$49,215.60	1134.00	0.00	1134.00	$49,215.60	$49,215.60	$0.00	100%
2	2-6" PVC Bundle	640.00	LF	$ 43.30	$27,712.00	640.00	0.00	640.00	$27,712.00	$27,712.00	$0.00	100%
					$76,927.60				**$76,927.60**	**$76,927.60**	**$0.00**	100%

CPS Easement Driveable Surface					CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	Street Excavation	345.000		$ 2.40	$828.00	345.00	0.00	345.00	$828.00	$828.00	$0.00	100%
2	6" Flex Base (14" Wide) (Matching Existing)	2062.00		$ 9.10	$18,764.20	2062.00	0.00	2062.00	$18,764.20	$18,764.20	$0.00	10
3	Prime Coat	413.00		$ 4.00	$1,652.00	413.00	0.00	413.00	$1,652.00	$1,652.00	$0.00	10
					$21,244.20				**$21,244.20**	**$21,244.20**	**$0.00**	10

DNT CONSTRUCTION MONTHLY PROGRESS PAYMENT

CONTRACT: 20-2967

PROGRESS PAYME
PROGRESS PAYMENT PERIOD: 11/30/2025

CONTRACTOR: DNT CONSTRUCTION
P O Box 6210
Round Rock, Texas 78683

Change Order #1 - Demo					CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	Demo (Incl Hauloff)	1.000	LS	$ 19,425.00	$19,425.00	1.00	**0.00**	1.00	$19,425.00	$19,425.00	$0.00	100%
2	Well Plugging (PH1)	1.00	EA	$ 4,000.00	$4,000.00	1.00	**0.00**	1.00	$4,000.00	$4,000.00	$0.00	100%
3	Well Plugging (PH2)	1.00	EA	$ 44,780.00	$44,780.00	1.00	**0.00**	1.00	$44,780.00	$44,780.00	$0.00	100%
					$68,205.00				**$68,205.00**	**$68,205.00**	**$0.00**	100%

Change Order #2 - CPS Access Drive					CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	Street Excavation	158.000	CY	$ 2.40	$379.20	0.00	**158.00**	158.00	$379.20	$0.00	$379.20	100%
2	6" Flexible Base (14" Wide) (Matching Existing)	962.00	SY	$ 9.10	$8,754.20	0.00	**962.00**	962.00	$8,754.20	$0.00	$8,754.20	100%
3	Prime Coat	192.00	GAL	$ 4.00	$768.00	0.00	**192.00**	192.00	$768.00	$0.00	$768.00	100%
					$9,901.40				**$9,901.40**	**$0.00**	**$9,901.40**	100%

Change Order #3 - Street Reconciliation & TXDOT Turn Lane					CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
	Street Improvements - Unit 1											
1	8" Lime treated Subgrade	-14764.00	SY	$ 3.30	($48,721.20)	0.00	**-14764.00**	-14764.00	($48,721.20)	$0.00	($48,721.20)	100%
2	Lime (40 LB SY)	-296.00	TN	$ 357.10	($105,701.60)	0.00	**-296.00**	-296.00	($105,701.60)	$0.00	($105,701.60)	100%
3	R1-1 Stop Sign (30"X30") (High Intensity)	-5.00	EA	$ 285.20	($1,426.00)	0.00	**-5.00**	-5.00	($1,426.00)	$0.00	($1,426.00)	100%
	Geo Grid - Add											
4	Tensar Triax TX-5 Geogrid (Unit 1 & 2)	14764.00	SY	$ 4.20	$62,008.80	0.00	**14764.00**	14764.00	$62,008.80	$0.00	$62,008.80	100%
5	Revised Retaining Wall	701.00	SF	$ 35.90	$25,165.90	0.00	**701.00**	701.00	$25,165.90	$0.00	$25,165.90	100%
6	Custom Stop Sign Unit 1	5.00	EA	$ 1,500.00	$7,500.00	0.00	**5.00**	5.00	$7,500.00	$0.00	$7,500.00	100%
7	Mailbox Pad	1.00	EA	$ 3,050.00	$3,050.00	0.00	**1.00**	1.00	$3,050.00	$0.00	$3,050.00	100%
					($58,124.10)				**($58,124.10)**	**$0.00**	**($58,124.10)**	100%

TOTAL CONTRACT					**$2,167,667.66**				**$2,167,667.66**	**$2,113,358.22**	**$54,309.44**	**100%**

TOTAL COMPLETED TO DATE	$ 2,167,667.66
TOTAL COMPLETED/ STORED TO DATE	$ 2,167,667.66
RETAINAGE HELD	$ 216,766.71
TOTAL CPLT LESS RETAINAGE	$ 1,950,900.95
LESS PREVIOUS BILLINGS	$ 1,902,022.45
CURRENT PAYMENT DUE	$ 48,878.50

ORIGINAL CONTRACT AMOUNT	$	2,147,685.36
CONTRACT CHANGES	$	19,982.30
TOTAL CONTRACT W/ CHANGES	$	2,167,667.66
WORK COMPLETED TO DATE	$	2,167,667.66
BALANCE TO COMPLETE	$	-

$0.00

KINGFISH

REAL ESTATE | DEVELOPMENT | CONSULTING

January 8, 2026

City of Castroville
Community Development Department
703 Paris St.
Castroville, TX 78009

RE: Water Rights Transfer / Flat Creek Units 1 and 2

Dear Breana Soto,

In accordance with City Code Chapter 100, Section 100-25(c), we shall transfer water rights to the City of Castroville prior to Final Plat recordation. The amount for water rights acquisition is 84.456 acre feet.

- 0.612 x 138 lots = 84.456 acre feet

KF FLAT CREEK, LP,
a Texas limited partnership

By: KING FISH DEVELOPMENT, LLC
a Texas limited liability company
Its: General Partner

By: _____
Name: Shad Schmid
Title: Manager

K FRIESE + ASSOCIATES
A LOCHNER COMPANY

40 NE Loop 410, Mercantile Building, Suite 545
San Antonio, Texas 78216
P 210.491.2391 | kfriese.com
TBPE Firm No. 6535

February 28, 2025

Ms. Breana Soto
Community Development Director
City of Castroville
1209 Fiorella
Castroville, TX 78009

Re: Flat Creek Unit 1
6th Review

Sent Via: Email

Dear Ms. Soto:

As requested, K Friese + Associates (KFA) reviewed the revised submittal for Flat Creek Unit 1 prepared by KCI Technologies, Inc, received by KFA on February 18, 2025. All comments from prior reviews have been cleared. It is our opinion that the proposed development is in general conformance with the City of Castroville's ordinances and we recommend approval of the development by the City.

Should you have any questions about these comments, please don't hesitate to contact me at (210) 491-2391 or mpersyn@kfriese.com.

Sincerely,
K Friese + Associates

Michael Persyn, PE
Project Manager

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-49
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

STATE OF TEXAS §

COUNTY OF TRAVIS §

AGREEMENT TO ACCEPT DONATION
FROM OWNER OF LAND ADJACENT TO STATE HIGHWAY SYSTEM
FOR IMPROVING ACCESS TO OWNER'S LAND

THIS AGREEMENT is entered between the State of Texas and the Donor, shown below as Contracting Parties, under Government Code, Chapter 575.

I. Contracting Parties:
The State: The Texas Department of Transportation
The Donor: KF Flat Creek, LP

II. Background:
Texas Transportation Code, §223.049, authorizes the State to contract with an owner of land adjacent to a highway that is part of the state highway system to construct an improvement on the highway right-of-way that is directly related to improving access to or from the owner's land.

Texas Transportation Code §201.103, authorizes the State to plan and make policies for the location, construction, and maintenance of a comprehensive system of state highways and public roads.

Texas Transportation Code, §201.206, authorizes the State to accept, from any source, a donation or contribution in any form, including realty, personalty, money, materials, or services, for the purpose of carrying out its functions and duties.

Texas Government Code, Chapter 575, requires the governing board of a state agency, not later than the 90th day after a donation valued at $500 or more is accepted, to acknowledge the acceptance of the donation by majority vote at an open meeting and prohibits a state agency from accepting a donation from a person who is a party to a contested case before the agency until the 30th day after the date the decision in the case becomes final.

To provide guidance on when a donation may be accepted by the State, the Texas Transportation Commission has adopted rules relating to the State acceptance of donations, codified as 43 TAC §§1.500-1.506.

Acceptance of donations must be approved by the State's Executive Director or his designee. The State's Executive Director has authorized the State to accept the donation. The State and the Donor must execute a donation agreement if the donation is valued at more than $1,500.00.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-49
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

III. Agreement:

The Donor agrees to donate, and the State agrees to accept services, tangible personal property, and performance of highway improvement work on State highway right of way that is adjacent to the Donor's land that is directly related to improving access to the Donor's land (the "Project").

The Project consists of the design and construction of a right turn deceleration lane and partial median U-turn on US 90 to mitigate the traffic impact for the proposed Flat Creek residential subdivision. The construction will also include the removal of two existing median opening crossovers and rehabilitation (mill and overlay) of existing US-90 travel lanes and shoulder within the overall work zone west of County Road 4712 in Castroville, Medina County, Texas. The Project is generally located as described in Exhibit A, Project Location Map, which is attached to this agreement. All design and construction work will be provided by the Donor, its consultant, or its contractor.

The estimated value of the donation is $1,213,348.95.

All monetary donations shall be made by check or warrant made payable to the "Texas Department of Transportation Trust Fund" and mailed or delivered to the Texas Department of Transportation at the State address provided in XXV: Notices below.

IV. Representations and Warranties:

A. The Donor represents and warrants that it has unrestricted use of the property and items described above and that by signing this agreement it relinquishes and transfers all rights and interest in and use to the State.
B. The State does not approve and is not responsible for any representations made by the Donor for tax purposes.
C. The Donor acknowledges that the State will act in reliance on and in consideration of the promises made by the Donor in this agreement.

V. Donation Accepted for Limited Purposes:

A. Acceptance of the donation does not bind the State to a course of action or promise of performance except as specifically described in this Agreement above.
B. No benefit will accrue to the Donor as a result of the State's acceptance of the donation except as specifically described in this Agreement above.

VI. Public Information:

A. This agreement is public information and will be furnished to a requestor under the Public Information Act, Government Code, Chapter 552.
B. The Donor is required to make any information created or exchanged with the state pursuant to this contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the state.

VII. Right of Access:

The Donor shall permit the State or its authorized representative access to sites owned by the donor that are used for performance of the work. The Donor will provide for all necessary right of way and utility adjustments or relocations in compliance with State utility accommodation policy needed for performance of the work on sites not owned or to be acquired by the State.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-4
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

VIII. Hold Harmless:
The Donor shall save harmless the State and its officers and employees from all claims and liability due to its materials or activities of itself, its agents, or employees, performed under this contract and that are caused by or result from error, omission, or negligent act of the Donor or of any person employed by the Donor. The Donor shall also save harmless the State from any and all expense, including, but not limited to, attorney fees that may be incurred by the State in litigation or otherwise resisting the claim or liabilities that may be imposed on the State as a result of such activities by the Donor, its agents, or employees.

IX. Pre-Construction Funding:
Upon execution of this agreement, the Donor shall remit to the State a check or warrant in an amount equal to $1,213,348.95, made payable to the State in accordance with this Agreement. This amount is estimated to be the total of all pre-construction costs, including indirect costs that will be incurred by the State prior to the Donor's receipt of the construction bids.

X. Preliminary Project Development:
The Donor will prepare the preliminary schematic designs for access improvements and submit them to the State for review and approval.

The State, with assistance from the Donor, will conduct any public hearing or meetings required by the State's public involvement processes.

XI. Design:
The Donor will prepare the construction plans, specifications, and cost estimates. The construction plans shall be in a format prescribed by the State and in accordance with the State's current design standards as detailed in the *Highway Design Division Roadway Design Manual*. The specifications shall be the State's *2014 Standard Specifications for Construction and Maintenance of Highways, Streets and Bridges* or its currently approved revisions and any special specifications and provisions as provided by the State. The State will furnish to the Donor the pavement design and any standard design details as may be appropriate for the Project.

The State shall review the plans, specifications, and estimates provided by the Donor upon completion or at any time deemed necessary by the State. Should the State determine that the complete plans, specifications, and estimates are unacceptable, the Donor shall correct the design documents to the State's satisfaction. Should additional specifications or data be required by the State, the Donor shall redesign the plans and specifications to the State's satisfaction. The costs for additional work on the plans, specifications, and estimates shall be borne by the Donor.

The final construction plans furnished to the State shall be in electronic .pdf format and reproducible tracings.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-4
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

XII. Utility Adjustments/Relocations:
The Donor will provide for all utility adjustments or relocations required by construction of the Project, and adjustments and relocations shall conform to the State Utility Accommodation Policy.

If the Project requires the adjustment, removal, or relocation of utility facilities, the Donor and the State will establish the necessary utility work and the Donor will notify the utility owners of this necessity. The Donor shall be responsible for all costs associated with the adjustment, removal, or relocation of utility facilities, and the adjustment, removal, or relocation shall be in accordance with applicable State law, regulations, policies, and procedures. If additional utilities are required to be adjusted, removed, or relocated during the construction of the Project, the Donor will be responsible for all costs associated with the additional work. Utilities will adjust joint use agreements and attach the plan of adjustment.

XIII. Construction Funding:
The State will provide written notification to the Donor outlining the estimated funding necessary for the State's construction inspection and oversight of the Project, including the costs to be incurred by the State to provide any required construction engineering oversight and management services and indirect costs. Within thirty (30) days from receipt of the State's notification, the Donor shall remit to the State a check or warrant for the estimated amount, made payable to the State in accordance with III. Agreement above.

XIV. Design and Construction:
All aspects of the Project shall be carried out in compliance with applicable federal and state laws and regulations. The Project shall be designed and constructed in accordance with the latest state policies, procedures, standards, and guidelines. The Donor shall award and manage all construction work.

XV. State Construction Management:
The State will provide oversight and inspect all work performed and provide whatever engineering inspection and testing services may be required to ensure that the construction is accomplished in accordance with the approved plans and specifications. All correspondence and instructions to the contractor will be the sole responsibility of the Donor under the oversight and with the concurrence of the State.

Upon completion and acceptance of the Project, the State will issue to the Donor a "Final Construction Inspection Report," acknowledging that the Project has been constructed in accordance with the approved plans, specifications, and estimates.

XVI. Maintenance, Control, and Ownership of the Project:
After completion of construction, the Project will be an integral part of the State Highway System and thus under the ownership, control, and jurisdiction of the State. The State will assume full and complete control and operation of the Project. The State does not purport to convey or assign any interest or right of ownership in the completed highway facility to the Donor, its successors, or assigns. The Project may be modified, relocated, closed, or removed at the State's sole discretion. The State will not be held responsible to the Donor for any reimbursement if the Project is modified, relocated, closed, or removed.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-49
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

XVII. Insurance:
The Donor shall furnish to the State a completed Certificate of Insurance (Form 1560-CS) and shall maintain the insurance in full force and effect during the period that the Donor or its agents are performing work on the State's right of way. The certificate of insurance must be received by the State before this Agreement is fully executed.

For actual construction of the roadway and its appurtenances, the Donor and its contractors shall furnish a completed Certificate of Insurance and shall maintain the insurance in full force and effect until the construction is completed.

Self-insurance documentation acceptable to the State may be substituted for all or part of the coverage's required above for the Donor, but not for its agents or contractors.

XVIII. Performance and Payment Bonds:
The Donor shall furnish to the State a performance bond if the estimated value of the donation is in excess of $100,000 and a payment bond if the estimated value of the donation is in excess of $25,000. The bonds must be provided before work begins and must be received by the State before this Agreement is fully executed. Bonds must be executed by a corporate surety authorized to do business in this state and licensed by this state to execute the bonds as surety. Bonds must be payable to the State on forms approved by the Attorney General.

If the estimated value of the project increases, the Donor shall notify the State immediately. The State reserves the right to require the donor increase the value of the bonds.

The performance bond is solely for the protection of the State, in the amount of the estimated value of the donation as stated in this Agreement, and conditioned on the faithful performance of the work in accordance with the State-approved plans, specifications and contract documents.

The payment bond is solely for the protection and use of payment bond beneficiaries who have a direct contractual relationship with the Donor to supply public work labor or material and is in the amount of the estimated value of the donation as stated in this Agreement.

The bonds must clearly and prominently display on the bond or on an attachment to the bond:

1. The name, mailing address, physical address, and telephone number, including the area code, of the surety company to which any notice of claim should be sent; or
2. The toll-free telephone number maintained by the Texas Department of Insurance under Subchapter B, Chapter 521, Insurance Code, and a statement that the address of the surety company to which any notice of claim should be sent may be obtained from the Texas Department of Insurance by calling the toll-free telephone number.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-49
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

XIX. Final Accounting:
On completion of the Project, the State will make a final accounting in accordance with its established accounting procedures. Any funds previously deposited by the Donor and not expended for the cost of the work covered under this agreement will be returned to the Donor.

XX. Document and Information Exchange:
The Donor agrees to deliver to the State all general notes, specifications, copies of all contract documents, and related documentation electronically in a Microsoft® Word or similar document. If requested by the State, the Donor will use the State's document template.

XXI. Interest:
The State will not pay interest on funds provided by the Donor. Funds will be deposited into and retained in the State Treasury.

XXII. Increased Costs:
If the State determines at any time that the funding provided by the Donor will be insufficient to cover the State's current cost for oversight of the Donor's work, the Donor will pay to the State the additional funds necessary to cover the anticipated additional cost. The State shall send the Donor a written notification stating the amount of additional funding needed and stating the reasons for the needed additional funds. The Donor shall pay the funds to the State within 30 days of the written notification, unless otherwise agreed to by all parties to this agreement. If the Donor cannot pay the additional funds, the State may terminate the contract.

XXIII. Termination:
If the Donor withdraws from the Project after the agreement is executed, it shall be responsible for all direct and indirect Project costs incurred by the State for the portion of the Project in which the State was participating. Except for the hold harmless provision and as otherwise provided in this paragraph, the termination of this agreement shall extinguish all rights, duties, obligations and liabilities of the State and the Donor under this agreement. If the termination of this agreement is due to the failure of the Donor to fulfill its contractual obligations, the State will notify the Donor that breach of contract has occurred. Within sixty (60) days from the State's written notification, the Donor must remedy the breach as outlined by the State. If the Donor does not remedy the breach, the State may make a claim against the surety under the Performance Bond or take over the Project and prosecute the work to completion. In such case, the Donor shall continue to be liable to the State for the cost of the Project and any additional costs incurred by the State.

XXIV. Sole Agreement:
If the terms of the agreement are in conflict with the provisions of any other existing agreements between the Donor and the State, the latest agreement shall take precedence over the other agreements in matters related to the Project.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-49
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

XXV: Notices:
All notices to either party by the other party will be delivered personally or sent by U.S. Mail, postage prepaid, to the following addresses:

Donor	State
KF Flat Creek, LP Attn: Jeffrey Czar, General Partner 2722 W Biters Rd Ste 106 San Antonio, TX, 78248-1233	Texas Department of Transportation Attn: District Engineer 4615 NW Loop 410 San Antonio, TX, 78229

The notice shall be received by the addressee on the date delivered or deposited in the mail. Either party may change its address by sending written notice of the change to the other in the manner provided.

Each party is signing this agreement on the date stated under that party's signature.

THE STATE

Executed for the Executive Director and approved by the Texas Transportation Commission for the purpose and effect of carrying out the orders, established policies, or work programs approved and authorized by the Texas Transportation Commission.

Texas Department of Transportation

BY: DocuSigned by: 536E5095CADE48A...
AUTHORIZED SIGNATURE

Tim Juro
Contract Support Section Director
TYPED OR PRINTED NAME AND TITLE

DATE: 1/20/2026

THE DONOR

The undersigned signatory warrants that he or she is an official representative of the organization making the donation described and is authorized to make the donation and to enter into this agreement on behalf of the organization.

KF Flat Creek, LP

BY: Signed by: Jeffrey Czar D96EE23AA92E475...
AUTHORIZED SIGNATURE

Jeffrey Czar
General Partner
TYPED OR PRINTED NAME AND TITLE

DATE: 1/16/2026

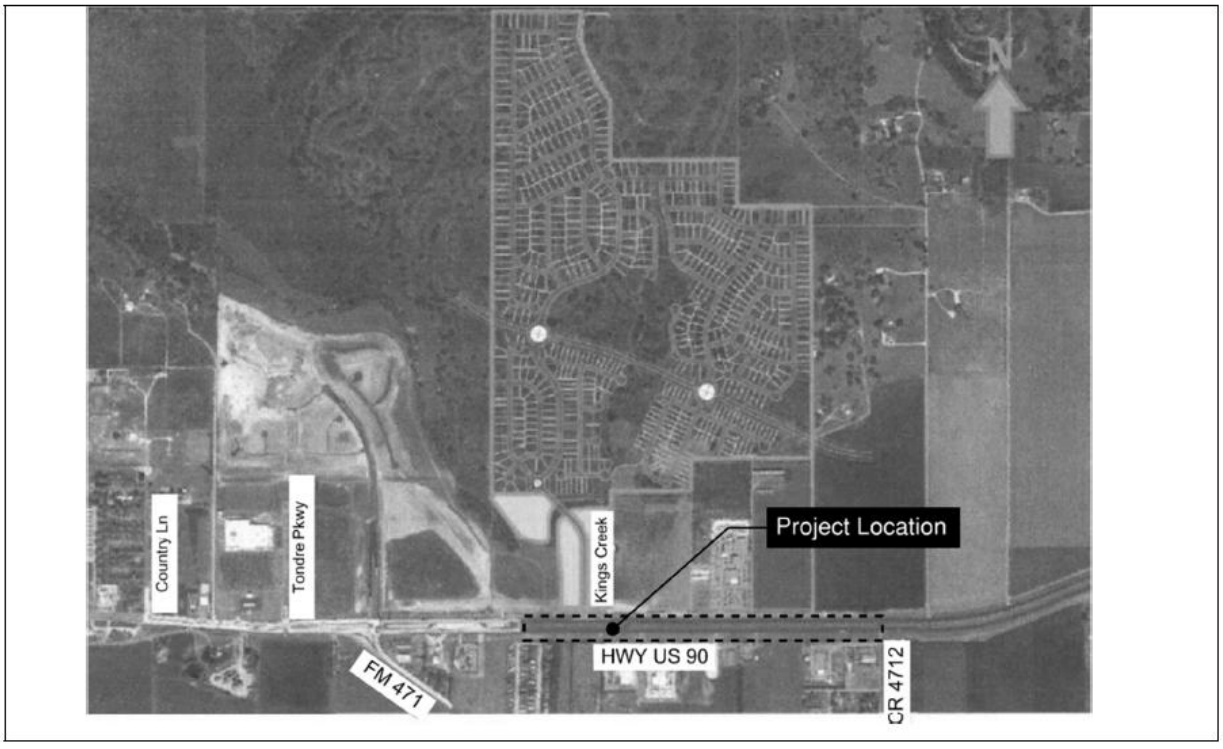
EXHIBITS:
A – Project Location Map

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

EXHIBIT A
PROJECT LOCATION MAP

Flat Creek Subdivision
In Medina County within the City Limits of Castroville
On Highway US-90 Approximately 4.7 Miles W of Highway FM 211
Construct a right turn deceleration lane and partial median U-turn (PMUT) on US-90 to mitigate the traffic impact for the proposed Flat Creek residential subdivision. Construction will also include the removal of two (2) existing median opening crossovers and rehabilitation (mill and overlay) of existing US-90 travel lanes and shoulder within the overall work zone west of County Road 4712 in Castroville, TX.



Donor: KF Flat Creek, LP *(Legal Entity Name responsible for donation as listed with Secretary of State's Office)*
Point of Contact and Title: Jeffrey Czar - General Partner
Mailing Address: 2722 W Bitters Rd Ste 106 San Antonio, TX, 78248-1233
Phone Number: (512) 848-1370
e-mail: Jeff@kingfishtx.com
Estimated Dollar Value of the Donation: $1,213,348.95

Mary Stewart

From: Jason Gunn <Jason.Gunn@txdot.gov>
Sent: Thursday, June 12, 2025 9:20 AM
To: Lance Elling; Oscar Dominguez; Mary Stewart
Subject: [External Email] FW: Flat Creek US-90 REVISED SWMP and additional info we requested

*****From IT@KCI.COM 410-316-7820 *** This is an External Email from outside of KCI.*****

FYI, the SWMP has been approved for the development.

Jason Gunn
Technical Project Manager
830-741-6627 (Office)
830-423-4690 (Cell)
Hondo Area Office
San Antonio District

From: Antonio Leyva <Manuel.Leyva@txdot.gov>
Sent: Thursday, June 12, 2025 9:19 AM
To: Jason Gunn <Jason.Gunn@txdot.gov>
Cc: Jorge AlcocerRubio <Jorge.AlcocerRubio@txdot.gov>
Subject: RE: Flat Creek US-90 REVISED SWMP and additional info we requested

Jason,

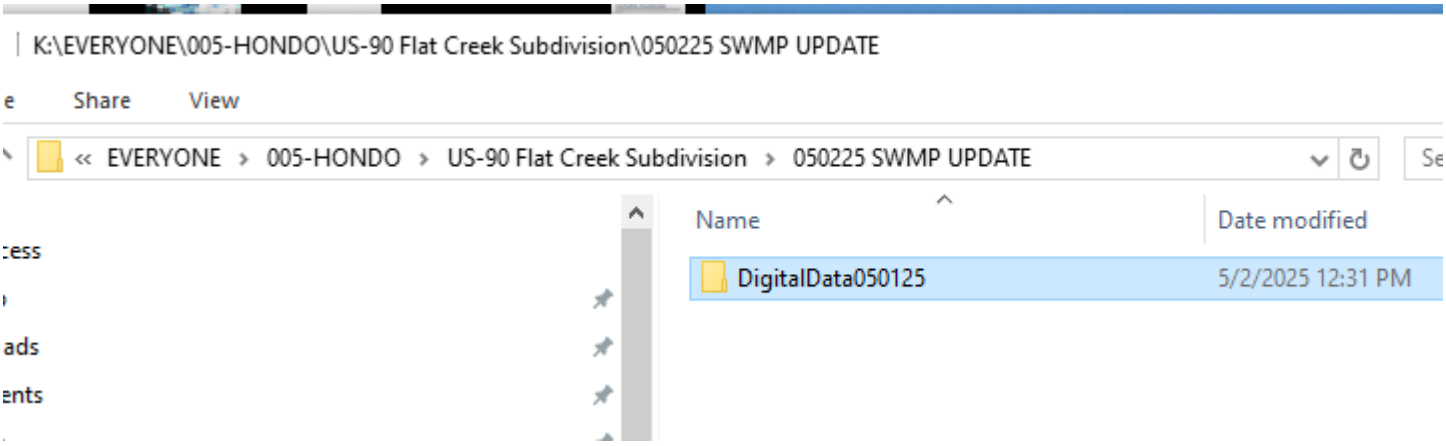
The consultant made the required changes to SWMP. This is approved for drainage review. Thank you.

M.Antonio Leyva, P.E.
District Hydraulic Engineer
San Antonio District
4615 NW Loop 410 | San Antonio, Texas 78229
210.615.5834 (Office)
210.309.6401 (Mobile)
manuel.leyva@txdot.gov

From: Jason Gunn <Jason.Gunn@txdot.gov>
Sent: Friday, May 2, 2025 12:56 PM
To: Antonio Leyva <Manuel.Leyva@txdot.gov>; Jorge AlcocerRubio <Jorge.AlcocerRubio@txdot.gov>
Subject: Flat Creek US-90 REVISED SWMP and additional info we requested

Antonio,

KCI has submitted the information I uploaded in the folder shown below in your shared drive. Please review and let me know if you'd like me to set up another meeting with them or if we have recommended approval. Thank you sir!!



Jason Gunn
Technical Project Manager
830-741-6627 (Office)
830-423-4690 (Cell)
Hondo Area Office
San Antonio District

Texas Department of Transportation

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE FLAT CREEK SUBDIVISION

CASTROVILLE, TEXAS

AFTER RECORDING, RETURN TO:

Declarant:

KF Flat Creek, LP,
a Texas limited partnership
2722 West Bitters Road, Suite 106
San Antonio, Texas 78248

Association:

Flat Creek Castroville Property Owners' Association, Inc.,
a Texas non-profit corporation
2611 N Loop 1604 W, Suite 100
San Antonio, Texas 78258

with a copy to:

Melissa Killen
Killen, Griffin & Farrimond, PLLC
10101 Reunion Place, Suite 250
San Antonio, Texas 78216
Email: melissa@kgftx.com

TABLE OF CONTENTS

ARTICLE 1 RECITALS; CONSTRUCTION OF TERMS; DEFINITIONS 7

1.1 **Recitals.** 7
1.2 **Construction of Terms.** 7
1.3 **Definitions.** 7

ARTICLE 2 GENERAL AND USE RESTRICTIONS 11

2.1 **General.** 11
2.2 **Conceptual Plans.** 12
2.3 **Subdividing; Consolidation.** 12
2.4 **Use and Activities.** 12
2.5 **Rubbish and Debris.** 15
2.6 **Trash Containers.** 15
2.7 **Unsightly Articles; Vehicles.** 15
2.8 **Outside Burning.** 16
2.9 **Hazardous Activities.** 16
2.10 **Animals - Household Pets.** 16
2.11 **Maintenance.** 16
2.12 **Antennas.** 17
2.13 **Signs.** 18
2.14 **Flags.** 19
2.15 **Tanks.** 20
2.16 **Temporary Improvements.** 20
2.17 **Party Wall Fences.** 20
2.18 **Playscapes and Sports Courts.** 21
2.19 **Water Quality Facilities, Drainage Facilities and Drainage Ponds.** 22
2.20 **Cell Tower and Telecommunications Equipment.** 22
2.21 **Swimming Pools.** 22
2.22 **Retaining Walls.** 22
2.23 **Solar Energy Device.** 23
2.24 **Rainwater Harvesting Systems.** 24
2.25 **Reserved.** 24
2.26 **Decorations.** 25

ARTICLE 3 CONSTRUCTION RESTRICTIONS 25

3.1 **Construction of Improvements.** 25
3.2 **Utility Lines.** 26
3.3 **Garages.** 26
3.4 **Fences, Walls, and Hedges.** 26
3.5 **Driveways and Sidewalks.** 26
3.6 **Roofing.** 26
3.7 **HVAC Location.** 27
3.8 **Drainage.** 27

3.9 **Construction Activities.** 27

ARTICLE 4 STREET LANDSCAPE 28

4.1 **Owner's Obligation to Maintain Street Landscape.** 28

ARTICLE 5 COMPLIANCE; LIABILITY; RELEASE 29

5.1 **Compliance with Restrictions.** 29
5.2 **Liability of Owners for Damage to Common Area.** 29
5.3 **Release.** 30

ARTICLE 6 FLAT CREEK CASTROVILLE PROPERTY OWNERS' ASSOCIATION 30

6.1 **Organization.** 30
6.2 **Mandatory Membership.** 30
6.3 **Governance.** 30
6.4 **Voting Allocation.** 30
6.5 **Powers; Transfer and Resale Certificate Fees.** 31
6.6 **Conveyance of Common Area to the Association.** 33
6.7 **Indemnification.** 34
6.8 **Insurance.** 35
6.9 **Bulk Rate Contracts.** 35
6.10 **Community Services and Systems.** 35
6.11 **Protection of Declarant's Interests.** 36
6.12 **Administration of Common Area.** 36
6.13 **Right of Action by Association.** 36
6.14 **Maintenance Agreement with City.** 37

ARTICLE 7 INSURANCE; RESTORATION; MECHANIC'S AND MATERIALMEN'S LIEN 37

7.1 **Insurance.** 37
7.2 **Restoration.** 38
7.3 **Mechanic's and Materialmen's Lien.** 38

ARTICLE 8 COVENANT FOR ASSESSMENTS 39

8.1 **Assessments.** 39
8.2 **Maintenance Fund.** 39
8.3 **Regular Assessments.** 39
8.4 **Working Capital Assessment.** 40
8.5 **Special Assessments.** 40
8.6 **Individual Assessments.** 40
8.7 **Amount of Assessment.** 41
8.8 **Late Charges.** 41
8.9 **Owner's Personal Obligation; Interest.** 41
8.10 **Assessment Lien and Foreclosure.** 42

8.11 **Fines and Damages Assessment.** 43
8.12 **Alternative Payment Schedule.** 44
8.13 **Remedial Options.** 44

ARTICLE 9 ARCHITECTURAL CONTROL COMMITTEE 44
9.1 **Architectural Control Committee.** 45

ARTICLE 10 MORTGAGE PROVISIONS 48
10.1 **Notice of Action.** 48
10.2 **Examination of Books.** 49
10.3 **Taxes, Assessments and Charges.** 49

ARTICLE 11 EASEMENTS AND COMMON AREAS 49
11.1 **Easements - General.** 49
11.2 **Right of Ingress and Egress.** 49
11.3 **Reserved Easements.** 50
11.4 **Roadway and Utility Easements.** 50
11.5 **Entry and Fencing Easement.** 50
11.6 **Landscape, Monumentation and Signage Easement.** 51
11.7 **Easement for Special Events.** 51
11.8 **Solar Equipment Easement.** 51
11.9 **Cellular Tower and Telecommunications Easement.** 51
11.10 **Easement to Inspect and Right to Correct.** 52
11.11 **Owner's Rights of Access and Enjoyment.** 52
11.12 **Easements for Utilities and Public Services.** 53
11.13 **Easements for Association.** 54

ARTICLE 12 DEVELOPMENT RIGHTS 54
12.1 **Development by Declarant.** 54
12.2 **Special Declarant Rights.** 54
12.3 **Addition of Land.** 55
12.4 **Withdrawal of Land.** 55
12.5 **Notice of Plat Recordation.** 55
12.6 **Assignment of Declarant's Rights.** 56

ARTICLE 13 GENERAL PROVISIONS 56
13.1 **Term.** 56
13.2 **Eminent Domain.** 56
13.3 **Amendment.** 56
13.4 **Enforcement.** 57
13.5 **No Warranty of Enforceability.** 57
13.6 **Severability.** 57

13.7 **Conflicts.** 57
13.8 **Gender.** 58
13.9 **Acceptance by Owners.** 58
13.10 **Damage and Destruction.** 58
13.11 **No Partition.** 59
13.12 **View Impairment.** 59
13.13 **Safety and Security.** 59
13.14 **Notices.** 60
13.15 **Mining and Drilling.** 60
13.16 **Fine Authority; Corrective Action.** 60
13.17 **Management Certificate.** 61
13.18 **Merger and Consolidation.** 61
13.19 **Dissolution.** 61
13.20 **Notice of Sale or Transfer of Title.** 61

ARTICLE 14 DISPUTE RESOLUTION 62

14.1 **Introduction and Definitions.** 62
14.2 **Mandatory Procedures.** 63
14.3 **Claim Affecting Common Areas.** 63
14.4 **Claim by Lot Owners.** 66
14.5 **Notice.** 66
14.6 **Negotiation.** 67
14.7 **Mediation.** 67
14.8 **Binding Arbitration-Claims.** 67
14.9 **Allocation Of Costs.** 69
14.10 **General Provisions.** 69
14.11 **Period of Limitation.** 69
14.12 **Funding the Resolution of Claims.** 70

NOTICE
This Declaration is subject to change from time to time. By being an Owner or Resident of a Lot, you agree to remain in compliance with the Declaration (and any amendments thereto).

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
for the
FLAT CREEK SUBDIVISION

This Declaration of Covenants, Conditions and Restrictions for the Flat Creek Subdivision (the **"Declaration"**) is made, as of the date hereinafter set forth, by **KF Flat Creek, LP,** a Texas limited partnership (the **"Declarant"**), and is as follows:

RECITALS

WHEREAS, this Declaration is filed and Recorded (as defined herein) with respect to that certain real property, of approximately 254.69 acres, located within the municipal corporate boundaries of the City of Castroville ("City"), Medina County ("County"), Texas, as more particularly described on **Exhibit "A"** attached hereto and incorporated herein for all purposes (the **"Property"**); and

WHEREAS, Declarant is the fee-simple owner of the Property; and

WHEREAS, Declarant desires to create and carry out a uniform plan for the development, improvement, use, and sale of the Property for the benefit of all Owners (as defined herein); and

WHEREAS, Declarant imposes this Declaration on all Owners, occupants, and any other person or entity holding an interest in a Lot (as defined herein); and

WHEREAS, by the Recording of this Declaration, Declarant serves notice that the Property is subject to the terms and provisions of this Declaration; and

WHEREAS, this Declaration is intended to run with the land and bind all Owners, occupants, and any other person or entity holding an interest in a Lot; and

WHEREAS, all Owners and other occupants of the Lots by their acceptance of their deeds, leases, or occupancy of any Lot agree that the Property is subject to this Declaration; and

WHEREAS, each Owner and occupant of a Lot agrees to comply with the Dedicatory Instruments (as defined herein) and agrees that failure to comply may subject him/her to a fine, an action for amounts due to the Association (as defined herein), damages, or injunctive relief; and

NOW, THEREFORE, it is hereby declared: (i) that the Property (or any portion thereof) shall be held sold, conveyed, and occupied subject to the following covenants, conditions and restrictions which shall run with such portions of the Property and shall be binding upon all parties having right, title, or interest in or to such portions of the Property or any part thereof, their heirs, successors, and assigns and shall inure to the benefit of each Owner thereof; and (ii) that each contract or deed conveying the Property (or any portion thereof) shall conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions and restrictions, regardless of whether or not the same are set out in full or by reference in said contract or deed.

ARTICLE 1
RECITALS; CONSTRUCTION OF TERMS; DEFINITIONS

1.1 Recitals. The recitals set forth above are hereby fully incorporated in and made a part of this Declaration as if set forth verbatim.

1.2 Construction of Terms. Unless otherwise stated herein, all terms and phrases defined in this Declaration shall have the meanings and definitions ascribed thereto. If appropriate, in the context of this Declaration, terms that have well known technical, municipal, or construction or development industry meanings shall be used in accordance with such recognized meanings, unless otherwise defined herein or unless the context clearly indicates a different meaning. The titles given to any article or section of this Declaration are for convenience or reference only and are not intended to modify the meaning of the article or section.

1.3 Definitions.

"Applicable Law" shall mean and refer to the statutes and public laws and ordinances in effect at the time a provision of the Dedicatory Instruments is applied, and pertaining to the subject matter of the provision. Statutes and ordinances specifically referenced in the Dedicatory Instruments are "Applicable Law" on the date of the Dedicatory Instruments, and are not intended to apply to the Property if they cease to be applicable by operation of law, or if they are replaced or superseded by one or more other statutes or ordinances.

"Architectural Control Committee" or **"ACC"** shall mean and refer to the committee created pursuant to this Declaration (and/or Bylaws) to review and approve or deny plans for the construction, placement, modification, alteration or remodeling of any Improvements on a Lot. As provided in Article 9 below, the Declarant acts as the ACC and the ACC is not a committee of the Association until the Declarant has assigned its right to appoint and remove all ACC members to the Association in a Recorded written instrument.

"Assessment" or **"Assessments"** shall mean and refer to the assessments imposed and/or levied by the Association under this Declaration, including, but not limited to, the Assessments described and payable pursuant to Article 8 of this Declaration and any other amounts or sums due by any Owner to the Association pursuant to the provisions of this Declaration, Dedicatory Instruments, and Applicable Law.

"Association" shall mean and refer to **FLAT CREEK CASTROVILLE PROPERTY OWNERS' ASSOCIATION, INC.,** a Texas non-profit corporation, incorporated under the laws of the State of Texas, its successors and assigns, which was created by Declarant to exercise the authority and assume the powers

specified in Article 6 and elsewhere in this Declaration. The failure of the Association to maintain its corporate charter from time to time does not affect the existence or legitimacy of the Association, which derives its authority from this Declaration, the Certificate, the Bylaws, and Applicable Law.

"Board" shall mean and refer to the Board of Directors of the Association, which is the governing body of the Association.

"Bulk Rate Contract" or "Bulk Rate Contracts" shall mean and refer to one or more contracts which are entered into by the Association for the provision of utility services or other services of any kind or nature to the Lots and/or the Property. The services provided under Bulk Rate Contracts may include, without limitation, cable television services, telecommunications services, internet access services, "broadband" services, security services, trash pick-up services, propane service, natural gas service, lawn maintenance services, wastewater services, and any other services of any kind or nature which are considered by the Board to be beneficial to all or a portion of the Property. Each Bulk Rate Contract shall be approved in advance and in writing by the Declarant until expiration or termination of the Development Period.

"Bylaws" shall mean and refer to the bylaws of the Association, as the same may be amended from time to time.

"Certificate" shall mean and refer to the Certificate of Formation of the Association, filed in the Office of the Secretary of State of Texas, as the same may be amended from time to time.

"City" shall mean and refer to the home-rule municipality of the City of Castroville, Texas.

"Common Area" shall mean and refer to any and all real and personal property, easements, and facilities (together with the Improvements located thereon and any and all other interests therein) that the Association owns or in which it otherwise holds rights or obligations, including any and all real and personal property, easements, and facilities (together with the Improvements located thereon and any and all other interests therein) held by the Declarant, the Association, or otherwise for the benefit of the Association or its Members. Common Area includes any and all real and personal property that the Association holds under a lease, license, or any easement in favor of the Association. "Common Area" shall also include and mean and refer to all property within any applicable Plat/Conceptual Plan not designated as a Lot on such Plat/Conceptual Plan for a Residence and that has not been accepted for maintenance by the applicable governmental body; by way of example, and without limitation, such Common Areas may include areas designated as park, open space, detention, and private streets. Declarant may convey the Common Area to the Association. Some Common Areas may be solely for the common use and enjoyment of the Owners, while other portions of the Common Area may be for the use and enjoyment of the Owners and members of the public.

"Community Manual" shall mean and refer to the community manual, which may be initially adopted and Recorded by the Declarant as part of the initial project documentation for the benefit of the Association and the Property. The Community Manual may include the Bylaws, Rules and Regulations and/or other policies governing the Association. The Community Manual may be amended or supplemented, from time to time, by the Declarant acting alone, in its sole and absolute discretion, during the Development Period. Any amendment to the Community Manual, prosecuted by the Board, shall be approved in writing by the Declarant until expiration or termination of the Development Period.

"Community Systems" shall mean and refer to any and all cable television, telecommunications, alarm/monitoring, internet, telephone or other lines, conduits, wires, amplifiers, towers, antennas, satellite dishes, equipment, materials and installations and fixtures (including those based on, containing and serving

future technological advances not now known), if installed by Declarant pursuant to any grant of easement or authority by Declarant within the Property.

"Declarant" shall mean and refer to KF Flat Creek, LP, a Texas limited partnership, its successors or assigns; provided that any assignment(s) of the rights of KF Flat Creek, LP, a Texas limited partnership, as Declarant, or such successor Declarant, as may hereafter be designated, shall be expressly set forth in writing and Recorded. Upon such designation of a successor Declarant and/or any such assignment of rights, all rights of the former Declarant hereunder shall cease. Pursuant to certain provisions of this Declaration, the Certificate, and the Bylaws, the Declarant is granted the right during the Declarant Control Period (as defined in the Bylaws), to appoint and remove the members of the Board and the right to disapprove any actions, policies, and programs of the Board and/or its committees in its sole and absolute discretion.

"Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for the Flat Creek Subdivision (a residential subdivision), as it may hereafter be amended in accordance with the provisions hereof.

"Dedicatory Instruments" shall mean and refer to this Declaration, the Certificate, Bylaws, Rules and Regulations, Design Guidelines, Community Manual, standards of the ACC, any other rules and regulations promulgated by the Association and/or Declarant pursuant to this Declaration, and/or any other instrument covering the establishment, maintenance, and operation of the Flat Creek Subdivision, as each may be amended and supplemented from time to time. Any amendment to the Dedicatory Instruments, governing the Association, prosecuted by the Board, shall be approved in advance and in writing by the Declarant until expiration or termination of the Development Period. See **Exhibit D** for a summary of the Dedicatory Instruments.

"Design Guidelines" shall mean and refer to the standards for design, construction, landscaping, and exterior items proposed to be placed on any Lot adopted pursuant to Section 9.1.3, as the same may be amended from time to time. The Design Guidelines may consist of multiple written design guidelines applying to specific portions of the Property. At Declarant's option (during the Development Period), Declarant may adopt or amend from time to time the Design Guidelines for the Property or any portion thereof. The Design Guidelines also include the Landscaping Design Guidelines provided in Section 9.1.3.1.

"Development Agreement" shall mean and refer to that certain agreement, recorded in the Official Public Records of Medina County, Texas, under Document No. 2024007632, which encumbers the Property and imposes certain conditions and requirements associated with the development of the Property.

"Development Period" shall mean and refer to the period of time beginning on the date when this Declaration has been Recorded, and ending twenty-four (24) months after the date that Declarant no longer owns any portion of the Property, unless earlier terminated by a Recorded written instrument executed by the Declarant. The Development Period is the period in which Declarant reserves the right to facilitate the development, construction, and marketing of the Property, and the right to direct the size, shape and composition of the Property.

"Homebuilder" shall mean and refer to an Owner (other than the Declarant) who acquires a Lot, within the Property, for the construction of a Residence for resale to a third party.

"Improvement" shall mean and refer to all physical enhancements and alterations to the Property (other than a Residence), including but not limited to grading, clearing, removal of trees, alteration of drainage

flow, and site work, and every structure and all appurtenances of every type and kind, whether temporary or permanent in nature, including, but not limited to, buildings, outbuildings, storage sheds, patios, tennis courts, sport courts, recreational facilities, swimming pools, putting greens, garages, driveways, parking areas and/or facilities, storage buildings, sidewalks, fences, gates, screening walls, retaining walls, stairs, patios, decks, walkways, landscaping, mailboxes, poles, signs, antennas, exterior air conditioning equipment or fixtures, exterior lighting fixtures, water softener fixtures or equipment, and poles, pumps, wells, tanks, reservoirs, pipes, lines, meters, antennas, towers and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or other utilities.

"Lot" shall mean and refer to any portion of the Property, other than Common Areas, either designated by Declarant or as shown as a subdivided lot (or any portion thereof) on a Plat/Conceptual Plan planned for a Residence (including any Improvements on such designated portions of the Property). More specifically, "Lot" shall mean and refer to any portion of the Property, whether developed or undeveloped, whether platted or un-platted, upon which a Residence has been constructed or it is intended by the Declarant that a Residence be constructed, excluding reserve tracts and areas designated as park, open space, detention, private streets, and/or other Common Areas, but including lots created by the platting/replatting or subdividing of a reserve tract for a Residence. "Lots" shall mean and refer to each Lot and all of them. In the case of a parcel of land planned for a Residence, which has not been formally platted or replatted into the proposed Lots, the parcel shall be deemed to contain the number of Lots designated by the Declarant on the development plan for such parcel of land unless or until a different number of Lots is platted or subdivided for a Residence.

"Majority" shall mean and refer to more than fifty percent (50%).

"Manager" shall have the meaning set forth in Section 6.5.8.

"Member" or **"Members"** shall mean and refer to every Owner, person, and/or entity entitled to membership in the Association, as provided herein (and the Bylaws).

"Mortgage" or **"Mortgages"** shall mean and refer to any mortgage(s), deed(s) of trust, or other similar security instrument granting, creating, or conveying a lien or security interest upon a Lot.

"Mortgagee" or **"Mortgagees"** shall mean and refer to the beneficiary(ies) or holder(s) of any Mortgage(s).

"Owner" shall mean and refer to the person(s), entity or entities, including Declarant, of record, holding all or a portion of the fee simple interest in any Lot (or portion thereof), but does not include the Mortgagee under a Mortgage prior to its acquisition of fee simple interest in such Lot (or portion thereof) pursuant to foreclosure of the lien of its Mortgage, those having an interest merely as security for the performance of an obligation, and/or those owning an interest in the mineral estate.

"Plat" shall mean and refer to a Recorded subdivision plat of any portion of the Property, and any amendments thereto.

"Property" shall mean and refer to that certain real property, of approximately 254.69 acres, located in the municipal corporate boundaries of the City of Castroville, Medina County, Texas, as more particularly described on **Exhibit A** attached hereto, subject to such additions thereto and deletions therefrom as may be made pursuant to Section 12.3 and Section 12.4 of this Declaration. The legal description, as of the date hereof, being, generally, described by the County Appraisal District as: A1259 L. M. COLLARD SURVEY 97; ACRES 119.628; A1269 J. FISHER SURVEY 5; 20.6 ACRES; A1269 J. FISHER SURVEY 5; 22.53 ACRES; A1269 J. FISHER SURVEY 5; ACRES 27.055; A1348 R. WITTMAN SURVEY 4; 20.861

ACRES; A1348 R. WITTMAN SURVEY 4; 21.364 ACRES; and A1348 R. WITTMAN SURVEY 4; 19.05 ACRES (*also referred to as* County Appraisal District Property ID Nos. 10599; 10669; 10660; 11093; 10659; 11092; 10671; and 11094). In the event of a conflict between the property descriptions described herein, Exhibit A shall control, subject to such additions thereto and deletions therefrom as may be made pursuant to Section 12.3 and Section 12.4 of this Declaration.

"Record," "Recording," "Recordation," or **"Recorded"** shall mean and refer to the applicable document recorded or to be recorded in the Official Public Records of Medina County, Texas.

"Renting" shall mean and refer to granting the right to occupy and use a Residence (or portion thereof) in exchange for consideration. The term Renting shall include leasing.

"Residence" shall mean and refer to a detached, single-family building designed for and used as a dwelling by a Single Family and constructed on a Lot.

"Resident" shall mean and refer to an occupant or tenant of a Lot (or any portion thereof), regardless of whether the person owns the Lot.

"Rules and Regulations" shall mean and refer to any instrument, however denominated, which is adopted by the Board for the regulation and management of the Property or the Common Area (or adopted by the Declarant during the Development Period), including any amendments to those instruments. The Rules and Regulations may include, but are not limited to, the following: the Guidelines for Alternative Payment Plans, the Records Retention Policy, the Records Production and Copying Policy, the Fine and Enforcement Policy, and the Management Certificate.

"Single Family or Single Families" shall mean and refer to a group of individuals related by blood, adoption, or marriage or a number of unrelated roommates not exceeding the number of bedrooms in a Residence.

"Solar Energy Device" shall mean and refer to a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy; the term includes a mechanical or chemical device that has the ability to store solar-generated energy for use in heating or cooling or in the production of power.

ARTICLE 2

GENERAL AND USE RESTRICTIONS

All of the Property shall be owned, held, encumbered, leased, used, occupied, and enjoyed subject to the following limitations and restrictions:

2.1 General.

2.1.1 Conditions and Restrictions. All Lots within the Property shall be owned, held, encumbered, rented/leased, used, occupied and enjoyed subject to this Declaration, including the Dedicatory Instruments. Moreover, in addition to Rules and Regulations that may be established by the Board or Declarant, and penalties for violations thereof, each Lot shall be subject to the rules and restrictions of this Declaration (particularly, this Article), which may affect each Lot's use and activities.

2.1.2 Ordinances. The Applicable Law, as well as the ordinances and requirements imposed by local governmental authorities, is applicable to all Lots within the Property. Compliance with this Declaration, including the Dedicatory Instruments, is not a substitute for compliance with Applicable Law (as well as the ordinances and requirements imposed by local governmental authorities). **PLEASE BE ADVISED THAT THIS DECLARATION AND THE DEDICATORY INSTRUMENTS DO NOT PURPORT TO LIST OR DESCRIBE EACH RESTRICTION WHICH MAY BE APPLICABLE TO A LOT LOCATED WITHIN THE PROPERTY. EACH OWNER IS ADVISED TO REVIEW THE APPLICABLE LAW, ALL ORDINANCES, REQUIREMENTS, REGULATIONS AND ENCUMBRANCES AFFECTING THE USE AND IMPROVEMENT OF THEIR LOT PRIOR TO SUBMITTING PLANS TO THE ACC FOR APPROVAL. FURTHERMORE, APPROVAL BY THE ACC SHOULD NOT BE CONSTRUED BY THE OWNER THAT ANY IMPROVEMENT COMPLIES WITH THE TERMS AND PROVISIONS OF THE APPLICABLE LAW OR ANY ORDINANCES, REQUIREMENTS, REGULATIONS OR ENCUMBRANCES WHICH MAY AFFECT THE OWNER'S LOT.**

2.2 Conceptual Plans. All master plans, site plans, concept plans/preliminary concept plans, brochures, illustrations, information and marketing materials relating to the Property or the Common Area (collectively, the **"Conceptual Plans"**) are conceptual in nature and are intended to be used for illustrative purposes only. The land uses, Residences, and Improvements, reflected on the Conceptual Plans, are subject to change at any time, and from time to time, and it is expressly agreed and understood that land uses within the Property or the Common Area may include uses which are not shown on the Conceptual Plans. Neither Declarant nor any Homebuilder or other developer of any portion of the Property or the Common Area makes any representation or warranty concerning such land uses, Residences and Improvements shown on the Conceptual Plans or otherwise planned for the Property or the Common Area and it is expressly agreed and understood that no Owner shall be entitled to rely upon the Conceptual Plans or any statements made by the Declarant or any of Declarant's representatives regarding the proposed land uses, or proposed or planned Residences/Improvements in making the decision to purchase any land, Residences, or Improvements within the Property. Each Owner who acquires a Lot within the Property acknowledges that development of the Property and/or the Common Area shall likely extend over many years, and agrees that the Association shall not engage in, or use Association funds to support, protest, challenge, or make any other form of objection to development of the Property or the Common Area or changes in the Conceptual Plans, as they may be amended or modified from time to time. The "Preliminary Concept Plan" (as may be amended from time to time) is attached hereto as **Exhibit B** and incorporated herein for all purposes.

2.3 Subdividing; Consolidation. No Lot shall be further divided or subdivided, nor may any easements or other interests therein, less than the whole, be conveyed by the Owner thereof, without the prior written approval of the ACC; provided, however, that when Declarant is the Owner thereof, Declarant may further divide and subdivide any Lot and convey any easements or other interests, less than the whole, all without the approval of the ACC. An Owner of adjoining Lots, with ACC approval, may consolidate those Lots into one site for the construction of a Residence on a Lot.

2.4 Use and Activities.

2.4.1 Permitted Use. Except as otherwise provided in this Declaration (or Dedicatory Instruments), a Lot may be used only for a Residence and approved Improvements associated with such Residence for Single Family purposes.

No professional, business, or commercial activity to which the general public is invited shall be conducted on any Lot, except an Owner or Resident may conduct business activities within a Residence so long as: (i) such activity complies with all Applicable Law; (ii) participation in the business activity is limited to the Owner(s) or Resident(s) of a Residence constructed in the Lot; (iii) the existence or operation of the business activity is not apparent or detectable by sight, i.e., no sign may be erected advertising the business on any Lot, sound, or smell from outside the Residence; (iv) the business activity does not involve door-to-door solicitation of Residents within the Property; (v) the business does not, in the Board's judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles parked within the Property which is noticeably greater than that which is typical of Residences in which no business activity is being conducted; (vi) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other Residents of the Property as may be determined in the sole discretion of the Board; and (vii) the business does not require the installation of any machinery other than that customary to normal household operations. In addition, for the purpose of obtaining any business or commercial license, neither the Residence nor the Lot shall be considered open to the public. The term "business," as used in this provision, shall be construed to have its ordinary, generally accepted meaning and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (a) such activity is engaged in full or part-time; (b) such activity is intended to or does generate a profit; or (c) a license is required.

Renting of a Residence shall not be considered a business within the meaning of this subsection. This subsection shall not apply to any activity conducted by the Declarant or a Homebuilder.

2.4.2. Prohibited Activities. *Except as otherwise provided in this Declaration (or Dedicatory Instruments),* activities and uses that are expressly prohibited include the following:

a. any activity that is otherwise prohibited by the Dedicatory Instruments;

b. any illegal activity;

c. any nuisance, noxious, or offensive activity;

d. any dumping of rubbish;

e. any storage of—

i. building materials except during the construction or renovation of a Residence or Improvement;

ii. vehicles, except vehicles in a garage or Improvement or operable automobiles on a driveway; or

iii. unsightly objects unless completely shielded by an Improvement;

f. any exploration for or extraction of minerals;

g. any keeping or raising of animals, livestock, or poultry, except for common domesticated household pets, such as dogs and cats, confined to a fenced yard or within the Residence;

h. any commercial or professional activity except reasonable home office use;

i. installing a mobile home, manufactured home, manufactured housing, motor home, or house trailer on a Lot;

j. moving a previously constructed house onto a Lot; and

k. hunting and shooting.

2.4.3 Renting of Residence. The Renting of Residences is permitted subject to the following conditions:

a. No portion of the Property may be used as an apartment house, flat, lodging house, hotel, bed and breakfast lodge, or any similar purpose, and only the Residence constructed on a Lot may be rented/leased, which shall be only for Single Family purposes for a lease term of no less than six (6) months; and

b. all leases shall be in writing and shall be made subject to the Dedicatory Instruments; and

c. an Owner is responsible for providing the Owner's Resident with copies of the Dedicatory Instruments and notifying the Resident of changes thereto; and

d. each Resident is subject to and shall comply with all provisions of the Dedicatory Instruments; and

e. an Owner must engage with a property management company for any Renting of a Residence; and unless prohibited by Applicable Law, or otherwise approved by the Board, all Owners must utilize the same property management company, which shall be chosen and established by resolution of the Board; additionally, all signage and marketing on the Property, for any Renting of a Residence, shall be prohibited, unless prior approval by the Board is obtained; and

f. written notice of any rental agreement/lease, together with such additional information as may be required by the Board, shall be remitted to the Association by the Owner on or before the expiration of ten (10) days after the effective date of the rental agreement/lease.

2.4.5 Development Period. Notwithstanding any provision in this Declaration to the contrary, until the expiration or termination of the Development Period:

(i) Declarant and/or its licensees may construct and maintain upon portions of the Common Area, any Lot, or portion of the Property owned by the Declarant, such facilities and may conduct such activities which, in Declarant's sole opinion, may be reasonably required,

convenient, or incidental to the construction or sale of Residences constructed upon the Lots, including, but not limited to, business offices, signs, model homes, and sales offices. Declarant and/or its licensees shall have an easement over and across the Common Area for access and use of such facilities at no charge; and

(ii) Declarant and/or its licensees shall have an access easement over and across the Common Area for the purpose of making, constructing and installing Improvements upon the Common Area.

2.5 Rubbish and Debris. As determined by the Board, no rubbish or debris of any kind may be placed or permitted to accumulate on or within the Property, and no odors shall be permitted to arise therefrom so as to render all or any portion of the Property unsanitary, unsightly, offensive, or detrimental to any other property or Residents. Refuse, garbage, and trash shall be kept at all times in covered containers, and such containers shall be kept within enclosed structures or appropriately screened from view. Each Owner shall contract with an independent disposal service to collect all garbage or other wastes, if such service is not provided by a governmental entity or the Association.

2.6 Trash Containers. Except for consecutive twelve (12) hour periods before and after any designated waste pick-up time, trash containers and recycling bins shall be stored behind a fence or in the garage of a Residence, so as to not be visible from the street / alley or neighboring or adjoining or adjacent Residences. The Board shall have the right to specify additional locations on each Owner's Lot in which trash containers or recycling bins shall be stored.

2.7 Unsightly Articles; Vehicles. No article deemed to be unsightly by the Board shall be permitted to remain on any Lot so as to be visible from adjoining property or from public or private thoroughfares. Without limiting the generality of the foregoing, trailers, graders, trucks other than pickups, tractors, boats, campers, wagons, buses, motorcycles, motor scooters, all-terrain vehicles and garden maintenance equipment shall be kept at all times, except when in actual use, in enclosed structures or screened from view and no repair or maintenance work shall be done on any of the foregoing, or on any vehicles (other than minor emergency repairs), except in enclosed garages or other structures. Service areas, storage areas, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from view, and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials, scrap, refuse or trash shall be kept, stored, or allowed to accumulate on any portion of the Property except within enclosed structures or appropriately screened from view. No racing vehicles or any other vehicles (including, without limitation, motorcycles or motor scooters) that are inoperable or do not have a current license tag shall not be permitted to remain visible on any Lot or to be parked on any roadway within the Property or Common Area.

Unless otherwise provided herein, parking of commercial vehicles or equipment, recreational vehicles, boats and other watercraft, trailers, stored vehicles or inoperable vehicles in places other than: (i) in enclosed garages; and (ii) behind a fence so as to not be visible from any other portion of the Property, is prohibited; provided, construction, service and delivery vehicles may be exempt from this provision for such period of time as is reasonably necessary to provide service or to make a delivery to a Residence.

The storage of vehicles on streets or within road rights-of-way, within the Property, is specifically prohibited. Any vehicle parked or left, not in accordance with this Section, shall be considered a nuisance.

The term "vehicle," as used herein, shall refer to all vehicles including, without limitation, automobiles, trucks, motor homes recreational vehicles, boats, trailers, motorcycles, minibikes, scooters, go-carts, campers buses, and vans, including such vehicles with the motor removed.

2.8 Outside Burning. No exterior fires are permitted with the exception of barbecues, outside fireplaces, braziers and incinerator fires that are contained within facilities or receptacles and in areas designated and approved by the Board. No Owner may permit any condition upon its portion of the Property which creates a fire hazard or violates Applicable Law.

2.9 Hazardous Activities. No activities may be conducted on or within the Property and no Improvements may be constructed on or within any portion of the Property which, in the opinion of the Board, are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms or fireworks may be discharged upon any portion of the Property unless discharged in conjunction with an event approved in advance by the Board and no open fires may be lighted or permitted except within safe and well-designed fireplaces or in contained barbecue units while attended and in use for cooking purposes. No portion of the Property may be used for the takeoff, storage, or landing of aircraft (including, without limitation, helicopters) except for medical emergencies.

2.10 Animals - Household Pets. No animals, including pigs, hogs, swine, poultry, fowl, wild animals, horses, cattle, sheep, goats, or any other type of animal not considered to be a domestic household pet within the ordinary meaning and interpretation of such words may be kept, maintained, or cared for on or within the Property (as used in this paragraph, the term "domestic household pet" shall not include non-traditional pets such pot-bellied pigs, miniature horses, exotic snakes or lizards, ferrets, monkeys, chickens or other exotic animals). The Board may conclusively determine, in its sole discretion, whether a particular pet is a domestic household pet within the ordinary meaning and interpretation of such words. No Owner or Resident may keep on such Owner's or Resident's Lot more than four (4) cats and dogs, in the aggregate. No animal may be allowed to make an unreasonable amount of noise, or to become a nuisance, and no domestic pets shall be allowed on the Property other than within the Residence, or the fenced yard space associated therewith, unless confined to a leash. The Board may restrict pets to certain areas on the Property. No animal may be stabled, maintained, kept, cared for, or boarded for hire or remuneration on the Property, and no kennels or breeding operation shall be allowed. No animal may be allowed to run at large, and all animals shall be kept within enclosed areas which shall be clean, sanitary, and reasonably free of refuse, insects, and waste at all times. No pet may be left unattended in front yards, porches, or other unenclosed outside areas of the Lot. All pet waste shall be removed and appropriately disposed of by the owner of the pet. All pets shall be registered, licensed and inoculated as required by Applicable Law. All pets not confined to a Residence shall wear collars with appropriate identification tags and all outdoor cats are required to have a bell on their collar. If, in the opinion of the Board, any pet becomes a source of unreasonable annoyance to others, or the owner of the pet fails or refuses to comply with these restrictions, the Owner or Resident, upon written notice, may be required to remove the pet from the Property.

2.11 Maintenance. The Owners of each Lot shall jointly and severally have the duty and responsibility, at their sole cost and expense, to keep their Lot, Lot landscaping, Residence, and all Improvements thereon in good condition and repair and in a well-maintained, safe, clean and attractive condition at all times. The Board, in its sole discretion, shall determine whether a violation of the maintenance obligations set forth in this Section has occurred. Such maintenance includes, but is not limited to the following, which shall be performed in a timely manner, as determined by the Board, in its sole discretion:

(i) Prompt removal of all litter, trash, refuse, and wastes.

(ii) Lawn mowing and edging.

(iii) Tree and shrub pruning.

(iv) Watering.

(v) Keeping exterior lighting and mechanical facilities in working order.

(vi) Keeping lawn and garden areas alive, free of weeds, and attractive.

(vii) Keeping planting beds free of turf grass.

(viii) Keeping sidewalks, driveways, and fences in good repair.

(ix) Complying with Applicable Law.

(x) Repainting of Residences and Improvements.

(xi) Repair of exterior damage, and wear and tear to Residences and Improvements.

2.12 Antennas. Except as expressly provided below, no exterior radio or television antennas or aerial or satellite dish or disc, nor any Solar Energy Device, shall be erected, maintained or placed on a Lot without the prior written approval of the ACC; provided, however, that:

(i) an antenna designed to receive direct broadcast services, including direct-to-home satellite services, that is one meter or less in diameter; or

(ii) an antenna designed to receive video programming services via multipoint distribution services, including multichannel multipoint distribution services, instructional television fixed services, and local multipoint distribution services, that is one meter or less in diameter or diagonal measurement; or

(iii) an antenna that is designed to receive television broadcast signals.

(collectively, (i) through (iii) are referred to herein as the **"Permitted Antennas"**) shall be permitted subject to reasonable requirements as to location and screening as may be set forth in rules adopted by the ACC, consistent with Applicable Law, in order to minimize obtrusiveness as viewed from streets and adjacent property. Declarant and/or the Association shall have the right, but not the obligation, to erect an aerial, satellite dish, or other apparatus for a master antenna, cable, or other communication system for the benefit of all or any portion of the Property.

(iv) Location of Permitted Antennas. A Permitted Antenna may be installed solely on the Owner's Lot and shall not encroach upon any street, Common Area, or any other portion of the Property. A Permitted Antenna shall be installed in a location on the Lot from which an acceptable quality signal can be obtained and where least visible from the street and the

Property, other than the Lot. In order of preference, the locations of a Permitted Antenna which shall be considered least visible by the ACC are as follows:

(A) Attached to the back of the principal Residence constructed on the Lot, with no part of the Permitted Antenna any higher than the roof fascia, soffit, or bargeboard and screened from view of adjacent Lots and the street; then

(B) Attached to the side of the principal Residence constructed on the Lot, with no part of the Permitted Antenna any higher than the lowest point of the roofline and screened from view of adjacent Lots and the street.

The ACC may, from time to time, modify, amend, or supplement the rules regarding installation and placement of Permitted Antennas.

2.13 Signs. Unless otherwise permitted by Applicable Law, no sign or emblem of any kind may be displayed to the public view on any Lot, Residence, or Improvement without the prior written approval of the ACC, except for:

2.13.1 Declarant Signs. Signs erected by the Declarant or erected with the advance written consent of the Declarant;

2.13.2 Security Signs. One small security service sign per Lot, provided that the sign has a maximum face area of two (2) square feet and is located no more than five (5) feet from the front elevation of the principal Residence constructed upon the Lot;

2.13.3 Permits. Permits as may be required by Applicable Law;

2.13.4 Sale or Rental Signs. One (1) temporary "For Sale" or "For Lease" sign per Lot, provided that the sign shall be limited to: (i) a maximum face area of five (5) square feet on each visible side and, if free standing, is mounted on a single or frame post; (ii) an overall height of the sign from finished grade at the spot where the sign is located may not exceed four feet (4'); and (iii) the sign shall be removed within two (2) business days following the sale or lease of the Lot;

2.13.5 Political Signs. Political signs may be erected provided the sign: (i) is erected no earlier than the ninetieth (90^{th}) day before the date of the election to which the sign relates; (ii) is removed no later than the tenth (10^{th}) day after the date of the election to which the sign relates; and (iii) is ground-mounted. Only one sign may be erected by each Owner of a Residence. In addition, signs which include any of the components or characteristics described in Section 259.002 (d) of the Texas Election Code are prohibited; and

2.13.6 No Soliciting: Signs. A "no soliciting" sign near or on the front door to the principal Residence constructed upon the Lot, provided, that the sign may not exceed twenty- five (25) square inches.

2.13.7 Homebuilders' Signs. Any Homebuilder may utilize one professional sign (of not more than five (5) square feet in size) per Lot for advertising and sales promotion of the Residence on such Lot.

2.13.8 School Spirit Signs. Signs containing information about one or more children residing in the Residence and the school they attend shall be permitted so long as the sign is not more than 36" x 36". There shall be no more than one sign for each child under the age of eighteen (18), residing in the Residence.

In addition to any other remedies provided for herein, the Board or its duly authorized agent shall have the power to enter upon a Lot to remove any sign which violates this Section provided the violating Owner has been given forty-eight (48) hours written notice by the Board of its intent to exercise self-help. All costs of self-help, including reasonable attorney's fees actually incurred, shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of Assessments.

2.14 Flags. Owners are permitted to display certain flags on the Owner's Lot, as further set forth below.

2.14.1 Approval Requirements. An Owner is permitted to display the flag of the United States of America, the flag of the State of Texas, an official or replica flag of any branch of the United States Military, or one (1) flag with official insignia of a college or university (**"Permitted Flag"**) and permitted to install a flagpole no more than five feet (5') in length affixed to the front of a Residence near the principal entry or affixed to the rear of a Residence (**"Permitted Flagpole"**). Only one (1) Permitted Flagpoles are allowed per Residence. A Permitted Flag or Permitted Flagpole need not be approved in advance by the ACC. Approval by the ACC is required prior to installing vertical freestanding flagpoles installed in the front or back yard area of any Lot (**"Freestanding Flagpole"**).

2.14.2 Installation and Display. Unless otherwise approved in advance and in writing by the ACC, Permitted Flags, Permitted Flagpoles and Freestanding Flagpoles, installed in accordance with the Flagpole Application, shall comply with the following:

2.14.2.1 No more than one (1) Freestanding Flagpole OR no more than two (2) Permitted Flagpoles are permitted per Lot, on which only Permitted Flags may be displayed;

2.14.2.2 Any Permitted Flagpole shall be no longer than five feet (5') in length and any Freestanding Flagpole shall be no more than twenty feet (20') in height;

2.14.2.3 Any Permitted Flag displayed on any flagpole may not be more than three feet in height by five feet in width (3'x5');

2.14.2.4 The flag of the United States of America shall be displayed in accordance with 4 U.S.C. Sections 5-10 and the flag of the State of Texas shall be displayed in accordance with Chapter 3100 of the Texas Government Code;

2.14.2.5 The display of a flag, or the location and construction of the flagpole shall comply with Applicable Law, easements and setbacks of record;

2.14.2.6 Any flagpole shall be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the Residence;

2.14.2.7 A flag or a flagpole shall be maintained in good condition and any deteriorated flag or deteriorated or structurally unsafe flagpole shall be repaired, replaced or removed;

2.14.2.8 Any flag may be illuminated by no more than one (1) halogen landscaping light of low beam intensity which shall not be aimed towards or directly affect any neighboring Lot; and

2.14.2.9 Any external halyard of a flagpole shall be secured so as to reduce or eliminate noise from flapping against the metal of the flagpole.

2.15 Tanks. The ACC shall approve any tank used or proposed in connection with a Residence, including tanks for storage of fuel, water, oil, or liquid petroleum gas (LPG), and including swimming pool filter tanks. No elevated tanks of any kind may be erected, placed or permitted on any Lot without the advance written approval of the ACC. All permitted tanks shall be screened from view in accordance with a screening plan approved in advance by the ACC. This provision shall not apply to a tank used to operate a standard residential gas grills, nor shall it apply to barrels used as part of a Rainwater Harvesting System with capacity of less than fifty (50) gallons, so long as such barrels are actively being used for rainwater collection and storage.

2.16 Temporary Improvements. No tent, shack, or other temporary building, Improvement, or structure shall be placed upon the Property without the prior written approval of the ACC; provided, however, that temporary Improvements and structures necessary for storage of tools and equipment, and for office space for Declarant, Homebuilders, architects, and foremen during actual construction may be maintained with the prior approval of Declarant (unless placed by the Declarant), approval to include the nature, size, duration, and location of such structure.

2.17 Party Wall Fences. A fence or wall located on or near the dividing line between two (2) Lots and intended to benefit both Lots constitutes a "Party Wall". To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto. Party Walls shall also be subject to the following:

2.17.1 Encroachments & Easement. If the Party Wall is on one Lot due to an error in construction, the Party Wall is nevertheless deemed to be on the dividing line for purposes of this Section. Each Lot sharing a Party Wall is subject to an easement for the existence and continuance of any encroachment by the Party Wall as a result of construction, repair, shifting, settlement, or movement in any portion of the Party Wall, so that the encroachment may remain undisturbed as long as the Party Wall stands. Each Lot is subject to a reciprocal easement for the maintenance, repair, replacement, or reconstruction of the Party Wall.

2.17.2 Right to Repair. If the Party Wall is damaged or destroyed from any cause, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, the Owner of either Lot may repair or rebuild the Party Wall to its previous condition, and the other Owner or Owners that the wall serves shall thereafter contribute to the cost of restoration thereof in equal proportions without prejudice, subject however, to the right of any such Owners to call for a larger contribution from the others under any rule or law regarding liability for negligent or willful acts or omissions. The Owners of both Lots, their successors and assigns, have the right to the full use of the

repaired or rebuilt Party Wall. No Party Wall may be constructed, repaired, or rebuilt without the advance written approval of the ACC in accordance with Article 9 of this Declaration.

2.17.3 Maintenance Costs. The Owners of the adjoining Lots share equally the costs of repair, reconstruction, or replacement of the Party Wall, subject to the right of one Owner to call for larger contribution from the other under any rule of law regarding liability for negligence or willful acts or omissions. If an Owner is responsible for damage to or destruction of the Party Wall, that Owner shall bear the entire cost of repair, reconstruction, or replacement. If an Owner fails or refuses to pay his share of costs of repair or replacement of the Party Wall, the Owner advancing monies has a right to file a claim of lien for the monies advanced in the Official Public Records of Medina County, Texas, and has the right to foreclose the lien as if it were a mechanic's lien. The right of an Owner to require contribution from another Owner under this Section is appurtenant to the Lot and passes to the Owner's successors in title. If the Owners of Adjoining Lots fail to maintain the Party Wall located upon such Owner's Lot in good condition and repair, the Association may undertake such measures as may be required to maintain and/or repair the Party Wall, and, in such event, the Association shall levy an Individual Assessment on the Lot Owners responsible for maintenance of the Party Wall.

2.17.4 Alterations. The Owner of a Lot sharing a Party Wall may not cut openings in the Party Wall or alter or change the Party Wall in any manner that affects the use, condition, or appearance of the Party Wall to the adjoining Lot. The Party Wall shall always remain in the same location as when erected unless otherwise approved by the Owner of each Lot sharing the Party Wall and the ACC.

2.17.5 Dispute Resolution. In the event of any dispute arising concerning a Party Wall, or under the provisions of this Section (the **"Dispute"),** the parties shall submit the Dispute to mediation. Should the parties be unable to agree on a mediator within ten (10) days after written request therefore by the Board, the Board shall appoint a mediator. If the Dispute is not resolved by mediation, the Dispute shall be resolved by binding arbitration. Either party may initiate the arbitration. Should the parties be unable to agree on an arbitrator within ten (10) days after written request therefore by the Board, the Board shall appoint an arbitrator. The decision of the arbitrator shall be binding upon the parties and shall be in lieu of any right of legal action that either party may have against the other. In the event an Owner fails to properly and on a timely basis (both standards to be determined by the Board in the Board's sole and absolute discretion) implement the decision of the mediator or arbitrator, as applicable, the Board may implement said mediator's or arbitrator's decision, as applicable. If the Board implements the mediator's or arbitrator's decision on behalf of an Owner, the Owner otherwise responsible therefor shall be personally liable to the Association for all costs and expenses incurred by the Association in conjunction therewith. If such Owner fails to pay such costs and expenses upon demand by the Association, such costs and expenses (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, at the rate of one and one-half percent (1-1/2%) per month) shall be assessed against and chargeable to the Owner's Lot(s). Any such amounts assessed and chargeable against a Lot hereunder shall be secured by the liens reserved in this Declaration for Assessments and may be collected by any means provided herein for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s).

2.18 Playscapes and Sports Courts. Playscapes and sport courts are permissible at the sole discretion of the ACC. If allowed, these facilities shall be properly sited and screened so as to minimize the

visual and audio impact of the facility on adjacent properties. Sport courts may not be lighted or enclosed with netting. No sport court equipment authorized by this Section shall exceed twelve (12) feet in height. Tennis courts are not permitted.

2.19 Water Quality Facilities, Drainage Facilities and Drainage Ponds. The Property may include, now or in the future, one or more water quality facilities, sedimentation, drainage and detention facilities, or ponds which serve all or a portion of the Property and are inspected, maintained and administered by the Association in accordance with all Applicable Law. Access to these facilities and ponds is limited to persons engaged by the Association or its agents to periodically maintain such facilities. Each Owner is advised that the water quality facilities, sedimentation, drainage and detention facilities and ponds are an active utility feature integral to the proper operation of the Property and may periodically hold standing water. Each Owner is advised that entry into the water quality facilities, sedimentation, drainage and detention facilities or ponds may result in injury and is a violation of the Rules and Regulations.

2.20 Cell Tower and Telecommunications Equipment. Telecommunications, cellular, video and digital equipment, including without limitation, broadcast antennae and related equipment, cell towers, cell tower equipment, or other wireless communication antennae and related equipment, cable or satellite television equipment and equipment for high-speed internet access (collectively, the **"CTT Equipment")** may be located on or near the Property or may be constructed on or near the Property. As more particularly described in Section 11.9 of this Declaration, Declarant has reserved the right, for the benefit of itself and its assigns, to construct, install, use, maintain, repair, replace, improve, remove, and operate CTT Equipment upon all or any portion of the Common Area. Parties other than the Declarant or its assigns may also have easements for the construction, installation, use, maintenance, repair, replacement, improvement, removal and operation of CTT Equipment.

2.21 Swimming Pools. Any swimming pool constructed on a Lot shall be enclosed with a fence or other enclosure device completely surrounding the swimming pool which, at a minimum, satisfies all Applicable Law and be approved in advance by the ACC. Nothing in this Section 2.21 is intended or shall be construed to limit or affect an Owner's obligation to comply with any Applicable Law concerning swimming pool enclosure requirements. Unless otherwise approved in advance by the ACC, above-ground or temporary swimming pools are not permitted on a Lot. Pool equipment shall be screened in accordance with the Design Guidelines and Development Agreement.

2.22 Retaining Walls. Notwithstanding any provision in this Declaration to the contrary, the Association shall be obligated to maintain, repair, and replace the Retaining Walls (defined below) within the Property. For the purposes of this Section 2.22, **"Retaining Walls"** means walls constructed by Declarant or Declarant's designee for the purpose of adjusting the grade or elevation on or between Lots or other portions of the Property in order to construct one or more Residences, but excluding Improvements appurtenant to such Residence(s) that are constructed after initial construction of the Residence(s) (e.g., swimming pools and patios). Declarant reserves for the Association and the Association's agents and contractors, a non-exclusive easement over and across the Property for the maintenance, repair and replacement of the Retaining Walls. The Association and the Association's agents and contractors shall have the right to enter onto any portion of the Property, including any Lot, as reasonably necessary or convenient to maintain, repair, and replace the Retaining Walls; provided, however, the exercise of the easement reserved herein shall not permit entry into any Residence. The costs incurred or anticipated to be incurred by the Association to maintain, repair, and replace the Retaining Walls shall be collected through the levy of Regular Assessments. The Association shall not be liable to any Owner or Resident, for any damage or injury caused in whole or in part by the Association's failure to discharge its maintenance responsibilities under this Section 2.22.

2.23 Solar Energy Device. Solar Energy Devices may be installed with the advance written approval of the ACC in accordance with the procedures set forth below.

2.23.1 Application. To obtain ACC approval of a Solar Energy Device, the Owner shall provide the ACC with the following information: (i) the proposed installation location of the Solar Energy Device; and (ii) a description of the Solar Energy Device, including the dimensions, manufacturer, and photograph or other accurate depiction (the **"Solar Application"**). A Solar Application may only be submitted by an Owner. The Solar Application shall be submitted in accordance with the provisions of Article 9 of the Declaration.

2.23.2 Approval Process. The ACC shall review the Solar Application in accordance with the terms and provisions of Article 9 of the Declaration. The ACC shall approve a Solar Energy Device if the Solar Application complies with Section 2.23.3 below unless the ACC makes a written determination that placement of the Solar Energy Device, despite compliance with Section 2.23.3, shall create a condition that substantially interferes with the use and enjoyment of the property within the Property by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. The ACC's right to make a written determination in accordance with the foregoing sentence is negated if all Owners of Lots immediately adjacent to the Owner/applicant provide written approval of the proposed placement. Any proposal to install a Solar Energy Device on property owned or maintained by the Association or property owned in common by Members of the Association shall be approved in advance and in writing by the Board, and the Board need not adhere to this Section when considering any such request.

2.23.3 Approval Conditions. Unless otherwise approved in advance and in writing by the ACC, each Solar Application and each Solar Energy Device to be installed in accordance therewith shall comply with the following:

(i) The Solar Energy Device shall be located on the roof of the Residence located on the Owner's Lot, entirely within a fenced area of the Owner's Lot, or entirely within a fenced patio located on the Owner's Lot. If the Solar Energy Device shall be located on the roof of the Residence, the ACC may designate the location for placement unless the location proposed by the Owner increases the estimated annual energy production of the Solar Energy Device, as determined by using a publicly available modeling tool provided by the National Renewable Energy Laboratory, by more than ten percent (10%) above the energy production of the Solar Energy Device if installed in the location designated by the ACC. If the Owner desires to contest the alternate location proposed by the ACC, the Owner should submit information to the ACC which demonstrates that the Owner's proposed location meets the foregoing criteria. If the Solar Energy Device shall be located in the fenced area of the Owner's Lot or patio, no portion of the Solar Energy Device may extend above the fence line.

(ii) If the Solar Energy Device is mounted on the roof of the principal Residence located on the Owner's Lot, then: (a) the Solar Energy Device may not extend higher than or beyond the roofline; (b) the Solar Energy Device shall conform to the slope of the roof and the top edge of the Solar Device shall be parallel to the roofline; and (c) the frame, support brackets, or visible piping or wiring associated with the Solar Energy Device shall be silver, bronze or black.

2.24 Rainwater Harvesting Systems. Rainwater Harvesting Systems may be installed with the advance written approval of the ACC.

2.24.1 Application. To obtain ACC approval of a Rainwater Harvesting System, the Owner shall provide the ACC with the following information: (i) the proposed installation location of the Rainwater Harvesting System; and (ii) a description of the Rainwater Harvesting System, including the color, dimensions, manufacturer, and photograph or other accurate depiction (the **"Rain System Application"**). A Rain System Application may only be submitted by an Owner unless the Owner's Resident provides written confirmation at the time of submission that the Owner consents to the Rain System Application.

2.24.2 Approval Process. The decision of the ACC shall be made in accordance with Article 9 of this Declaration. Any proposal to install a Rainwater Harvesting System on property owned by the Association or property owned in common by Members of the Association shall be approved in advance and in writing by the Board, and the Board need not adhere to this Section when considering any such request.

2.24.3 Approval Conditions. Unless otherwise approved in advance and in writing by the ACC, each Rain System Application and each Rainwater Harvesting System to be installed in accordance therewith shall comply with the following:

(i) The Rainwater Harvesting System shall be consistent with the color scheme of the Residences, as reasonably determined by the ACC.

(ii) The Rainwater Harvesting System does not include any language or other content that is not typically displayed on such a device.

(iii) The Rainwater Harvesting System is in no event located between the front of the Residence constructed on the Owner's Lot and any adjoining or adjacent street.

(iv) There is sufficient area on the Owner's Lot to install the Rainwater Harvesting System, as reasonably determined by the ACC.

2.24.4 Guidelines. If the Rainwater Harvesting System shall be installed on or within the side yard of a Lot, or would otherwise be visible from a street, Common Area, or another Owner's Lot, the ACC may regulate the size, type, shielding of, and materials used in the construction of the Rainwater Harvesting System. Accordingly, when submitting a Rain System Application, the application should describe methods proposed by the Owner to shield the Rainwater Harvesting System from the view of any street, Common Area, or another Owner's Lot. When reviewing a Rain System Application for a Rainwater Harvesting System that shall be installed on or within the side yard of a Lot, or would otherwise be visible from a street, Common Area, or another Owner's Lot, any additional regulations imposed by the ACC to regulate the size, type, shielding of, and materials used in the construction of the Rainwater Harvesting System, may not prohibit the economic installation of the Rainwater Harvesting System, as reasonably determined by the ACC.

2.25 Reserved.

2.26 Decorations. No decorative appurtenances such as sculptures, birdbaths and birdhouses, fountains or other decorative embellishments shall be placed on the front lawn of a Residence or on the visible side or rear yard of a Residence unless such items have been approved in writing by the ACC and are in compliance with any applicable Dedicatory Instruments. Notwithstanding the foregoing, customary seasonal decorations for national holidays are permitted for a maximum of thirty (30) days (or sixty (60) days for Christmas), subject to the right of the Board to specify other guidelines for decorations.

ARTICLE 3
CONSTRUCTION RESTRICTIONS

3.1 Construction of Improvements. Unless prosecuted by the Declarant, no Residences or Improvements of any kind (including, but not limited to, landscaping, grading, or excavation) may hereafter be implemented, placed, maintained, erected or constructed upon any portion of the Property unless approved in advance and in writing by the ACC in accordance with this Declaration. Pursuant to Section 9.1.3 of this Declaration, the Declarant may adopt Design Guidelines applicable to the Property. If adopted, all Residences and Improvements (including, but not limited to, landscaping, grading, or excavation) shall strictly comply with the requirements of the Design Guidelines unless a variance is obtained pursuant to this Declaration. The Design Guidelines may be supplemented, modified, amended, or restated by the Declarant as authorized by this Declaration.

3.1.2 Residences and Improvements.

a. *Aesthetic Compatibility.* All Residences and Improvements on a Lot shall be aesthetically compatible with the Property, as determined by the ACC.

b. [Reserved].

c. *Location on Lot.* Each Residence shall face the front Lot line.

e. *Traffic Sight Lines.* No landscaping that obstructs traffic sight lines may be placed on any Lot.

f. *Color Changes.* No change to the color of the exterior walls, trim, or roof of a Residence shall be permitted, unless otherwise approved by the ACC.

g. *Mailboxes and Lot Identification.* Unless provisions are otherwise made by the Declarant for the installation of individual mailboxes for the Property, or a portion of thereof, cluster boxes shall be installed at various locations within the Property in accordance with U.S. Postal Service requirements and no Owner served by a cluster mailbox shall install an individual mailbox for his Residence. Lot address numbers and name identification shall be aesthetically compatible with the Property, as may be determined by the ACC.

3.1.3 Development Agreement Construction Standards. The Development Agreement imposes certain requirements associated with the development of the Property, including, but not limited to, residential construction standards as described in Exhibit I of the Development Agreement and the construction

standards in Section 3.02 of the Development Agreement. This Declaration and the Dedicatory Instruments are not intended to conflict or supersede the requirements of the Development Agreement and "Development Documents" (as that term is defined in the Development Agreement). However, the development restrictions imposed by this Declaration, any Design Guidelines, and the Dedicatory Instruments are intended to be in addition to those imposed by the Development Agreement and Development Documents while such are in full force and effect. All such documents shall be read in concert, and, generally, the terms and provisions of this Declaration, any Design Guidelines, and Dedicatory Instruments are enforceable to the extent they do not violate the Development Agreement and Development Documents while such are in full force and effect. Notwithstanding the preceding sentence, all reasonable effort shall be made to reconcile their respective provisions in the event of a direct conflict by applying the most stringent provision, where possible without violating the Development Agreement and Development Documents while such are in full force and effect.

3.2 Utility Lines. Unless otherwise approved by the ACC, no sewer, drainage or utility lines or wires or other devices for the communication or transmission of electric current, power, or signals including telephone, television, microwave or radio signals, may be constructed, placed or maintained anywhere in or upon any portion of the Property other than within buildings or structures unless the same is contained in conduits or cables constructed, placed or maintained underground, concealed in or under buildings or other structures.

3.3 Garages. All garages, carports and other open automobile storage units shall be approved in advance of construction by the ACC. No garage may be permanently enclosed or otherwise used for habitation. Magnetic garage door screens or any other screens installed or affixed to the garage is strictly prohibited. Additional garage requirements for each Residence may be set forth in the Design Guidelines, if adopted.

3.4 Fences, Walls, and Hedges. No fence, wall, or hedge on a Lot may be located forward of the front wall line of the Residence, except as approved by the ACC. No fence may be constructed on the Property without the prior written consent of the ACC. If adopted, all fences shall strictly comply with the requirements of the Design Guidelines unless a variance is obtained pursuant to this Declaration. The fencing requirements for each Residence constructed on a Lot may be set forth in the Design Guidelines, if adopted.

3.5 Driveways and Sidewalks. All driveways and sidewalks shall be surfaced with concrete, unless otherwise approved by the ACC. Driveways and sidewalks may not be surfaced with dirt, gravel, shell, or crushed rock. The design, construction material, and location of: (i) all driveways, and (ii) culverts incorporated into driveways for ditch or drainage crossings, shall be approved by the ACC. Each Owner shall be responsible, at such Owner's sole cost and expense, for properly and on a timely basis (both standards to be determined by the Board in the Board's sole and absolute discretion) maintaining and repairing the driveway on such Owner's Lot.

3.6 Roofing. All roofing material shall be approved in advance of construction by the ACC. In addition, roofs of buildings may be constructed with "Energy Efficient Roofing" with the advance written approval of the ACC. For the purpose of this Section, **"Energy Efficient Roofing"** means shingles that are designed primarily to: (a) be wind and hail resistant; (b) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or (c) provide solar generation capabilities.

The ACC shall not prohibit an Owner from installing Energy Efficient Roofing provided that the Energy Efficient Roofing shingles: (i) resemble the shingles used or otherwise authorized for use within the Property; (ii) are more durable than, and are of equal or superior quality to, the shingles used or otherwise authorized for use within the community; and (iii) match the aesthetics of adjacent property. Acceptable roof materials are described in the Design Guidelines and Development Agreement.

An Owner who desires to install Energy Efficient Roofing shall be required to comply with the architectural review and approval procedures set forth in the Dedicatory Instruments.

In conjunction with any such approval process, the Owner should submit information which shall enable the ACC to confirm the criteria set forth in this Section. Any other type of roofing material shall be permitted only with the advance written approval of the ACC.

3.7 HVAC Location. No air-conditioning apparatus may be installed on the ground in front of a Residence or on the roof of any Residence. No window air-conditioning apparatus or evaporative cooler may be attached to a Residence. All HVAC units shall otherwise be located on a Lot in a manner approved in advance by the ACC, or as otherwise set forth in the Design Guidelines. Screening shall be in accordance with the Design Guidelines and Development Agreement.

3.8 Drainage. There shall be no interference with the established drainage patterns over any of the Property, including the Lots, except by Declarant, unless adequate provision is made for proper drainage and such provision is approved in advance by the ACC. Specifically, and not by way of limitation, no Residence or Improvement, including landscaping, may be installed which impedes the proper drainage of water between Lots.

3.9 Construction Activities. The Dedicatory Instruments shall not be construed or applied so as to unreasonably interfere with or prevent normal construction activities during the construction of Residences or Improvements by the Declarant or a Homebuilder upon or within the Property. Specifically, no such construction activities shall be deemed to constitute a nuisance or a violation of the Dedicatory Instruments by reason of noise, dust, presence of vehicles or construction machinery, posting of signs or similar activities, provided that such construction is pursued to completion with reasonable diligence and conforms to usual construction practices in the area. If during the course of construction upon any Lot there is excessive accumulation of debris of any kind which would render the Lot or any portion thereof unsanitary, unsightly, offensive, or detrimental to it or any other portion of the Property, then the ACC may contract for or cause such debris to be removed, and the Owner of the Lot shall be liable for all reasonable expenses incurred in connection therewith.

ARTICLE 4

STREET LANDSCAPE

4.1 Owner's Obligation to Maintain Street Landscape. Each Owner shall be responsible, at such Owner's sole cost and expense, for maintaining mowing, replacing, pruning, and irrigating the landscaping between the boundary of such Owner's Lot and the edge of the pavement of any adjacent right-of-way, street, alley, or Common Area (the **"ST Landscape Area"**) unless the responsibility for maintaining the ST Landscape Area or any portion thereof has been assumed by the Association, in the Board's sole discretion, in a Recorded written instrument identifying all or any portion of the ST Landscape Area to be maintained (the "**Association Landscape Area"**). If the Association assumes such responsibility as set forth herein, Owner may neither perform any maintenance in the Association Landscape Area nor construct any Residences or Improvements therein. Otherwise specifically, and not by way of limitation, each Owner, at such Owner's sole cost and expense, shall be required to maintain, irrigate and replace any trees located within the ST Landscape Area. No landscaping, including trees, may be removed from or installed within the ST Landscape Area without the advance written consent of the Board. In the event an Owner fails to properly and on a timely basis (both standards to be determined by the Board in the Board's sole and absolute discretion) mow, replace, prune, and/or irrigate any landscaping, including trees, in such Owner's ST Landscape Area, such failure shall constitute a violation of the Dedicatory Instruments and the Board may cause such landscaping, including trees, to be mowed, replaced, pruned and/or irrigated in a manner determined by the Board, in its sole and absolute discretion. If the Board causes such landscaping, including trees, to be mowed, replaced, pruned and irrigated, the Owner otherwise responsible therefor shall be personally liable to the Association for all costs and expenses incurred by the Association for effecting such work. If such Owner fails to pay such costs and expenses upon demand by the Association, such costs and expenses (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, at the rate of one and one-half percent (1½%) per month) shall be assessed against and chargeable to the Owner's Lot(s). Any such amounts assessed and chargeable against a Lot hereunder shall be secured by the liens reserved herein for Assessments and may be collected by any means provided herein for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s). **EACH OWNER AND RESIDENT SHALL INDEMNIFY AND HOLD HARMLESS THE ASSOCIATION AND ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION INCLUDING ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" AS USED HEREIN DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.**

ARTICLE 5

COMPLIANCE; LIABILITY; RELEASE

5.1 **Compliance with Restrictions.** Each Owner, his or her family, Residents of a Lot, Residents, and the guests, invitees, and licensees of the preceding shall comply strictly with the provisions of the Dedicatory Instruments as the same may be amended from time to time. Failure to comply with any of the Dedicatory Instruments shall constitute a violation of the Dedicatory Instruments and may result in a fine against the Owner in accordance with Section 8.11 of this Declaration, and shall give rise to a cause of action to recover sums due for damages or injunctive relief, or both, maintainable by the Declarant, the Board on behalf of the Association, the ACC, or by an aggrieved Owner. The result of every act or omission that violates any provision of the Dedicatory Instruments is a nuisance, and any remedy allowed by law against a nuisance, either public or private, is applicable against the violation. Without limiting any rights or powers of the Association, the Board may (but shall not be obligated to) remedy or attempt to remedy any violation of any of the provisions of the Dedicatory Instruments, and the Owner whose violation has been so remedied shall be personally liable to the Association for all costs and expenses of effecting (or attempting to effect) such remedy. If such Owner fails to pay such costs and expenses upon demand by the Association, such costs and expenses (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, at the rate of one and one-half percent (1-1/2%) per month) shall be assessed against and chargeable to the Owner's Lot(s). Any such amounts assessed and chargeable against a Lot shall be secured by the liens reserved in this Declaration for Assessments and may be collected by any means provided in this Declaration for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s). **EACH SUCH OWNER SHALL RELEASE AND HOLD HARMLESS THE ASSOCIATION AND ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION (INCLUDING ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" AS USED HEREIN DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.**

5.2 **Liability of Owners for Damage to Common Area.** No Owner shall in any way alter, modify, add to or otherwise perform any work upon the Common Area without the prior written approval of the Board and the Declarant during the Development Period. Each Owner shall be liable to the Association for any and all damages to: (i) the Common Area and any Improvements constructed thereon; or (ii) any Residences or Improvements constructed on any Lot, the maintenance of which has been assumed by the Association, which damages were caused by the neglect, misuse or negligence of such Owner or Owner's family, or by any tenant or other Resident of such Owner's Lot, or any guest or invitee of such Owner or Resident. The full cost of all repairs of such damage shall be an Individual Assessment against such Owner's Lot, secured by a lien against such Owner's Lot and collectable in the same manner as provided in Section 8.10 of this Declaration.

5.3 **Release. EACH OWNER HEREBY RELEASES AND HOLDS HARMLESS THE ASSOCIATION, DECLARANT, THE ACC AND THEIR AFFILIATES, OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF SUCH OWNER'S USE OF ANY COMMON AREA.**

Neither the Association nor Declarant shall assume any responsibility or liability for any personal injury or property damage which is occasioned by use of any Common Area, and in no circumstance shall words or actions by the Association or Declarant constitute an implied or express representation or warranty regarding the fitness or condition of any Common Area.

ARTICLE 6
FLAT CREEK CASTROVILLE PROPERTY OWNERS' ASSOCIATION

6.1 Organization. The Association is a nonprofit corporation created for the purposes, charged with the duties, and vested with the powers of a Texas non-profit corporation and a property owners' association, established and governed by the Certificate, the Declaration, the Bylaws, and any other applicable Dedicatory Instruments. Neither the Certificate nor Bylaws shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration (unless amended or changed by Declarant during the Development Period). Unless expressly provided in the Dedicatory Instruments, the Association acts through a Majority of the Board. Certain acts and activities of the Association and the Board shall be approved by the Declarant during the Development Period. If Declarant approval is required, Declarant's approval shall be evidenced in writing.

6.2 Mandatory Membership. Any person or entity, upon becoming an Owner, shall automatically become a Member of the Association. Membership shall be appurtenant to and shall run with the ownership of the Lot that qualifies the Owner thereof for membership, and membership may not be severed from the ownership of the Lot, or in any way transferred, pledged, mortgaged or alienated, except together with the title to such Lot. Within thirty (30) days after acquiring legal title to a Lot, if requested by the Board, an Owner shall provide the Association with: (i) a copy of the Recorded deed by which the Owner has acquired title; (ii) the Owner's address, email address, phone number, and driver's license number, if any; (iii) any Mortgagee's name and address; and (iv) the name, phone number, and email address of any Resident other than the Owner.

6.3 Governance. Subject to the Development Period and the Bylaws, the Board shall consist of at least three (3) persons elected at the annual meeting of the Association, or at a special meeting called for such purpose.

6.4 Voting Allocation. The number of votes which may be cast to elect directors of the Board (except as provided by Section 6.3) and on all other matters the Board and Members may vote on shall be calculated as set forth in the Bylaws.

6.5 Powers. The Association shall have the powers of a Texas nonprofit corporation. Subject to the Development Period, the Association shall have the power to do and perform any and all acts that may be necessary or proper, for or incidental to, the exercise of any of the express powers granted to it by Applicable Law or this Declaration. Without in any way limiting the generality of the two preceding sentences, the Board, acting on behalf of the Association, shall have the following powers at all times:

6.5.1 Rules and Regulations, Bylaws, and Community Manual. To make, establish and promulgate, and in its discretion to amend from time to time, or repeal and re-enact, such rules, regulations, policies, Bylaws, and Community Manual not in conflict with this Declaration (and applicable Dedicatory Instruments), as the Board deems proper, covering any and all aspects of the Property or the Common Area (including the operation, maintenance and preservation thereof) or the Association. Any Rules and Regulations, policies, Bylaws, and Community Manual and any modifications thereto proposed by the Board shall be approved in advance and in writing by the Declarant until expiration or termination of the Development Period.

6.5.2 Insurance. To obtain and maintain in effect, policies of insurance that, in the opinion of the Board, are reasonably necessary or appropriate to carry out the Association's functions.

6.5.3 Records. To keep books and records of the Association's affairs, and to make such books and records, together with current copies of the Dedicatory Instruments available for inspection by the Owners, Mortgagees, and insurers or guarantors of any Mortgage upon written request during normal business hours. The Board shall adopt policies regarding records retention and records production and copying.

6.5.4 Assessments. To levy and collect Assessments, as provided in Article 8 below.

6.5.5 Right of Entry and Enforcement. The Association may enter at any time without notice in an emergency (or in the case of a non-emergency, after twenty-four (24) hours written notice), without being liable to any Owner or Resident, upon any Lot and into any Improvement thereon for the purpose of enforcing the Dedicatory Instruments or for the purpose of maintaining or repairing any area, Improvement or other facility or removing any item to conform to the Dedicatory Instruments. The expense incurred by the Association in connection with the entry upon any Lot and the removal or maintenance and repair work conducted therefrom, thereon or therein shall be a personal obligation of the Owner so entered, shall be deemed an Individual Assessment against such Lot, shall be secured by a lien upon such Lot, and shall be enforced in the same manner and to the same extent as provided in Article 8 hereof for Assessments. The Association shall have the power and authority from time to time, in its own name and on its own behalf, or in the name of and on behalf of any Owner who consents thereto, to commence and maintain actions and suits to enforce, by mandatory injunction or otherwise, or to restrain and enjoin, any breach or threatened breach of the Dedicatory Instruments. The Association is also authorized to settle claims, enforce liens and take all such action as it may deem necessary or expedient to enforce the Dedicatory Instruments; provided, however, that the Board shall never be authorized to expend any Association funds for the purpose of bringing suit against Declarant, or its successors or assigns. The Association may not alter or demolish any Improvements on any Lot other than Common Area in enforcing these Dedicatory Instruments before a judicial order authorizing such action has been obtained by the Association, or before the written consent

of the Owner(s) has been obtained. **EACH SUCH OWNER AND RESIDENT SHALL RELEASE AND HOLD HARMLESS THE ASSOCIATION, ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION (INCLUDING ANY COST, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.**

6.5.6 Legal and Accounting Services. To retain and pay for legal and accounting services necessary or proper in the operation of the Association.

6.5.7 Conveyances. To grant and convey to any person or entity the real property and/or other interest, including fee title, leasehold estates, easements, rights-of-way or mortgages, out of, in, on, over, or under any Common Area for the purpose of constructing, erecting, operating or maintaining the following:

(i) Parks, parkways or other recreational facilities or structures;

(ii) Roads, streets, sidewalks, signs, street lights, walks, driveways, trails and paths;

(iii) Lines, cables, wires, conduits, pipelines or other devices for utility purposes;

(iv) Sewers, water systems, storm water drainage systems, sprinkler systems and pipelines; and/or

(v) Any similar Improvements or facilities.

Nothing set forth above, however, shall be construed to permit use or occupancy of any Improvement or other facility in a way that would violate applicable use and occupancy restrictions imposed by the Dedicatory Instruments or by Applicable Law. In addition, until expiration or termination of the Development Period, any grant or conveyance under this Section shall be approved in advance and in writing by the Declarant.

6.5.8 Manager. To retain and pay for the services of a person or firm (the **"Manager"**), which may include Declarant or any affiliate of Declarant, to manage and operate the Association, including its property, to the extent deemed advisable by the Board. Personnel may be employed directly by the Association or may be furnished by the Manager. To the extent permitted by Applicable Law, the Board may delegate any other duties, powers, and functions to the Manager. In

addition, the Board may adopt transfer fees, resale certificate fees, or any other fees associated with the provision of management services to the Association or its Members.

THE MEMBERS HEREBY RELEASE THE ASSOCIATION AND THE MEMBERS OF THE BOARD AND COMMITTEE MEMBERS FROM LIABILITY FOR ANY OMISSION OR IMPROPER EXERCISE BY THE MANAGER OF ANY SUCH DUTY, POWER OR FUNCTION SO DELEGATED.

6.5.9 Property Services. To pay for water, sewer, garbage removal, streetlights, landscaping, gardening and all other utilities, services, repair and maintenance for any portion of the Property, Common Area, private or public recreational facilities, easements, roads, roadways, rights-of-ways, signs, parks, parkways, median strips, sidewalks, paths, trails, ponds, canals, and lakes.

6.5.10 Other Services and Properties. To obtain and pay for any other property and services, and to pay any other taxes or assessments that the Association or the Board is required or permitted to secure or to pay for pursuant to Applicable Law or under the terms of the Dedicatory Instruments or as determined by the Board.

6.5.11 Construction on Common Area. To construct new Improvements or additions to any property owned, leased, or licensed by the Association, subject to the approval of the Board (and the Declarant until expiration or termination of the Development Period).

6.5.12 Contracts. To enter into Bulk Rate Contracts or other contracts or licenses with Declarant or any third party on such terms and provisions as the Board may determine, to operate and maintain any Common Area or other property, or to provide any service, including but not limited to cable, utility, or telecommunication services, or perform any function on behalf of Declarant, the Board, the Association, or the Members. During the Development Period, all Bulk Rate Contracts shall be approved in advance and in writing by the Declarant.

6.5.13 Property Ownership. To acquire, own and dispose of all manner of real and personal property, including habitat, whether by grant, lease, easement, gift or otherwise. During the Development Period, all acquisitions and dispositions of the Association hereunder shall be approved in advance and in writing by the Declarant.

6.5.14 Allocation of Votes. To determine votes when permitted pursuant to this Article.

6.5.15 Membership Privileges. To establish Rules and Regulations governing and limiting the use of the Common Area and any Improvements thereon.

6.6 Conveyance of Common Area to the Association. The Association may acquire, hold, and dispose of any interest in tangible and intangible personal property and real property. Declarant and its assignees reserve the right, from time to time and at any time, to designate, convey, assign, or transfer by written and Recorded instrument portions of the Property being held by the Declarant for the benefit of the Association, in the sole and absolute discretion of the Declarant. Upon the Recording of such designation,

the portion of the Property identified therein shall be considered Common Area for the purpose of this Declaration and the Association shall have an easement over and across the Common Area as necessary or required to discharge the Association's obligations under this Declaration, subject to any terms and limitations to such easement set forth in the designation. Declarant and its assignees may also assign, transfer or convey to the Association interests in real or personal property within or for the benefit of the Property, for the Property and the general public, or otherwise, as determined in the sole and absolute discretion of the Declarant. All or any real or personal property assigned, transferred and/or conveyed by the Declarant to the Association shall be deemed accepted by the Association upon Recordation, and without further action by the Association, and shall be considered Common Area without regard to whether such real or personal property is designated by the Declarant as Common Area. If requested by the Declarant, the Association shall execute a written instrument, in a form requested by the Declarant, evidencing acceptance of such real or personal property; provided, however, execution of a written consent by the Association shall in no event be a precondition to acceptance by the Association. The assignment, transfer, and/or conveyance of real or personal property to the Association may be by deed without warranty, may reserve easements in favor of the Declarant or a third party designated by Declarant over and across such property, and may include such other provisions, including restrictions on use, determined by the Declarant, in the Declarant's sole and absolute discretion. Property assigned, transferred, and/or conveyed to the Association may be improved or unimproved and may consist of fee simple title, easements, leases, licenses, or other real or personal property interests. Upon Declarant's written request, the Association shall re-convey to Declarant any unimproved real property that Declarant originally conveyed to the Association for no payment. Declarant and/or its assignees may construct and maintain upon portions of the Common Area such facilities and may conduct such activities which, in Declarant's sole opinion, may be required, convenient, or incidental to the construction or sale of Residences and Improvements on the Property, including, but not limited to, business offices, signs, model homes, and sales offices. Declarant and its assignees shall have an easement over and across the Common Area for access and shall have the right to use such facilities and to conduct such activities at no charge.

6.7 Indemnification. To the fullest extent permitted by Applicable Law but without duplication (and subject to) any rights or benefits arising under the Certificate or Bylaws of the Association, the Association shall indemnify any person who was, or is, a party, or is threatened to be made a party to any threatened pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that such person is, or was, a director, officer, committee member, employee, servant or agent of the Association against expenses, including attorneys' fees, reasonably incurred by such person in connection with such action, suit or proceeding if it is found and determined by the Board or a court of competent jurisdiction that he or she: (i) acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association; or (ii) with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by settlement, or upon a plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that the person did not act in good faith or in a manner which was reasonably believed to be in, or not opposed to, the best interests of the Association or, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

6.8 Insurance. The Board may purchase and cause to be maintained, at the expense of the Association, insurance on behalf of any person who is acting as a director, officer, committee member, employee, servant or agent of the Association against any liability asserted against or incurred by such person in their capacity as a director, officer, committee member, employee, servant or agent of the Association, or arising out of such person's status as such, whether or not the Association would have the power to indemnify such person against such liability or otherwise.

6.9 Bulk Rate Contracts. Without limitation on the generality of the Association powers set out hereinabove (except that during the Development Period, all Bulk Rate Contracts shall be approved in advance and in writing by the Declarant), the Association shall have the power to enter into Bulk Rate Contracts at any time and from time to time. The Association may enter into Bulk Rate Contracts with any service providers chosen by the Board (including Declarant, and/or any entities in which Declarant, or the owners or partners of Declarant are owners or participants, directly or indirectly). The Bulk Rate Contracts may be entered into on such terms and provisions as the Board may determine in its sole and absolute discretion. The Association may, at its option and election, add the charges payable by such Owner under such Bulk Rate Contract to the Assessments against such Owner's Lot. In this regard, it is agreed and understood that, if any Owner fails to pay any charges due by such Owner under the terms of any Bulk Rate Contract, then the Association shall be entitled to collect such charges by exercising the same rights and remedies it would be entitled to exercise under this Declaration with respect to the failure by such Owner to pay Assessments, including without limitation the right to foreclose the lien against such Owner's Lot which is reserved under the terms and provisions of this Declaration. In addition, in the event of nonpayment by any Owner of any charges due under any Bulk Rate Contract and after the lapse of at least twelve (12) days since such charges were due, the Association may, upon five (5) days' prior written notice to such Owner (which may run concurrently with such twelve (12) day period), in addition to all other rights and remedies available pursuant to Applicable Law, terminate, in such manner as the Board deems appropriate, any utility service or other service provided at the cost of the Association and not paid for by such Owner (or the Resident of such Owner's Lot) directly to the applicable service or utility provider. Such notice shall consist of a separate mailing or hand delivery at least five (5) days prior to a stated date of termination, with the title "termination notice" or similar language prominently displayed on the notice. The notice shall include the office or street address where the Owner (or the Resident of such Owner's Lot) can make arrangements for payment of the bill and for re-connection or re-institution of service. No utility or cable television service shall be disconnected on a day, or immediately preceding a day, when personnel are not available for the purpose of collection and reconnecting such services.

6.10 Community Services and Systems. The Declarant, or a designee of the Declarant, is specifically authorized, but not required, to install, provide, maintain or furnish, or to enter into contracts with other persons to install, provide, maintain or furnish, central telecommunication receiving and distribution systems (e.g., cable television, high speed data/Internet/intranet services, and security monitoring) and utility services (e.g., electricity, solar, gas, water), and related components, including associated infrastructure, equipment, hardware, and software to serve all or any portion of the Property (**"Community Services and Systems"**). The Community Services and Systems may be located on Common Area and on or in any Improvements constructed upon the Common Area, and an easement is herein reserved in favor of Declarant or its designee for the purpose of installing, operating, managing, maintaining, upgrading and modifying the Community Services and Systems. In the event the Declarant, or a designee of the Declarant, elects to provide any of the Community Services and Systems to all or any

portion of the Property, the Declarant or designee of the Declarant, may enter into an agreement with the Association with respect to such services. In the event Declarant, or any designee of the Declarant, enters into a contract with a third party for the provision of any Community Services and Systems to serve all or any portion of the Property, the Declarant or the designee of the Declarant may assign any or all of the rights or obligations of the Declarant or the designee of the Declarant under the contract to the Association or any individual or entity. Any such contracts may provide for installation, operation, management, maintenance, and upgrades or modifications to the Community Services and Systems as the Declarant or its designee determines appropriate. **Each Owner acknowledges that interruptions in Community Services and Systems shall occur from time to time. The Declarant and the Association, or any of their respective affiliates, directors, officers, employees and agents, or any of their successors or assigns shall not be liable for, and no Community Services and Systems user shall be entitled to refund, rebate, discount, or offset in applicable fees for, any interruption in Community Services and Systems and services, regardless of whether or not such interruption is caused by reasons within the service provider's control.**

6.11 Protection of Declarant's Interests. Despite any assumption of control of the Board by Owners other than Declarant, until the expiration or termination of the Development Period, the Board is prohibited from taking any action which would discriminate against Declarant, or which would be detrimental to the sale of Lots or any portion of the Property owned by Declarant. Declarant shall be entitled to determine, in its sole and absolute discretion, whether any such action discriminates or is detrimental to Declarant. Unless the Declarant agrees otherwise in advance and in writing, the Board shall be required to continue the same level and quality of maintenance, operations and services as that provided immediately prior to assumption of control of the Board by Owners other than Declarant until the expiration or termination of the Development Period.

6.12 Administration of Common Area. The administration of the Common Area by the Association shall be in accordance with the provisions of Applicable Law and the Dedicatory Instruments, and of any other agreements, documents, amendments or supplements to the foregoing which may be duly adopted or subsequently required by any institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans (including, for example, the Federal Home Loan Mortgage Corporation) designated by Declarant or by any governmental or quasi-governmental agency having regulatory jurisdiction over the Common Area or by any title insurance company selected by Declarant to insure title to any portion of the Common Area.

6.13 Right of Action by Association. The Association shall not have the power to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings: (i) in the name of or on behalf of any Owner (whether one or more); or (ii) pertaining to a Claim, as defined in Section 14.1 below, relating to the design or construction of Residences or Improvements on a Lot (whether one or more).

6.14 Maintenance Agreement with City. The Development Agreement (as well as the City's Code of Ordinances per Section 100-77 as of the date hereof) requires a Maintenance Agreement (as defined in the Development Agreement) between the Association and the City (among other requirements). The Association shall comply with its obligations under the Development Agreement and shall enter into the Maintenance Agreement in accordance therewith (and in accordance with City's Code of Ordinances

Section 100-77). The form of the Maintenance Agreement being Exhibit F attached to the Development Agreement.

In general, the Development Agreement provides:

> Upon Association creation, the Association shall enter into a Maintenance Agreement with the City, pursuant to which the Association shall agree to the MOA Maintenance Obligations (whose responsibility shall solely be the Association's, notwithstanding any ownership by the City of the improvements or real property upon which such maintenance is required to be performed). The Developer shall provide in the Association's organization documents that *the Association shall annually levy and collect fees from Owners that are, at a minimum and based on annual budget adopted by the Association prior to the beginning of its fiscal year, sufficient to satisfy the annual MOA Maintenance Obligations*. The Maintenance Agreement shall provide that the Association shall perform the MOA Maintenance Obligations in accordance with the applicable provisions of the Governing Regulations, subject to oversight and inspection by the City, and provide to the Association permission to perform the MOA Maintenance Obligations, as and to the extent reasonably necessary, on City-owned property. Upon reasonable request, the City shall have the right to inspect the financial reports, audits, and budget of the Association.

As used in this Section, the terms Governing Regulations, MOA, and MOA Maintenance Obligations shall have the meaning assigned to them by the Development Agreement.

ARTICLE 7

INSURANCE; RESTORATION; MECHANIC'S AND MATERIALMEN'S LIEN

7.1 Insurance. Each Owner shall be required to purchase and maintain commercially standard insurance on the Residences and all insurable Improvements located upon such Owner's Lot. The Association shall not be required to maintain insurance on the Residences or Improvements constructed upon any Lot. The Association's Board, or its duly authorized agent, shall obtain blanket all-risk casualty insurance for all insurable Improvements on the Common Area, or if blanket all-risk coverage is not reasonably available, an insurance policy providing fire and extended coverage. The Board may also obtain a public liability policy covering the Common Area, insuring the Association and its Members for all damages or injury caused by the negligence of the Association, its agents, the Members or Residents, in such amount as the Board deems appropriate. In addition to the other insurance discussed in herein, the Board may also obtain (i) worker's compensation insurance, and the Board shall obtain such insurance if and to the extent required by law, (ii) directors' and officers' liability coverage, and (iii) a fidelity bond or fidelity insurance on directors, officers, employees, and other Persons handling or responsible for the Association's funds. The Association may obtain any other insurance as it may deem necessary and in its discretion. Such insurance policies shall be in such amount or amounts as the Board deems appropriate. Insurance premiums for such policies described herein shall be a common expense to be included in the

Assessments levied by the Association. The acquisition of insurance by the Association shall be without prejudice to the right and obligation of any Owner to obtain additional individual insurance.

7.2 Restoration. In the event of any fire or other casualty, unless otherwise approved by the ACC, the Owner shall: (i) promptly repair, restore and replace any damaged or destroyed structures, Residence, or Improvements on their Lot to their same exterior condition existing prior to the damage or destruction thereof or (ii) in the case of substantial or total damage or destruction of any structure, Residence, or Improvement, remove all such damaged structures , Residence, or Improvements and debris from the Lot/Property within sixty (60) days after the occurrence of such damage. Such repair, restoration or replacement shall be commenced and completed in a good and workmanlike manner using exterior materials substantially similar to those originally used in the structures damaged or destroyed. To the extent that the Owner fails to commence such repair, restoration or replacement of substantial or total damage or destruction within one hundred and twenty (120) days after the occurrence of such damage or destruction, and thereafter prosecute the same to completion, or if the Owner does not clean up any debris resulting from any damage within sixty (60) days after the occurrence of such damage, the Association may commence, complete or effect such repair, restoration, replacement, removal or clean-up, and such Owner shall be personally liable to the Association for the cost of such work; provided, however, that if the Owner is prohibited or delayed under Applicable Law from commencing such repair, restoration, replacement or clean-up, the rights of the Association under this provision shall not arise until the expiration of thirty (30) days after such prohibition or delay is removed. If the Owner fails to pay such cost upon demand by the Association, the cost thereof (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, then at the rate of one and one-half percent (1½%) per month) shall be added to the Assessment chargeable to the Owner's Lot. Any such amounts added to the Assessments chargeable against a Lot shall be secured by the liens reserved in the Declaration for Assessments and may be collected by any means provided in this Declaration for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot. **EACH OWNER, BY ACCEPTING TITLE TO ALL OR ANY PORTION OF THE PROPERTY, HEREBY RELEASES AND HOLDS HARMLESS THE ASSOCIATION AND ITS OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION, EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR COST OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" AS USED HEREIN DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.**

7.3 Mechanic's and Materialmen's Lien. Each Owner whose structure, Residence, or Improvement is repaired, restored, replaced or cleaned up by the Association, pursuant to the rights granted under this Article, hereby grants to the Association an express mechanic's and materialmen's lien for the reasonable cost of such repair, restoration, replacement or clean up of the damaged or destroyed Residence or Improvement to the extent that the cost of such repair, restoration, replacement, or clean up exceeds any insurance proceeds allocable to such repair, restoration, replacement, or clean up and delivered to the Association. Upon written request by the Board, and before the commencement of any reconstruction,

repair, restoration, replacement or clean up, such Owner shall execute all documents sufficient to effectuate such mechanic's and materialmen' s lien in favor of the Association.

ARTICLE 8
COVENANT FOR ASSESSMENTS

8.1 Assessments. The Association may levy Assessments to promote the recreation, health, safety, and welfare of the Residents, to fund operating expenses of the Association, and to improve and maintain the Common Areas.

8.1.1 Established by the Board. Assessments established by the Board pursuant to the provisions of this Article shall be levied against each Lot in amounts determined pursuant to Section 8.7 below. The total amount of Assessments shall be determined by the Board pursuant to Section 8.3 through Section 8.6.

8.1.2 Declarant Subsidy. Declarant may, but is not obligated to, reduce Assessments which would otherwise be levied against Lots for any fiscal year by the payment of a subsidy to the Association. Any subsidy paid to the Association by Declarant may be treated as a contribution or a loan, in Declarant's sole and absolute discretion. The payment of a subsidy in any given year shall not obligate Declarant to continue payment of a subsidy to the Association in future years.

8.2 Maintenance Fund. The Board shall establish a maintenance fund into which shall be deposited all monies paid to the Association and from which disbursements shall be made in performing the functions of the Association under this Declaration. The funds of the Association may be used for any purpose authorized by the Dedicatory Instruments and Applicable Law.

8.3 Regular Assessments. Prior to the beginning of each fiscal year (as defined in the Bylaws), the Board shall prepare a budget for the purpose of determining amounts sufficient to pay the estimated net expenses of the Association (the **"Regular Assessments"**) which sets forth: (i) an estimate of the expenses to be incurred by the Association during such year in performing its functions and exercising its powers under the Dedicatory Instruments, including, but not limited to, the cost of all management, repair and maintenance, the cost of providing any lighting, the cost of administering and enforcing the Dedicatory Instruments, and (ii) an estimate of the amount needed to maintain a reasonable provision for contingencies and an appropriate replacement reserve, and shall give due consideration to any expected income and any surplus from the prior year's fund. Assessments sufficient to pay such estimated net expenses shall then be levied at the level of Assessments set by the Board in its sole and absolute discretion, and the Board's determination shall be final and binding so long as it is made in good faith. If the sums collected prove inadequate for any reason, including nonpayment of any Assessment, the Association may at any time, and from time to time, levy further Assessments in the same manner. All such Regular Assessments shall be due and payable to the Association annually in advance, on or before the first (1st) day of December of each year (preceding the beginning of the next fiscal year), or in such other manner as the Board may designate in its sole and absolute discretion. Annual written notice of the Regular Assessment shall be sent to every Owner at least thirty (30) days before its effective date. Until changed by the Board, the annual Regular

Assessment shall be **$500.00 per Lot.** *The Regular Assessment shall include any obligation required pursuant to Section 6.14.*

8.4 Working Capital Assessment. Each Owner (other than Declarant) shall pay a one-time working capital assessment (the "Working Capital Assessment") to the Association in such amount, if any, as may be determined by the Declarant, until expiration or termination of the Development Period, and the Board thereafter. The Working Capital Assessment hereunder shall be due and payable to the Association by the transferee immediately upon each transfer of title to the Lot, including upon transfer of title from one Owner of such Lot to any subsequent purchaser or transferee thereof. Such Working Capital Assessment need not be uniform among all Lots, and the Declarant or the Board is expressly authorized to levy Working Capital Assessments of varying amounts depending on the size, use and general character of the Lots then being made subject to such levy. The Association may use the working capital to discharge operating expenses. The levy of any Working Capital Assessment shall be effective only upon the Recordation of a written notice, signed by the Declarant or a duly authorized officer of the Association, setting forth the amount of the Working Capital Assessment.

Notwithstanding the foregoing provisions, the following transfers shall be exempt from the Working Capital Assessment: (a) foreclosure of a deed of trust lien, tax lien, or the Association's Assessment lien; (b) transfer to, from, or by the Association; (c) voluntary transfer by an Owner to one or more co-Owners, or to the Owner's spouse, child, or parent; and (d) any other exemption described in Section 13.20. In the event of any dispute regarding the application of the Working Capital Assessment to a particular Owner, Declarant, until expiration or termination of the Development Period, shall determine application of an exemption in its sole and absolute discretion. The Working Capital Assessment shall be in addition to, not in lieu of, any other Assessments levied in accordance with this Article and shall not be considered an advance payment of such Assessments. The Declarant during the Development Period, and thereafter the Board, shall have the power to waive the payment of any Working Capital Assessment attributable to a Lot (or all Lots) by the Recordation of a waiver, which waiver may be temporary or permanent.

8.5 Special Assessments. In addition to the Regular Assessments provided for above, the Board may levy special assessments (the **"Special Assessments"**) whenever in the Board's opinion such Special Assessments are necessary to enable the Board to carry out the functions of the Association under the Dedicatory Instruments. The amount of any Special Assessments shall be at the reasonable discretion of the Board. In addition to the Special Assessments authorized above, the Association may, in any fiscal year, levy a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area. Any Special Assessment levied by the Association for the purpose of defraying, in whole or in part, costs of any construction, reconstruction, repair or replacement of capital improvement upon the Common Area shall be levied against all Lots based on a per-Lot basis (not including exempt Lots pursuant to Sections 8.7.2 and 8.7.3). Any Special Assessments, pursuant to this Section, shall be approved by a vote of the Majority of the Members at a meeting in accordance with the Bylaws; and written notice of the terms of the Special Assessment shall be sent to every Owner at least thirty (30) days before its effective date.

8.6 Individual Assessments. In addition to any other Assessments, the Board may levy an individual assessment (the **"Individual Assessment"**) against the Owner's Lot. Individual Assessments may include, but are not limited to: interest, late charges, and collection costs on delinquent Assessments;

reimbursement for costs incurred in bringing an Owner or the Owner's Lot into compliance with the Declaration; fines for violations of the Dedicatory Instruments; transfer-related fees and resale certificate fees; fees for estoppel letters and project documents; insurance deductibles; reimbursement for damage or waste caused by willful or negligent acts of the Owner, the Owner's guests, invitees or Residents of the Lot; common expenses that benefit fewer than all of the Lots, which may be assessed according to benefit received; fees or charges levied against the Association on a per-Lot basis (not including exempt Lots pursuant to Sections 8.7.2 and 8.7.3); and "pass through" expenses for services to Lots provided through the Association and which are equitably paid by each Lot according to the benefit received.

8.7 Amount of Assessment.

8.7.1 Assessments to be Levied. Unless otherwise provided in this Declaration, the Board shall levy Assessments against each Lot and such Assessments hereunder shall be levied uniformly against each Lot. Unless otherwise provided herein to the contrary, a Lot becomes subject to Assessments on conveyance of the Lot by Declarant.

8.7.2 Declarant Exemption. Notwithstanding any provision herein to the contrary, no Assessments shall be levied upon Lots owned by Declarant or any portion of the Property owned by Declarant.

8.7.3 Other Exemptions. Notwithstanding any provision herein to the contrary, (A) Declarant may, in its sole discretion, elect to: (i) exempt any un-platted or unimproved portion of the Property or any Lot from any Assessments levied or charged pursuant to this Article; or (ii) delay the levy of Assessments against any un-platted, unimproved, or improved portion of the Property; and (B) Declarant or the Board may also exempt any portion of the Property which is dedicated and accepted by public authority from Assessments.

Additionally, the following areas shall be exempt from the Assessments provided for in this Article:

(i) all area dedicated and accepted by a public authority; and

(ii) the Common Area.

8.8 Late Charges. If any Assessment is not paid by the due date applicable thereto, the Owner responsible for the payment may be required by the Board, at the Board's election at any time, and from time to time, to pay a late charge in such amount as the Board may designate, and the late charge (and any reasonable handling costs) shall be levied as an Individual Assessment against the Lot owned by such Owner, collectible in the manner as provided for collection of Assessments, including foreclosure of the lien against such Lot; provided, however, such charge shall never exceed the maximum charge permitted under Applicable Law. Any Assessment not paid by the thirtieth (30th) day after it is due is late/delinquent.

8.9 Owner's Personal Obligation; Interest. Assessments levied as provided for herein shall be the personal and individual debt of the Owner of the Lot against which are levied such Assessments. No Owner may exempt himself/herself from liability for such Assessments. In the event of default in the payment of any such Assessment, the Owner of the Lot shall be obligated to pay interest on the amount of the Assessment at the highest rate allowed by applicable usury laws then in effect on the amount of the

Assessment from the due date therefor (or if there is no such highest rate, then at the rate of one and one half percent (1 1/2%) per month), together with all costs and expenses of collection, including reasonable attorney's fees. Such amounts shall be levied as an Individual Assessment against the Lot owned by such Owner. Each Assessment, together with such interest thereon and costs of collection as herein provided, shall be secured by a lien hereby granted and conveyed by Declarant to the Association against each such Lot. The Association may enforce payment of such Assessments in accordance with the provisions of this Article. **BY ACCEPTANCE OF A DEED TO A LOT, EACH OWNER GRANTS THE LIEN, TOGETHER WITH THE POWER OF SALE, TO THE ASSOCIATION TO SECURE ASSESSMENTS.**

8.10 Assessment Lien and Foreclosure. The payment of all sums assessed in the manner provided in this Article is, together with late charges as provided in Section 8.8 and interest as provided in Section 8.9 hereof and all costs of collection, including attorney's fees as herein provided, secured by the continuing Assessment lien granted to the Association pursuant to Section 8.1.2 above, and shall bind each Lot in the hands of the Owner thereof, and such Owner's heirs, devisees, personal representatives, successors or assigns. The aforesaid lien shall be superior to all other liens and charges against such Lot, except only for: (i) tax and governmental assessment liens; (ii) all sums secured by a first mortgage lien or first deed of trust lien of record, to the extent such lien secures sums borrowed for the acquisition or improvement of the Lot in question and (iii) home equity loans or home equity lines of credit which are secured by a second mortgage lien or second deed of trust lien of record; provided that, in the case of subparagraphs (ii) and (iii) above, such Mortgage was Recorded before the delinquent Assessment was due. The Association shall have the power to subordinate the aforesaid Assessment lien to any other lien. Such power shall be entirely discretionary with the Board, and such subordination may be signed by an officer, agent or attorney of the Association. To the extent authorized under Applicable Law, the Association may, at its option and without prejudice to the priority or enforceability of the Assessment lien granted hereunder, prepare a written notice of Assessment lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by such lien and a description of the Lot. Such notice may be signed by one of the officers, agents, or attorneys of the Association and shall be Recorded. **EACH OWNER, BY ACCEPTING A DEED OR OWNERSHIP INTEREST TO A LOT SUBJECT TO THIS DECLARATION, SHALL BE DEEMED CONCLUSIVELY TO HAVE GRANTED A POWER OF SALE TO THE ASSOCIATION TO SECURE AND ENFORCE THE ASSESSMENT LIEN GRANTED HEREUNDER. THE ASSESSMENT LIENS AND RIGHTS TO FORECLOSURE THEREOF SHALL BE IN ADDITION TO AND NOT IN SUBSTITUTION OF ANY OTHER RIGHTS AND REMEDIES THE ASSOCIATION MAY HAVE BY LAW AND UNDER THIS DECLARATION, INCLUDING THE RIGHTS OF THE ASSOCIATION TO INSTITUTE SUIT AGAINST SUCH OWNER PERSONALLY OBLIGATED TO PAY THE ASSESSMENT AND/OR FOR FORECLOSURE OF THE AFORESAID LIEN.** In any foreclosure proceeding, such Owner shall be required to pay the costs, expenses and reasonable attorney's fees incurred. The Association shall have the power to bid (in cash or by credit against the amount secured by the lien) on the property at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. Upon the written request of any Mortgagee, the Association shall report to said Mortgagee any unpaid Assessments remaining unpaid for longer than sixty (60) days after the same are due. The lien hereunder shall not be affected by the sale or transfer of any Lot; except, however, that in the event of foreclosure of any lien superior to the Assessment lien, the lien for any Assessments that were due and payable before the foreclosure sale shall be extinguished, provided that past-due Assessments shall be paid out of the proceeds

of such foreclosure sale only to the extent that funds are available after the satisfaction of the indebtedness secured by the Mortgage. The provisions of the preceding sentence shall not, however, relieve any subsequent Owner (including any Mortgagee or other purchaser at a foreclosure sale) from paying Assessments becoming due and payable after the foreclosure sale. Upon payment of all sums secured by a lien of the type described in this Section 8.10, the Association shall upon the written request of the Owner, and at such Owner's cost, execute a release of lien relating to any lien for which written notice has been Recorded as provided above, except in circumstances in which the Association has already foreclosed such lien. Such release shall be signed by an officer, agent, or attorney of the Association. In addition to the lien hereby retained, in the event of nonpayment by any Owner of any Assessment and after the lapse of at least twelve (12) days since such payment was due, the Association may, upon five (5) days' prior written notice (which may run concurrently with such twelve (12) day period) to such Owner, in addition to all other rights and remedies available pursuant to Applicable Law, terminate, in such manner as the Board deems appropriate, any utility or cable service provided through the Association and not paid for directly by an Owner or Resident to the utility or service provider. Such notice shall consist of a separate mailing or hand delivery at least five (5) days prior to a stated date of disconnection, with the title "termination notice" or similar language prominently displayed on the notice. The notice shall include the office or street address where the Owner or the Owner's Resident can make arrangements for payment of the bill and for reconnection of service. Utility or cable service shall not be disconnected on a day, or immediately preceding a day, when personnel are not available for the purpose of collection and reconnecting such services. Except as otherwise provided by Applicable Law, the sale or transfer of a Lot shall not relieve the Owner of such Lot or such Owner's transferee from liability for any Assessments thereafter becoming due or from the lien associated therewith. If an Owner conveys its Lot and on the date of such conveyance Assessments against the Lot remain unpaid, or said Owner owes other sums or fees under this Declaration to the Association, the Owner shall pay such amounts to the Association out of the sales price of the Lot, and such sums shall be paid in preference to any other charges against the Lot other than liens superior to the Assessment lien and charges in favor of the State of Texas or a political subdivision thereof for taxes on the Lot which are due and unpaid. The Owner conveying such Lot shall remain personally liable for all such sums until the same are fully paid, regardless of whether the transferee of the Lot also assumes the obligation to pay such amounts. The Board may adopt an administrative transfer fee to cover the expenses associated with updating the Association's records upon the transfer of a Lot to a third party; provided, however, that no transfer fee shall be due upon the transfer of a Lot from Declarant to a third party.

8.11 Fines and Damages Assessment.

8.11.1 Fines and Fees. As permitted by Applicable Law, the Board may assess fines against an Owner for violations of the Dedicatory Instruments which have been committed by an Owner, a Resident, or the Owner's or Resident's guests, agents or invitees. Any fine and/or charge levied in accordance with this Section 8.11.1 shall be considered an Individual Assessment pursuant to this Declaration. Each day of violation may be considered a separate violation if the violation continues after written notice to the Owner. The Board may assess damage charges against an Owner for pecuniary loss to the Association from property damage or destruction of Common Area or any facilities caused by the Owner, Resident, or their guests, agents, or invitees. The Manager shall have authority to send written notices to alleged violators, informing them of their violations and asking them to comply with the Rules and Regulations and/or informing them of potential or probable fines or damage Assessments. The Board shall adopt policies regarding the levying of fines, the enforcement of fines, and the schedule of fines in accordance with Applicable Law.

8.11.2 Lien Created. The payment of each fine and/or damage charge levied by the Board against a Lot, together with interest as provided in Section 8.9 hereof and all costs of collection, including attorney's fees as herein provided, is secured by the lien granted to the Association pursuant to this Declaration. The fine and/or damage charge shall be considered an Assessment for the purpose of this Article and shall be enforced in accordance with the terms and provisions governing the enforcement of Assessments pursuant to this Article 8. **BY ACCEPTANCE OF A DEED TO A LOT, EACH OWNER GRANTS THE LIEN, TOGETHER WITH THE POWER OF SALE, TO THE ASSOCIATION TO SECURE ASSESSMENTS.**

8.12 Alternative Payment Schedule. In accordance with Applicable Law, the Board shall adopt policies for alternative payment schedules for Assessments, allowing Members to pay Assessments under a schedule that extends for between three (3) and eighteen (18) months. Notwithstanding any provision herein to the contrary, a Member making payments on an alternative payment schedule shall not incur additional monetary penalties, other than any applicable interest and costs of administering the plan.

8.13 Remedial Options. Without limiting any provision herein:

(1) if the Association complies with all applicable notice requirements, an Owner is liable to the Association for all costs and reasonable attorney's fees incurred by the Association in collecting delinquent Assessments, foreclosing the Association's lien, and enforcing the Dedicatory Instruments;
(2) the Association may bring an action against an Owner to collect delinquent Assessments, foreclose the Association's lien, or enforce or enjoin a violation of the Dedicatory Instruments;
(3) an Owner may bring an action against another Owner to enforce or enjoin a violation of the Dedicatory Instruments; and
(4) an Owner is liable to the Association for damage to Common Areas caused by the Owner or the Owner's family, Residents, guests, agents, independent contractors, and invitees in accordance with law.

ARTICLE 9
ARCHITECTURAL CONTROL COMMITTEE

Declarant has a substantial interest in ensuring that the Residences and Improvements within the Property maintain and enhance Declarant's reputation as a community developer and do not impair Declarant's ability to market and sell all or any portion of the Property. The Declarant acts as the ACC and the ACC is not a committee of the Association until the Declarant has assigned its right to appoint and remove all ACC members to the Association/Board in a Recorded written instrument. Until Declarant has delegated its right to appoint and remove all members of the ACC to the Board as provided in Section 9.1.1 below: (1) the ACC shall be acting solely in Declarant's interest and shall owe no duty to any other Owner or the Association; and (2) notwithstanding any provision in this Declaration to the contrary, Declarant may exercise the rights of the ACC or appoint a single person to exercise the rights of the ACC (this right includes the Declarant's right to appoint and remove any such single person from time to time, with or without cause, in its sole and absolute discretion).

9.1 Architectural Control Committee. Unless otherwise provided herein, the ACC is established as a committee of the Association to assist the Association in ensuring that all Residences and Improvements (including, but not limited to, landscaping) within the Property are aesthetically compatible and conform to the Dedicatory Instruments.

9.1.1 Composition. The ACC shall be composed of not more than three (3) persons (who need not be Members or Owners) appointed as provided below, who shall review Residences and Improvements proposed to be made by any Owner other than Declarant. Declarant shall have the right to appoint and remove (with or without cause) all members of the ACC. Declarant may assign its right to appoint all members of the ACC to the Association by Recorded written instrument, and thereafter, the Board shall have the right to appoint and remove (with or without cause) all members of the ACC. Any assignment by Declarant of the right to appoint and remove all members of the ACC may be withdrawn until the expiration of the Development Period. If Declarant withdraws its assignment of the right to appoint and remove all members of the ACC, then on the date of such withdrawal, Declarant shall have the right to appoint and remove (with or without cause) all members of the ACC. Declarant's right to appoint all members of the ACC shall automatically be assigned to the Association upon the expiration of twenty-four (24) months after the expiration of the Development Period. Declarant, at its option, may create and assign specific duties and responsibilities to one or more sub-committees consisting of members and/or nonmembers of the ACC. In the event responsibilities and duties are assigned to a sub- committee, those responsibilities and duties shall no longer be discharged by the ACC unless the sub-committee exercising such duties and responsibilities is dissolved by Declarant. The right to create, dissolve, and appoint members of such sub-committees shall reside exclusively with Declarant until such time as Declarant has assigned its right to appoint members of the ACC to the Association. The ACC shall have the right to employ consultants and advisors as it deems necessary or appropriate. ACC members serve until replaced or they resign or otherwise no longer able to serve.

9.1.2 Submission and Approval of Plans and Specifications. **NO RESIDENCE OR IMPROVEMENT MAY BE ERECTED ON ANY LOT, OR THE EXTERIOR ALTERED, UNLESS PLANS, SPECIFICATIONS, AND ANY OTHER DOCUMENTS REQUESTED BY THE ACC HAVE BEEN SUBMITTED TO AND APPROVED BY THE ACC IN WRITING (UNLESS SUCH RESIDENCE OR IMPROVEMENT IS OTHERWISE CONDUCTED BY THE DECLARANT).** Construction plans and specifications or, when an Owner desires solely to re-subdivide or consolidate Lots, a proposal for such re-subdivision or consolidation, shall be submitted in accordance with the Design Guidelines or any additional rules adopted by the ACC together with any review fee which is imposed by the ACC in accordance with Section 9.1.3 to the ACC. No re-subdivision or consolidation shall be made, nor any Residence or Improvement placed or allowed on any Lot, until the plans and specifications and the Homebuilder which the Owner intends to use to construct the proposed structure or Improvement have been approved in writing by a Majority of the members of the ACC. The ACC may, in reviewing such plans and specifications consider any information that it deems proper; including, without limitation, any permits, environmental impact statements or percolation tests that may be required by the ACC or any other entity; and harmony of external design and location in relation to surrounding structures, topography, vegetation, and finished grade elevation. The ACC may postpone its review of any plans and specifications submitted for approval pending receipt of any information or material which the ACC, in its sole discretion, may

require. Site plans shall be approved by the ACC prior to the clearing of any Lot, or the construction of any Residences and Improvements. The ACC may refuse to approve plans and specifications for proposed Residences and Improvements, or for the re-subdivision or consolidation of any Lot on any grounds that, in the sole and absolute discretion of the ACC, are deemed sufficient, including, but not limited to, purely aesthetic grounds. At the minimum, the plans and specifications, submitted pursuant to this Section, shall show exterior design, height, building materials, color scheme, location of any Residence and Improvement depicted horizontally and vertically, and the general plan of landscaping, all in the form and detail the ACC may require.

9.1.3 Design Guidelines. Declarant shall have the right, but shall have no obligation to, adopt Design Guidelines (in addition to those provided herein) and, during the Development Period, shall have the power from time to time, to adopt, amend, modify, or supplement the Design Guidelines. Upon expiration or termination of the Development Period, the ACC, or any sub-committee thereof created pursuant to Section 9.1.1, shall have the power from time to time, to adopt, to amend, modify, or supplement the Design Guidelines; provided, however, that any amendment to the Design Guidelines made by a sub-committee shall only apply to the Residences and Improvements under the jurisdiction of such sub-committee, and during the Development Period, any such amendment, modification or supplement shall be approved in advance and in writing by the Declarant. In the event of any conflict between the terms and provisions of the Design Guidelines and the terms and provisions of this Declaration, the terms and provisions of this Declaration shall control (except for the Landscaping Design Guidelines specifically provided in Section 9.1.3.1; such Landscaping Design Guidelines shall control in the event of a conflict with a provision of the Declaration, provided, however, all shall be read in concert, with all reasonable effort made to reconcile their respective provisions). In addition, the ACC shall have the power and authority to impose a fee for the review of plans, specifications and other documents and information submitted to it pursuant to the terms of this Declaration. Such charges shall be held by the ACC and used to defray the administrative expenses incurred by the ACC in performing its duties hereunder; provided, however, that any excess funds held by the ACC shall be distributed to the Association at the end of each calendar year. The ACC shall not be required to review any plans until a complete submittal package, as required by this Declaration (and the Design Guidelines, as applicable), is assembled and submitted to the ACC. Within thirty (30) days after the submission of plans and specifications pursuant to this Section, the ACC shall notify the submitting person/Owner of any other documents or information required by the ACC. In the absence of timely notice from the ACC requesting additional documents or other information, the submission shall be deemed complete on the thirtieth (30^{th}) day after submission. The ACC shall have the authority to adopt such additional procedural and substantive rules and guidelines (including, without limitation, the imposition of any requirements for certificates of compliance or completion relating to any Residence and Improvement and the right to approve in advance any contractor selected for the construction of any Residence and Improvement), not in conflict with this Declaration (and any applicable Dedicatory Instruments), as it may deem necessary or appropriate in connection with the performance of its duties hereunder. The Design Guidelines and any other standards adopted pursuant to this Section 9.1.3 (including Section 9.1.3.1) shall be effective beginning on the Recorded date.

9.1.3.1 **Landscaping Design Guidelines.** Notwithstanding any provision herein to the contrary, the landscaping for any development of a Lot shall comply (at the minimum) with **Exhibits**

C-1 and **C-2** attached hereto and incorporated herein for all purposes and shall be reviewed for written approval by the ACC prior to the development of a Lot.

9.1.4 Actions of the Architectural Control Committee. The ACC may, by resolution unanimously adopted in writing, designate one or more of its members, or an agent acting on its behalf, to take any action or perform any duties for and on behalf of the ACC, except the granting of variances. In the absence of such designation, the vote of a Majority of all of the members of the ACC shall constitute an act of the ACC.

9.1.5 Failure to Approve. In the event that any plans and specifications are submitted to the ACC as provided herein, and the ACC fails to approve such plans and specifications for a period of thirty (30) days following such submission of a complete submittal package, denial of such plans and specifications by the ACC shall be provided by written notice in accordance with Texas Property Code Section 209.00505.

9.1.6 Variances. The Board may grant variances, in its sole and absolute discretion, from compliance with any of the provisions of the Design Guidelines or this Declaration. All variances shall be evidenced in writing and shall be signed by at least a Majority of the Board. **EACH VARIANCE SHALL ALSO BE RECORDED;** provided however, that failure to Record a variance shall not affect the validity thereof or give rise to any claim or cause of action against the ACC, including the Declarant or its designee, the Association, or the Board. If a variance is granted, no violation of the covenants, conditions, or restrictions contained in this Declaration or the Design Guidelines, if any, shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such variance shall not operate to waive or amend any of the terms and provisions of this Declaration or the Design Guidelines, if any, for any purpose except as to the particular property and in the particular instance covered by the variance, and such variance shall not be considered to establish a precedent for any future waiver, modification, or amendment of the terms and provisions of this Declaration or the Design Guidelines, if any. Notwithstanding the above provisions in this Section 9.1.6, a variance shall not be approved unless prior written approval is also received from the Declarant during the Development Period and, under no circumstance, shall a variance be granted if it violates the Development Agreement and Development Documents while such are in full force and effect.

9.1.7 Duration of Approval. The approval of the ACC of any plans and specifications, and any variances granted by the Board, shall be valid for a period of one hundred and twenty (120) days only. If construction in accordance with such plans and specifications or variance is not commenced within such one hundred and twenty (120) day period and diligently prosecuted to completion within either: (i) one year after issuance of approval of such plans and specifications; or (ii) such other period thereafter as determined by the ACC, in its sole and absolute discretion, the Owner shall be required to resubmit such plans and specifications to the ACC or written request for a variance to the Board, and the ACC or the Board, as applicable, shall have the authority to re- evaluate such in accordance with this Section 9.1.7 and may, in addition, consider any change in circumstances which may have occurred since the time of the original approval.

9.1.8 No Waiver of Future Approvals. The approval of the ACC or Board to any plans or specifications for any work done or proposed in connection with any matter requiring the approval or consent of the ACC or Board shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any plans and specifications on any other matter, subsequently or additionally submitted for approval by the same or a different person, nor shall such approval or consent be deemed to establish a precedent for future approvals by the ACC or Board.

9.1.9 Appeal. An Owner may appeal any action of the ACC to the Board. The appealing Owner shall give written notice of the appeal to the Board within thirty (30) days after the ACC's action. The Board shall determine the appeal within thirty (30) days after timely notice of appeal is given. The determination by the Board is final.

9.1.10 Records. The ACC shall maintain written records of all requests submitted to it and of all actions taken. The Board shall maintain written records of all appeals of ACC actions and all determinations made.

9.1.11 Non-Liability. **NEITHER DECLARANT, THE BOARD, THE ARCHITECTURAL CONTROL COMMITTEE, NOR ANY MEMBER SHALL BE LIABLE TO ANY OWNER OR TO ANY OTHER PERSON FOR ANY LOSS, DAMAGE OR INJURY ARISING OUT OF THE PERFORMANCE OF THE ARCHITECTURAL CONTROL COMMITTEE'S DUTIES UNDER THIS DECLARATION. MOREOVER, THE DECLARANT, THE ASSOCIATION, THE BOARD, THE ACC, AND THEIR MEMBERS SHALL NOT BE LIABLE TO ANY PERSON SUBMITTING REQUESTS FOR APPROVAL OR TO ANY OWNER BY REASON OF ANY ACTION, FAILURE TO ACT, APPROVAL, DISAPPROVAL, OR FAILURE TO APPROVE OR DISAPPROVE ANY REQUEST.**

ARTICLE 10
MORTGAGE PROVISIONS

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Lots within the Property. The provisions of this Article apply to the Declaration and the Bylaws of the Association.

10.1 Notice of Action. An institutional holder, insurer, or guarantor of a first Mortgage which provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Lot to which its Mortgage relates (thereby becoming an **"Eligible Mortgage Holder"**)), shall be entitled to timely written notice of:

(i) Any condemnation loss or any casualty loss which affects a material portion of the Property or which affects any Lot on which there is an eligible Mortgage held, insured, or guaranteed by such Eligible Mortgage Holder;

(ii) Any delinquency in the payment of Assessments or charges owed for a Lot subject to the Mortgage of such Eligible Mortgage Holder, where such delinquency has continued for a period of sixty (60) days, or any other violation of the Dedicatory Instruments relating to such Lot or the Owner or Resident which is not cured within sixty (60) days; or

(iii) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

10.2 Examination of Books. The Association shall permit Mortgagees to examine the books and records of the Association during normal business hours.

10.3 Taxes, Assessments and Charges. All taxes, Assessments and charges that may become liens prior to first lien mortgages under Applicable Law shall relate only to the individual Lots and not to any other portion of the Property.

ARTICLE 11
EASEMENTS AND COMMON AREAS

11.1 Easements - General. Neither Declarant nor any utility company or authorized political subdivision using the easements referred to herein shall be liable for any damages done by them or their assigns, agents, employees or servants, to fences, shrubbery, trees, flowers, improvements or other property of the Owner situated on the land covered by such easements as a result of construction, maintenance or repair work conducted by such parties or their assigns, agents, employees or servants. Declarant expressly reserves the right to grant easements over, under and across any Lot in the Properties for the installation and maintenance of utility and drainage facilities; provided, however, any easement created by the Declarant pursuant to this provision shall not materially adversely affect the use and enjoyment of any Residence or the value of any Residence. Declarant further reserves unto itself, its agents, employees, servants, successors and assigns, the right of ingress and egress, on, over, in, and across the Properties in order to complete development of the Properties and the construction of all Residences. The rights reserved by Declarant in this paragraph shall be used in such a manner as not to unreasonably interfere with the use and enjoyment of any Residence in the Properties.

11.2 Right of Ingress and Egress. Declarant, its agents, employees, designees, successors and assigns shall have a right of ingress and egress over and the right of access to the Common Area to the extent necessary to use the Common Area and the right to such other temporary uses of the Common Area as may be required or reasonably desirable (as determined by Declarant in its sole discretion) in connection with the construction and development of the Property. The Property shall be subject to a perpetual non-exclusive easement for the installation and maintenance of, including the right to read meters, service or repair lines and equipment, and to do everything and anything necessary to properly maintain and furnish the Community Systems and the facilities pertinent and necessary to the same, which easement shall run in favor of Declarant. Declarant shall have the right, but not the obligation, to install and provide the Community Systems and to provide the services available through the Community Systems to any and all

Lots within the Property. Neither the Association nor any Owner shall have any interest therein. Any or all of such services may be provided either directly through the Association and paid for as part of the Assessments or directly to Declarant, any affiliate of Declarant, or a third party, by the Owner who receives the services. The Community Systems shall be the property of Declarant unless transferred by Declarant, whereupon any proceeds of such transfer shall belong to Declarant. Declarant shall have the right but not the obligation to convey, transfer, sell or assign all or any portion of the Community Systems or all or any portion of the rights, duties or obligations with respect thereto, to the Association or to any person or entity. The rights of Declarant with respect to the Community Systems installed by Declarant and the services provided through such Community Systems are exclusive, and no other person or entity may provide such services through the Community Systems installed by Declarant without the prior written consent of Declarant. In recognition of the fact that interruptions in cable television and other Community Systems services shall occur from time to time, no person or entity described above shall in any manner be liable, and no user of any Community System shall be entitled to any refund, rebate, discount or offset in applicable fees, for any interruption in Community Systems services, regardless of whether or not same is caused by reasons within the control of the then-provider of such services.

11.3 Reserved Easements. All dedications, limitations, restrictions and reservations shown on any Plat and all grants and dedications of easements, rights-of-way, restrictions and related rights made by Declarant or any third party prior to the Property becoming subject to this Declaration are incorporated herein by reference and made a part of this Declaration for all purposes as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant. Declarant reserves the right to relocate, make changes in, and additions to said easements, rights-of-way, dedications, limitations, reservations and grants for the purpose of most efficiently and economically developing the Property.

11.4 Roadway and Utility Easements. Declarant hereby reserves for itself and its assigns a perpetual non-exclusive easement over and across the Property for: (i) the installation, operation and maintenance of utilities and associated infrastructure to serve the Property and any other property owned by Declarant; (ii) the installation, operation and maintenance of cable lines and associated infrastructure for sending and receiving data and/or other electronic signals, security and similar services to serve the Property and any other property owned by Declarant; (iii) the installation, operation and maintenance of, walkways, pathways and trails, drainage systems, street lights and signage to serve the Property and any other property owned by Declarant; and (iv) the installation, location, relocation, construction, erection and maintenance of any streets, roadways, or other areas to serve the Property and any other property owned by Declarant. Declarant shall be entitled to unilaterally assign the easements reserved hereunder to any third party who owns, operates or maintains the facilities and Improvements described in (i) through (iv) of this Section. In addition, Declarant may designate all or any portion of the easements or facilities constructed therein as Common Area.

11.5 Entry and Fencing Easement. Declarant reserves for itself and the Association, an easement over and across the Property and any Common Area for the installation, maintenance, repair or replacement of certain subdivision entry facilities, walls, and/or fencing which serves the Property, the Common Area or any other property owned by the Declarant. Declarant shall have the right, from time to time, to Record a written notice which identifies the fencing and/or subdivision entry facilities fencing to

which the easement reserved hereunder applies. Declarant may designate all or any portion of the fencing and/or subdivision entry facilities as Common Area.

11.6 Landscape, Monumentation and Signage Easement. Declarant hereby reserves for itself and the Association, an easement over and across the Property and the Common Area for the installation, maintenance, repair or replacement of landscaping, monumentation and signage which serves the Property, the Common Area or any other property owned by the Declarant. Declarant shall have the right, from time to time, to Record a written notice which identifies the landscaping, monumentation or signage to which the easement reserved hereunder applies. Declarant may designate all or any portion of the landscaping, monumentation or signage as Common Area.

11.7 Easement for Special Events. The Declarant reserves for itself and the Association, and their successors, assigns, and designees, a perpetual, nonexclusive easement over the Common Area, for the purpose of conducting educational, cultural, artistic, musical and entertainment activities; and other activities of general community interest at such locations and times as the Declarant or the Association, in their reasonable discretion, deem appropriate. Members of the public may have access to such events. **EACH OWNER, BY ACCEPTING A DEED OR OTHER INSTRUMENT CONVEYING ANY INTEREST IN A LOT SUBJECT TO THIS DECLARATION ACKNOWLEDGES AND AGREES THAT THE EXERCISE OF THIS EASEMENT MAY RESULT IN A TEMPORARY INCREASE IN TRAFFIC, NOISE, GATHERING OF CROWDS, AND RELATED INCONVENIENCES, AND EACH OWNER AGREES ON BEHALF OF ITSELF AND THE RESIDENTS TO TAKE NO ACTION, LEGAL OR OTHERWISE, WHICH WOULD INTERFERE WITH THE EXERCISE OF SUCH EASEMENT.**

11.8 Solar Equipment Easement. Declarant hereby reserves for itself and the Association, and their successors, assigns, and designees, a perpetual, nonexclusive easement over and across the Property and Common Area for the installation, maintenance, repair or replacement of a rooftop solar electric generating system designed to deliver electric power to a particular Residence built on a Lot or Common Area. Declarant shall have the right, from time to time, to Record a written notice which identifies the solar equipment to which the easement reserved hereunder applies. Declarant shall be entitled to unilaterally assign the easements reserved hereunder to any third party.

11.9 Cellular Tower and Telecommunications Easement. Declarant hereby grants and reserves for itself and its assigns, an exclusive, perpetual and irrevocable easement, license and right to use any portion of the Common Area, or any portion of the Property which Declarant intends to designate as Common Area (the **"CTT Easement Area")** for the construction, installation, use, maintenance, repair, replacement, improvement, removal and operation of CTT Equipment. Declarant or its assignee shall have the right, from time to time, but no obligation, to Record a written notice which identifies the portion of the Common Area to which the CTT Easement Area pertains, and Declarant, or its assignee, may fence, install landscaping, or otherwise install improvements restricting access to the CTT Easement Area identified in such Recorded instrument. Neither the Association, nor any Owner other than the Declarant or its assignee hereunder, may use the CTT Easement Area in any manner which interferes with operation of the CTT Equipment. Declarant hereby reserves for itself and its assigns the right to use, sell, lease or assign all or any portion of the CTT Easement Area, for the construction, installation, use, maintenance, repair, replacement, improvement, removal and operation of the CTT Equipment. In addition, Declarant hereby

reserves for itself and its assigns a non-exclusive, perpetual and irrevocable easement over the Property for access to and from the CTT Easement Area and to construct, install, use, maintain, repair, replace, improve, remove, and operate, or allow others to do the same, any utility lines servicing the CTT Equipment. Declarant also reserves for itself and its assigns the right to select and contract with any third-party for the construction, installation, use, maintenance, repair, replacement, improvement, removal and operation of the CTT Equipment and to provide any telecommunication, cellular, video or digital service associated therewith. Declarant shall have and hereby reserves for itself and its assigns the sole and exclusive right to collect and retain any and all income and/or proceeds received from or in connection with use or services provided by the CTT Equipment and the rights described in this Section. The rights reserved to Declarant under this Section shall benefit only Declarant and its assigns, and no other Owner or successor-in-title to any portion of the Property shall have any rights to income derived from or in connection with the rights and easements granted in this Section, except as expressly approved in writing by Declarant. **EACH OWNER AND RESIDENT HEREBY RELEASES AND HOLDS HARMLESS THE DECLARANT AND ITS ASSIGNS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF ANY ACTS, ACTIONS OR ACTIVITIES PERMITTED BY DECLARANT ITS ASSIGNS UNDER THIS SECTION (INCLUDING ANY COST, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.** The provisions of this Section shall not be amended without the written and acknowledged consent of Declarant or the assignee of all or any portion of Declarant's rights hereunder.

11.10 Easement to Inspect and Right to Correct. For a period of ten (10) years after the expiration of the Development Period, Declarant reserves for itself and for the Declarant's architect, engineer, other design professionals, Homebuilder and general contractor the right, but not the duty, to inspect, monitor, test, redesign, correct, and relocate any structure, Improvement, or condition that may exist on any portion of the Property, including the Lots, and a perpetual nonexclusive easement of access throughout the Property to the extent reasonably necessary to exercise this right. The party exercising such rights shall promptly repair, at its sole expense, any damage resulting from the exercise of this right. By way of illustration but not limitation, relocation of mechanical or electrical facilities may be warranted by a change of circumstance, imprecise siting of the original facilities, or the desire or necessity to comply more fully with Applicable Law. This Section 11.10 may not be construed to create a duty for Declarant, the Association, or any architect, engineer, other design professionals, Homebuilder or general contractor, and may not be amended without Declarant's advanced written consent. **IN SUPPORT OF THIS RESERVATION, EACH OWNER, BY ACCEPTING AN INTEREST IN OR TITLE TO A LOT, HEREBY GRANTS TO DECLARANT AN EASEMENT OF ACCESS AND ENTRY OVER, ACROSS, UNDER, AND THROUGH THE PROPERTY, INCLUDING WITHOUT LIMITATION, ALL COMMON AREAS AND THE OWNER'S LOT AND ALL IMPROVEMENTS THEREON FOR THE PURPOSES CONTAINED IN THIS SECTION.**

11.11 Owner's Rights of Access and Enjoyment. Subject to the further provisions of this Section, every Member shall have a right and easement of enjoyment in and to all of the Common Area and

an access easement by and through any Common Area, and such right shall be appurtenant to and shall pass with the title to the Lot owned by such Member. Such rights shall be subject to the following: (a) The Association shall have the right to charge reasonable admission and other fees for the use of any facility situated upon the Common Area. (b) The Association shall have the right, without the approval of the Members, to borrow money and to mortgage, pledge, deed in trust, or hypothecate any or all of the Common Area as security for money borrowed or debts incurred. (c) The Association shall have the right to take such steps as are reasonably necessary to protect the Common Area against foreclosure of any such mortgage. (d) The Association shall have the right to suspend the enjoyment rights of any Member for any period during which any Assessment or other amount owed by such Member to the Association remains unpaid in excess of thirty (30) days. (e) The Association shall have the right to establish reasonable Rules and Regulations governing the Members' use and enjoyment of the Common Area, and to suspend the enjoyment rights of any Member for any period not to exceed sixty (60) days for any infraction of such Rules and Regulations. (f) The Association shall have the right, without the approval by the Members, to sell or convey all or any part of the Common Area and the right, to grant or dedicate easements in portions of the Common Area to public or private utility companies. (g) The Association shall have the right to enter into agreements with one or more persons pursuant to which individuals who are not Members of the Association are granted the right to use the Common Area and the facilities located thereupon upon payment of such fees as may be determined by the Board. (h) The right of the Declarant, or the Declarant's designee, to cause such Improvements and features to be constructed upon the Common Area, as determined from time to time by the Declarant, in the Declarant's sole and absolute discretion. (i) The right of the Declarant, during the Development Period, and the Board thereafter, to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for any purpose. (j) The right of the Declarant, during the Development Period, and the Board thereafter to grant easements or licenses over and across the Common Area.

Each Member shall have the right to extend his right of enjoyment to the Common Area to the members of his family, Residents, and to such guests or other persons as may be permitted by the Association. An Owner shall be deemed to have made a delegation of all rights to use the Common Area to the Residents of any rented/leased Residence.

AN OWNER MAY NOT ERECT OR ALTER ANY IMPROVEMENT ON, OR CLEAR, LANDSCAPE, OR DISTURB, ANY COMMON AREA EXCEPT AS APPROVED BY THE BOARD.

11.12 Easements for Utilities and Public Services. (a) There is hereby granted to the Association, and to any other public authority or agency, utility district, or public or private utility company, a perpetual easement upon, over, under, and across (i) the Common Area, and (ii) those portions of all Lots as are reasonably necessary, for the purpose of installing, replacing, repairing, maintaining, and using master television antenna and/or cable systems, security and similar systems, and all utilities, including, but not limited to, storm sewers, drainage systems and retention ponds, electrical, gas, telephone, water and sewer lines, street lights, street signs and traffic signs; provided, however, that such easements shall not unreasonably affect the ability to develop, market or the value of any Lot. To the extent possible, utility lines and facilities serving the Properties and located therein shall be located underground. By virtue of any such easement and facilities, it shall be expressly permitted for the providing utility company or other supplier or servicer, with respect to the portions of the Properties encumbered, (i) to erect and maintain pipes, lines, manholes, pumps, and other necessary equipment and facilities, (ii) to cut and remove any trees, bushes, or shrubbery, (iii) to excavate or fill, or (iv) to take any other similar action reasonably

necessary to provide economical and safe installation, maintenance, repair, replacement, and use of such utilities and systems. (b) There is also hereby granted to the City and to such other governmental authority or agency as shall from time to time have jurisdiction over the Properties (or any portion thereof) with respect to law enforcement and fire protection, the perpetual, non-exclusive right and easement upon, over and across all of the Properties (including the Common Areas) for purposes of performing such duties and activities related to law enforcement and fire protection in the Properties (and Common Areas) as shall be required or appropriate from time to time by such governmental authorities under Applicable Law. More specifically, this Declaration grants the city, other public agencies, political subdivisions, and public utilities written permission for access to the Common Areas at any time and without liability when on official business, as well as permission to remove any obstructions, if necessary, to obtain timely and practical access; any cost of such removal may be assessed to the Association, and in turn, may be assessed by the Association as an Individual Assessment to the Owner of the obstruction.

11.13 Easements for Association. There is hereby granted a general right and easement to the Association, its directors, officers, agents, and employees, including, but not limited to, any Manager employed by the Association and any employees of such Manager, to enter upon any Lot or any portion thereof in the performance of their respective duties or the enforcement of the provisions of this Declaration without liability for trespass. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance written notice to the Owner or Resident of the Residence directly affected thereby.

ARTICLE 12
DEVELOPMENT RIGHTS

12.1 Development by Declarant. It is contemplated that the Property shall be developed pursuant to a plan, which may, from time to time, be amended or modified. Declarant reserves the right, but shall not be obligated, to pursue the development, construction and marketing of the Property, the right to direct the size, shape, and composition of the Property, the right to create and/or designate Lots and Common Areas and to subdivide all or any portion of the Property pursuant to the terms of this Section 12.1, subject to any limitations imposed on portions of the Property by any applicable Plat. These rights may be exercised with respect to any portions of the Property and the Common Area. As each area is developed or dedicated, Declarant may designate the use, classification and such additional covenants, conditions and restrictions as Declarant may deem appropriate for that area.

12.2 Special Declarant Rights. Notwithstanding any provision of this Declaration to the contrary, at all times, Declarant shall have the right and privilege: (i) to erect and maintain advertising signs (illuminated or non-illuminated), sales flags, other sales devices and banners for the purpose of aiding the sale of Lots in the Property; (ii) to maintain Residences and Improvements upon Lots as sales, model, management, business and construction offices; and (iii) to maintain and locate construction trailers and construction tools and equipment within the Property and the Common Area. The construction, placement or maintenance of Residences and Improvements by Declarant shall not be considered a nuisance, and Declarant hereby reserves the right and privilege for itself to conduct the activities enumerated in this Section 12.2 until twenty-four (24) months after expiration or termination of the Development Period.

12.3 Addition of Land. Declarant may, at any time and from time to time (in its sole and absolute discretion), add additional lands to the Property. Upon the Recording of a notice of addition of land, such land shall be considered part of the Property for purposes of this Declaration, and such added lands shall be considered part of the Property subject to this Declaration and the terms, covenants, conditions, restrictions and obligations set forth in this Declaration, and the rights, privileges, duties and liabilities of the persons subject to this Declaration shall be the same with respect to such added land as with respect to the lands originally covered by this Declaration.

12.3.1 To add lands to the Property, Declarant shall be required only to Record a notice of addition of land containing the following provisions:

A reference to this Declaration, which reference shall state the document number or volume and initial page number wherein this Declaration is Recorded;

A statement that such land shall be considered Property for purposes of this Declaration, and that all of the terms, covenants, conditions, restrictions and obligations of this Declaration shall apply to the added land; and

A legal description of the added land.

12.3.2 The Owners of land in annexed property under this Section shall be entitled to use the Common Area in the same manner and to the same extent of the Owners of all other property subject to the jurisdiction of the Association. Such additional property shall be impressed with and subject to Assessments imposed hereby on an uniform basis, consistent with provisions of this Declaration.

12.4 Withdrawal of Land. Declarant may, at any time and from time to time (in its sole and absolute discretion), reduce or withdraw from the Property, and remove and exclude from the burden of this Declaration and the jurisdiction of the Association any portion of the Property. Upon any such withdrawal and removal this Declaration and the covenants conditions, restrictions and obligations set forth herein shall no longer apply to the portion of the Property withdrawn. To withdraw lands from the Property hereunder, Declarant shall be required only to Record a notice of withdrawal of land containing the following provisions:

12.4.1 A reference to this Declaration, which reference shall state the document number or volume and initial page number wherein this Declaration is Recorded;

12.4.2 A statement that the provisions of this Declaration shall no longer apply to the withdrawn land; and

12.4.3 A legal description of the withdrawn land.

12.5 Notice of Plat Recordation. Declarant may, at any time and from time to time, file a notice of Plat Recordation (a **"Notice of Plat Recordation"**). A Notice of Plat Recordation is Recorded for the purpose of more clearly identifying specific Lots subject to the terms and provisions of this Declaration after portions of the Property is made subject to a Plat. Declarant shall have no obligation to Record a Notice

of Plat Recordation and failure to Record a Notice of Plat Recordation shall in no event remove any portion of the Property from the terms and provisions of this Declaration.

12.6 Assignment of Declarant's Rights. Notwithstanding any provision in this Declaration to the contrary, Declarant may, by written instrument, assign, in whole or in part, any of its privileges, exemptions, rights and duties under this Declaration to any person or entity and may permit the participation, in whole, in part, exclusively, or non-exclusively, by any other person or entity in any of its privileges, exemptions, rights and duties hereunder.

ARTICLE 13
GENERAL PROVISIONS

13.1 Term. The terms, covenants, conditions, restrictions, easements, charges, and liens set out in this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by the Association, and every Owner, including Declarant, and their respective legal representatives, heirs, successors, and assigns, for a term beginning on the date this Declaration is Recorded, and continuing through and including January 1, 2065, after which time this Declaration shall be automatically extended for successive periods of ten (10) years unless a change (the word "change" meaning a termination, or change of term or renewal term) is approved in a resolution adopted by a Majority vote of Members owning at least sixty-seven percent (67%) of the Lots subject to the Declaration, voting in person or by proxy at a meeting duly called for such purpose, written notice of which shall be given to all Members at least thirty (30) days in advance and shall set forth the purpose of such meeting; provided, however, that such change shall be effective only upon the Recording of a certified copy of such resolution.

13.2 Eminent Domain. In the event it becomes necessary for any public authority to acquire all or any part of the Common Area for any public purpose during the period this Declaration is in effect, the Board is hereby authorized to negotiate with such public authority for such acquisition and to execute instruments necessary for that purpose. Should acquisitions by eminent domain become necessary, only the Board need be made a party, and in any event the proceeds received shall be held by the Association for the benefit of the Owners. In the event any proceeds attributable to acquisition of Common Area are paid to Owners, such payments shall be allocated on a per-Lot basis (not including exempt Lots pursuant to Sections 8.7.2 and 8.7.3) and paid jointly to the Owners and the holders of Mortgages or deeds of trust on the respective Lot.

13.3 Amendment. This Declaration may be amended or terminated by the Recording of an instrument executed and acknowledged by: (i) the Declarant acting alone, in its sole and absolute discretion (during the Development Period); or (ii) the president and secretary of the Association setting forth the amendment and certifying that such amendment has been approved by a Majority vote of Members owning at least sixty-seven percent (67%) of the Lots subject to the Declaration – provided that no amendment shall be effective without the written consent of Declarant, its successors or assigns, during the Development Period. This Section 13.3 may be subject to Texas Property Code Section 209.013 to the extent it applies to an amendment of this Declaration; such Section 209.013 provides, "A dedicatory instrument created by a developer of a residential subdivision or by a property owners' association in which the developer has a majority of the voting rights or that the developer otherwise controls under the terms of the dedicatory instrument may not be amended during the period between the time the developer loses the majority of the

voting rights or other form of control of the property owners' association and the time a new board of directors of the association assumes office following the loss of the majority of the voting rights or other form of control."

13.4 Enforcement. Except as otherwise provided herein, any Owner of a Lot, at such Owner's own expense, Declarant and the Association shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, charges and other terms now or hereafter imposed by the Dedicatory Instruments. The Association and/or the Declarant may initiate, defend or intervene in any action brought to enforce any Dedicatory Instruments. Such right of enforcement shall include both damages for and injunctive relief against the breach of any provision hereof. Every act or omission whereby any Dedicatory Instruments are violated, in whole or in part, is hereby declared to be a nuisance and may be enjoined or abated by any Owner of a Lot (at such Owner's own expense), Declarant or the Association. Any violation of any Applicable Law pertaining to the ownership, occupancy, or use of any portion of the Property is hereby declared to be a violation of this Declaration and subject to all of the enforcement procedures set forth herein. Failure to enforce any right, provision, covenant, or condition set forth in the Dedicatory Instruments shall not constitute a waiver of the right to enforce such right, provision, covenants or condition in the future. Failure of the Declarant or the Association to enforce the terms and provisions of the Dedicatory Instruments shall in no event give rise to any claim or liability against the Declarant, the Association, or any of their partners, directors, officers, or agents. **EACH OWNER, BY ACCEPTING TITLE TO ALL OR ANY PORTION OF THE PROPERTY, HEREBY RELEASES AND SHALL HOLD HARMLESS EACH OF THE DECLARANT, THE ASSOCIATION, AND THEIR PARTNERS, DIRECTORS, OFFICERS, OR AGENTS FROM AND AGAINST ANY DAMAGES, CLAIMS OR LIABILITY ASSOCIATED WITH THE FAILURE OF THE DECLARANT OR THE ASSOCIATION TO ENFORCE THE DEDICATORY INSTRUMENTS.**

13.5 No Warranty of Enforceability. Declarant makes no warranty or representation as to the present or future validity or enforceability of the Dedicatory Instruments. Any Owner acquiring a Lot in reliance on one or more of the Dedicatory Instruments shall assume all risks of the validity and enforceability thereof and, by acquiring the Lot, agrees to hold Declarant harmless therefrom.

13.6 Severability. If any provision of this Declaration is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect the validity of any other provision of this Declaration, or, to the extent permitted by Applicable Law, the validity of such provision as applied to any other person or entity.

13.7 Conflicts. If there is any irreconcilable conflict between the provisions of this Declaration, the Certificate, the Bylaws, or any Rules and Regulations adopted pursuant to the terms of such documents, the provisions of this Declaration, the Certificate, the Bylaws, and the Rules and Regulations, in such order, shall govern; provided, however, all shall be read in concert, with all reasonable effort made to reconcile their respective provisions. Notwithstanding the foregoing, the terms and provisions of this Declaration (and Dedicatory Instruments) are subordinate to Applicable Law. Generally, the terms and provisions of this Declaration (and Dedicatory Instruments) are enforceable to the extent they do not violate or conflict with Applicable Law.

13.8 Gender. Whenever the context so requires, all words herein in the male gender shall be deemed to include the female or neuter gender, all singular words shall include the plural, and all plural words shall include the singular.

13.9 Acceptance by Owners. EACH OWNER OF A LOT OR OTHER REAL PROPERTY INTEREST IN THE PROPERTY, BY THE ACCEPTANCE OF A DEED OF CONVEYANCE, OR EACH SUBSEQUENT PURCHASER, ACCEPTS THE SAME SUBJECT TO ALL TERMS, RESTRICTIONS, CONDITIONS, COVENANTS, RESERVATIONS, EASEMENTS, LIENS AND CHARGES, AND THE JURISDICTION RIGHTS AND POWERS CREATED OR RESERVED BY THIS DECLARATION OR TO WHOM THIS DECLARATION IS SUBJECT, AND ALL RIGHTS, BENEFITS AND PRIVILEGES OF EVERY CHARACTER HEREBY GRANTED, CREATED, RESERVED OR DECLARED. FURTHERMORE, EACH OWNER AGREES THAT NO ASSIGNEE OR SUCCESSOR TO DECLARANT HEREUNDER SHALL HAVE ANY LIABILITY FOR ANY ACT OR OMISSION OF DECLARANT WHICH OCCURRED PRIOR TO THE EFFECTIVE DATE OF ANY SUCH SUCCESSION OR ASSIGNMENT. ALL IMPOSITIONS AND OBLIGATIONS HEREBY IMPOSED SHALL CONSTITUTE COVENANTS RUNNING WITH THE LAND WITHIN THE PROPERTY, AND SHALL BIND ANY PERSON HAVING AT ANY TIME ANY INTEREST OR ESTATE IN THE PROPERTY, AND SHALL INURE TO THE BENEFIT OF EACH OWNER IN LIKE MANNER AS THOUGH THE PROVISIONS OF THIS DECLARATION WERE RECITED AND STIPULATED AT LENGTH IN EACH AND EVERY DEED OF CONVEYANCE.

13.10 Damage and Destruction. The Association shall undertake the following actions subsequent to damage or destruction to all or any part of the Common Area covered by insurance:

13.10.1 Claims. Promptly after damage or destruction by fire or other casualty to all or any part of the Common Area covered by insurance, the Board, or its duly authorized agent, shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair of the damage. Repair, as used in this Section, means repairing or restoring the Common Area to substantially the same condition as existed prior to the fire or other casualty.

13.10.2 Repair Obligations. Any damage to or destruction of the Common Area shall be repaired unless a Majority of the Board decides within sixty (60) days after the casualty not to repair. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made available.

13.10.3 Restoration. In the event that it should be determined by the Board that the damage or destruction of the Common Area shall not be repaired and no alternative Improvements are authorized, then the affected portion of the Common Area shall be restored to its natural state and maintained as an undeveloped portion of the Common Area by the Association in a neat and attractive condition.

13.10.4 Special Assessment. If insurance proceeds are paid to restore or repair any damaged or destroyed Common Area, and such proceeds are not sufficient to defray the cost of such repair or restoration, the Board shall levy a Special Assessment, as provided in Article 8, against all Owners' Lots.

13.10.5 Proceeds Payable to Owners. In the event that any proceeds of insurance policies are paid to Owners as a result of any damage or destruction to any Common Area, such payments shall be allocated based on a per-Lot basis (not including exempt Lots pursuant to Sections 8.7.2 and 8.7.3) and paid jointly to the Owners and the holders of Mortgages or deeds of trust on their Lots.

13.11 No Partition. Except as may be permitted in this Declaration or amendments thereto, no physical partition of the Common Area or any part thereof shall be permitted, nor shall any person acquiring any interest in the Property or any part thereof seek any such judicial partition unless the portion of the Property or Common Area in question has been removed from the provisions of this Declaration pursuant to Section 12.4 above. This Section 13.11 shall not be construed to prohibit the Board from acquiring and disposing of tangible personal property or from acquiring title to real property that may or may not be subject to this Declaration.

13.12 View Impairment. Neither Declarant nor the Association guarantee or represent that any view over and across the Lots, or any open space or Common Area within the Property shall be preserved without impairment. Neither the Declarant, the ACC, nor the Association shall have any obligation to relocate, prune, thin trees or perform other landscaping. The Association (with respect to any Common Area) shall have the right to add trees and other landscaping from time to time, subject to Applicable Law. There shall be no express or implied easements for view purposes or for the passage of light and air.

13.13 Safety and Security. Each Owner and Resident of a Lot, and their respective guests and invitees, shall be responsible for their own personal safety and the security of their property within the Property and the Common Area. The Association may, but shall not be obligated to, maintain or support certain activities within the Property and the Common Area designed to promote or enhance the level of safety or security which each person provides for himself or herself and his or her property. However, neither the Association nor Declarant shall in any way be considered insurers or guarantors of safety or security within the Property or the Common Area, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

No representation or warranty is made that any systems or measures, including security monitoring systems or any mechanism or system for limiting access to the Property or the Common Area, cannot be compromised or circumvented; or that any such system or security measures undertaken shall in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands, and shall be responsible for informing any Residents of such Owner's Lot that the Association, its Board and committees, and the Declarant are not insurers or guarantors of security or safety and that each person within the Property assumes all risks of personal injury and loss or damage to the Property, including any Residences or Improvements constructed upon any Lot and the contents thereof, resulting from acts of third parties.

13.14 Notices. ANY NOTICE PERMITTED OR REQUIRED TO BE GIVEN TO ANY PERSON BY THIS DECLARATION SHALL BE IN WRITING AND MAY BE DELIVERED EITHER PERSONALLY OR BY MAIL, OR AS OTHERWISE REQUIRED BY APPLICABLE LAW. NOTICE BY MAIL IS DEEMED DELIVERED (WHETHER ACTUALLY RECEIVED OR NOT) WHEN PROPERLY DEPOSITED WITH THE UNITED STATES POSTAL SERVICE, ADDRESSED (A) TO A MEMBER, AT THE MEMBER'S LAST KNOWN ADDRESS ACCORDING TO THE ASSOCIATION'S RECORDS, AND (B) TO THE ASSOCIATION, THE BOARD, THE ACC, OR A MANAGING AGENT AT THE ASSOCIATION'S PRINCIPAL OFFICE OR ANOTHER ADDRESS DESIGNATED IN A NOTICE TO THE MEMBERS. UNLESS OTHERWISE REQUIRED BY LAW OR THE DEDICATORY INSTRUMENTS, ACTUAL NOTICE, HOWEVER DELIVERED, IS SUFFICIENT. SUCH ADDRESS MAY BE CHANGED FROM TIME TO TIME BY NOTICE IN WRITING GIVEN BY SUCH PERSON TO THE ASSOCIATION.

13.15 Mining and Drilling. Except for the Third Party Oil, Gas and Mineral Interests defined below, no other portion of the Property may be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate, or earth. This provision shall not be construed to prevent the excavation of rocks, stones, sand, gravel, aggregate, or earth or the storage of such material for use as fill provided that such activities are conducted in conjunction with the construction of Improvements and/or the development of the Property by the Declarant. Furthermore, this provision shall not be interpreted to prevent the drilling of water wells approved in advance by the Board which are required to provide water to all or any portion of the Property. All water wells shall also be approved in advance by the Board and any applicable regulatory authority. This Section 13.15 shall not apply to minerals, resources and groundwater, or some portion thereof or some interest therein, that may have been conveyed or reserved by third parties prior to Declarant's ownership of the Property (the **"Third Party Oil, Gas and Mineral Interests"**). No representation or warranty, express or implied, is made as to the ownership of the minerals, resources and groundwater or any portion thereof or any interest therein.

13.16 Declarant and Board Fine Authority; Corrective Action. Declarant (during the Development Period) or Board may assess fines against an Owner for violations of the Dedicatory Instruments which have been committed by an Owner, a Resident, or any guests, agents, family members, or invitees of an Owner or Resident. The Declarant/Board uses fines to discourage violations of the Dedicatory Instruments, and to encourage compliance when a violation occurs - not to punish violators or generate revenue for the Declarant. Although a fine may be an effective and efficient remedy for certain types of violations or violators, it is only one (1) of several methods available to the Declarant or Board for enforcing the Dedicatory Instruments. An Owner is liable for fines levied by the Declarant or Board for violations of the Dedicatory Instruments by the Owner, a Resident, or any guests, agents, family members or invitees of the Owner or Resident. Regardless of who commits the violation, the Declarant or Board shall direct its communications to the Owner, although the Declarant or Board may send copies of its notices to the Residents. Any fines pursuant to this section shall comply with any Enforcement Policy, adopted by the Association and amended from time to time.

Notwithstanding the provisions contained herein, where a violation of the Dedicatory Instruments is determined to exist, the Manager for the Association, with the approval of the Board, may undertake to

cause the violation to be corrected, removed or otherwise abated by qualified contractors if the Association, in its reasonable judgment, determines that such violation may be readily corrected, removed, or abated without undue expense and without breach of the peace. Such corrective action shall also be in accordance with this Declaration, the Bylaws, any Enforcement Policy, and any other Dedicatory Instruments, adopted by the Association and amended from time to time.

13.17 Management Certificate. The Association shall comply with Texas Property Code Section 209.004 regarding management certificates (and amended management certificates).

13.18 Merger and Consolidation. Upon a merger or consolidation of the Association with another non-profit corporation organized for the same or similar purposes, the Association's properties, rights, and obligations may be transferred to the surviving or consolidated association, or alternatively, the properties, rights and obligations of another association may be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants, conditions and restrictions established by this Declaration, together with the covenants, conditions and restrictions applicable to the properties of the other association as one scheme. No merger or consolidation shall be permitted except with the approval by two-thirds (2/3rds) vote of the Class "A" Members present in person or by proxy at a meeting called for such purpose and, until the termination of the Class "B" Membership, the Declarant.

13.19 Dissolution. The Association may be dissolved with the approval by two-thirds (2/3rds) vote of the Class "A" Members present in person or by proxy at a meeting called for such purpose and, until the termination of the Class "B" Membership, the Declarant. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

13.20 Notice of Sale or Transfer of Title. In the event that an Owner sells or otherwise transfers title to his or her Lot, such Owner shall provide the Association with a copy of the executed instrument of conveyance and give the Association written notice of the name and address of the (f) purchaser or transferee, the date of such transfer of title, and such other information as the Board of Directors may reasonably require. Until such written notice is received by the Association, the transferor shall continue to be jointly and severally responsible for all obligations of the Owner of the Lot hereunder, including payment of Assessments, notwithstanding the transfer of title to the Lot. The Board may require payment of a transfer fee to defray the costs incurred in changing its records to reflect the new Owner; provided, however, the following transfers are exempt from such fees:

(i) by the Declarant;

(ii) by a Homebuilder;

(iii) by a co-Owner to any Person who was a co-Owner immediately prior to such transfer;

(iii) to the Owner's estate, surviving spouse, or child upon the death of the Owner;

(iv) to any entity wholly owned by the grantor;

(v) to a Mortgagee or the designee of a Mortgagee in lieu of foreclosure or upon foreclosure of a Mortgage;

(vi) to an interim Owner in connection with an employer relocation agreement; or

(vii) any other exemption described in Section 8.4.

ARTICLE 14
DISPUTE RESOLUTION

14.1 Introduction and Definitions. The Association, the Owners, Declarant, Homebuilders, and all persons subject to this Declaration, and each person not otherwise subject to this Declaration who agrees to submit to this Article by written instrument delivered to the Claimant, which may include, but is not limited to, a Homebuilder, a general contractor, sub-contractor, design professional, or other person who participated in the design or construction of Lots, Common Area, or any Improvement within, serving or forming a part of the Property (individually, a **"Party"** and collectively, the **"Parties"**) agree to encourage the amicable resolution of disputes involving the Property and the Common Area to avoid the emotional and financial costs of litigation and arbitration if at all possible. Accordingly, each Party hereby covenants and agrees that this Article applies to all Claims as hereafter defined. Notwithstanding anything contained in this Article, any Claim brought by an Owner related to a Residence that is subject to a warranty agreement provided by the Declarant or Homebuilder shall not be subject to this Article and shall be governed by the warranty agreement, unless the Parties agree to have the dispute governed by this Article. This Article may only be amended with the prior written approval of the Declarant, the Association (acting through a Majority of the Board), and Owners holding 100% of the votes in the Association. As used in this Article only, the following words, when capitalized, have the following specified meanings:

(i) **"Claim"** means:

(A) Claims relating to the rights and/or duties of Declarant, the Association, or the ACC, under the Dedicatory Instruments.

(B) Claims relating to the acts or omissions of the Declarant, the Association or a Board member or officer of the Association during Declarant's control and administration of the Association, and any claim asserted against the ACC.

(C) Claims relating to the design or construction of the Common Area or any Improvements located within or on Common Area.

(ii) **"Claimant"** means any Party having a Claim against any other Party.

(iii) **"Respondent"** means any Party against which a Claim has been asserted by a Claimant.

14.2 Mandatory Procedures. Claimant may not initiate any proceeding before any judge, jury, arbitrator or any judicial or administrative tribunal seeking redress of resolution of its Claim until Claimant has complied with the procedures of this Article. As provided in Section 14.8 below, a Claim shall be resolved by binding arbitration.

14.3 Claim Affecting Common Areas. In accordance with Section 14.1 of this Declaration, the Association does not have the power or right to institute, defend, intervene in, settle, or compromise litigation, arbitration or other proceedings: (i) in the name of or on behalf of any Lot Owner (whether one or more); or (ii) pertaining to a Claim, as defined in Section 14.1 above, relating to the design or construction of Improvements on a Lot (whether one or more). Additionally, no Lot Owner shall have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings relating to the design or construction of the Common Area. Each Lot Owner, by accepting an interest in or to title to a Lot, hereby grants to the Association the exclusive right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings relating to the design or construction of the Common Area. In the event the Association asserts a Claim related to the Common Area, as a precondition to providing the Notice defined in Section 14.5, initiating the mandatory dispute resolution procedures set forth in this Article, or taking any other action to prosecute a Claim related to the Common Area, the Association shall:

14.3.1 Obtain Owner Approval of Engagement. Unless otherwise approved by Members holding eighty percent (80%) of the votes in the Association, the Association, acting through its Board, shall in no event have the authority to engage a law firm or attorney to prosecute a Claim relating to the design or construction of the Common Area if the agreement between the Association and law firm or attorney includes any provision or requirement that would obligate the Association to pay any costs, expenses, fees, or other charges to the law firm or attorney, including but not limited to, costs, expenses, fees, or other charges payable by the Association: (i) if the Association terminates the engagement with the law firm or attorney or engages another firm or third-party to assist with the Claim; (ii) if the Association agrees to settle the Claim for a cash payment or in exchange for repairs or remediation performed by the Respondent or any other third-party; (iii) if the Association agrees to pay interest on any costs or expenses incurred by the law firm or attorney; and/or for consultants, expert witnesses, and/or general contractors hired by the law firm or attorney. For avoidance of doubt, it is intended that Members holding eighty percent (80%) of the votes in the Association shall approve the law firm and attorney who shall prosecute the Claim and the written agreement between the Association and the law firm and/or attorney.

The approval of the Members required under this Section shall be obtained at a meeting of Members called in accordance with the Bylaws. The notice of Member meeting shall be provided pursuant to the Bylaws but the notice shall also include: (a) the name of the law firm and attorney; (b) a copy of the proposed written agreement between the Association and the law firm and/or attorney; (c) a narrative summary of the types of costs, expenses, fees, or other charges that may be required to be paid by the Association; (d) the conditions upon which such types of costs, expenses, fees, or other charges are required to be paid by the Association; (e) an estimate of the costs, expenses, fees, or other charges that may be required to be paid by the Association if the conditions for payment occur, which estimate shall be expressed as a range for each type of cost, expense, fee, or other charge; and (f) a description of the process the law

firm and/or attorney shall use to evaluate the Claim and whether destructive testing shall be required (i.e., the removal of all or portions of the Common Area or Improvements on the Property). If destructive testing shall be required or is likely to occur, the notice shall include a description of the destructive testing, likely locations of the destructive testing, whether the Owner's use of their Lots or the Common Area shall be affected by such testing, and if the destructive testing occurs the means or method the Association shall use to repair the Common Area or Improvements affected by such testing and the estimated costs thereof. The notice required by this paragraph shall be prepared and signed by a person other than the law firm or attorney who is a party to the proposed agreement being approved by the Members. In the event Members holding eighty percent (80%) of the votes in the Association approve the law firm and/or attorney who shall prosecute the Claim and the written agreement between the Association and the law firm and/or attorney, the Board shall have the authority to engage the law firm and/or attorney and enter into the written agreement approved by the Members.

14.3.2 Provide Notice of the Inspection. As provided in Section 14.3.3 below, a Common Area Report is required which is a written inspection report issued by the Inspection Company. Before conducting an inspection that is required to be memorialized by the Common Area Report, the Association shall have provided at least ten (10) days prior written notice of the date on which the inspection shall occur to each Respondent which notice shall identify the Inspection Company preparing the Common Area Report, the specific Common Areas to be inspected, and the date and time the inspection shall occur. Each Respondent may attend the inspection, personally or through an agent.

14.3.3 Obtain a Common Area Report. The Common Area Report shall be obtained by the Association - a written independent third-party report for the Common Area (the **"Common Area Report"**) from a professional engineer licensed by the Texas Board of Professional Engineers with an office located in Medina County, Texas (the **"Inspection Company"**). The Common Area Report shall include: (i) a description with photographs of the Common Area subject to the Claim; (ii) a description of the present physical condition of the Common Area subject to the Claim; (iii) a detailed description of any modifications, maintenance, or repairs to the Common Area performed by the Association or a third-party, including any Respondent; and (iv) specific and detailed recommendations regarding remediation and/or repair of the Common Area subject to the Claim. For the purpose of subsection (iv) of the previous sentence, the specific and detailed recommendations shall also include the specific process, procedure, materials, and/or Improvements necessary and required to remediate and/or repair the deficient or defective condition identified in the Common Area Report and the estimated costs necessary to effect such remediation and/or repairs. The estimate of costs required by the previous sentence shall be obtained from third-party contractors with an office located in Medina County, Texas, and each such contractor providing the estimate shall hold all necessary or required licenses from the Texas Department of Licensing and Regulation or otherwise required by Applicable Law for the work to which the cost estimate relates.

The Common Area Report shall not satisfy the requirements of this Section and is not an "independent" report if: (a) the Inspection Company has an arrangement or other agreement to provide consulting and/or engineering services with the law firm or attorney that presently represents the Association or proposes to represent the Association; (b) the costs and expenses for preparation of the Common Area Report are not required to be paid directly by the Association to the Inspection Company at the time the Common Area Report is finalized and delivered to the Association; or (c) the law firm or

attorney that presently represents the Association or proposes to represent the Association has agreed to reimburse (whether unconditional or conditional and based on the satisfaction of requirements set forth in the Association's agreement with the law firm or attorney) the Association for the costs and expenses for preparation of the Common Area Report. For avoidance of doubt, an "independent" report means that the Association has independently contracted with the Inspection Company on an arms-length basis based on customary terms for the preparation of engineering reports and that the Association shall directly pay for the report at the time the Common Area Report is finalized and delivered to the Association.

14.3.4 Provide a Copy of Common Area Report to all Respondents and Owners. Upon completion of the Common Area Report, and in any event no later than three (3) days after the Association has been provided a copy of the Common Area Report, the Association shall provide a full and complete copy of the Common Area Report to each Respondent and to each Owner. The Association shall maintain a written record of each Respondent and Owner who was provided a copy of the Common Area Report which shall include the date the report was provided. The Common Area Report shall be delivered to each Respondent by hand- delivery and to each Owner by mail.

14.3.5 Provide a Right to Cure Defects and/or Deficiencies Noted on Common Area Report. Commencing on the date the Common Area Report has been completed and continuing for a period of ninety (90) days thereafter, each Respondent shall have the right to: (i) inspect any condition identified in the Common Area Report; (ii) contact the Inspection Company for additional information necessary and required to clarify any information in the Common Area Report; and (iii) correct any condition identified in the Common Area Report. As provided in Section 11.9 above, the Declarant has an easement throughout the Property for itself, and its successors, assigns, architects, engineers, other design professionals, each Homebuilder, other builders, and general contractors that may be utilized during such ninety (90) day period and any additional period needed thereafter to correct a condition identified in the Common Area Report.

14.3.6 Hold Owner Meeting and Obtain Approval. In addition to obtaining approval from Members for the terms of the attorney or law firm engagement agreement, the Association shall obtain approval from Members holding eighty percent (80%) of the votes in the Association to provide the Notice described in Section 14.5, initiate the mandatory dispute resolution procedures set forth in this Article, or take any other action to prosecute a Claim, which approval from Members shall be obtained at a meeting of Members called in accordance with the Bylaws. The notice of meeting required hereunder shall be provided pursuant to the Bylaws but the notice shall also include: (i) the nature of the Claim, the relief sought, the anticipated duration of prosecuting the Claim, and the likelihood of success; (ii) a copy of the Common Area Report; (iii) a copy of any engagement letter between the Association and the law firm and/or attorney selected by the Association to assert or provide assistance with the Claim; (iv) a description of the attorney fees, consultant fees, expert witness fees, and court costs, whether incurred by the Association directly or for which the Association may be liable as a result of prosecuting the Claim; (v) a summary of the steps previously taken by the Association to resolve the Claim; (vi) a statement that initiating the lawsuit or arbitration proceeding to resolve the Claim may affect the market value, marketability, or refinancing of a Lot while the Claim is prosecuted; and (vii) a description of the manner in which the Association proposes to fund the cost of prosecuting the Claim. The notice required by this paragraph shall be prepared and signed by a person who is not (a) the attorney who represents or shall represent the Association in the Claim; (b) a member of the law firm of the attorney who represents or shall

represent the Association in the Claim; or (c) employed by or otherwise affiliated with the law firm of the attorney who represents or shall represent the Association in the Claim. In the event Members approve providing the Notice described in Section 14.5, or taking any other action to prosecute a Claim, the Members holding a Majority of the votes in the Association, at a special meeting called in accordance with the Bylaws, may elect to discontinue prosecution or pursuit of the Claim.

14.3.7 Provide Officer Certification. Within ten (10) days after a vote of Members called pursuant to this Article, the secretary or another officer of the Association shall provide to Declarant and any Respondent (if different than Declarant): (i) a true and correct copy of the meeting notice provided to Members, for the meeting at which such vote was taken; (ii) copies of the ballots cast at such meeting (whether in person, electronic, or by proxy); (iii) a certification, executed by the issuing officer of the Association that: (a) the information set forth in (i) and (ii) hereinabove is true and correct; (b) the meeting notice provided to Members was provided in accordance with this Article; and (c) the vote was held in accordance with the Bylaws and this Article.

14.4 Claim by Lot Owners. Pursuant to Section 14.3 above, an Owner does not have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings relating to the design or construction of the Common Area. In the event that a court of competent jurisdiction or arbitrator determines that an Owner does have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings relating to the design or construction of the Common Area, such Owner shall be required, since a Claim affecting the Common Area could affect all Owners, as a precondition to providing the Notice defined in Section 14.5, initiating the mandatory dispute resolution procedures set forth in this Article, or taking any other action to prosecute a Claim, to comply with the requirements imposed by the Association in accordance with Section 14.3.2 (Provide Notice of Inspection), Section 14.3.3 (Obtain a Common Area Report), Section 14.3.4 (Provide a Copy of Common Area Report to all Respondents and Owners), Section 14.3.5 (Provide Right to Cure Defects and/or Deficiencies Noted on Common Area Report), Section 14.3.6 (Owner Meeting and Approval), Section 14.3.7 (Officer Certification), and Section 14.5 (Notice). Additionally, class action proceedings are prohibited, and no Owner shall be entitled to prosecute, participate, initiate, or join any litigation, arbitration or other proceedings as a class member or class representative in any such proceedings under this Declaration.

14.5 Notice. Claimant shall notify Respondent in writing of the Claim (the **"Notice"**), stating plainly and concisely: (i) the nature of the Claim, including date, time, location, persons involved, and Respondent's role in the Claim; (ii) the basis of the Claim (i.e., the provision of the Dedicatory Instruments or other authority out of which the Claim arises); (iii) what Claimant wants Respondent to do or not do to resolve the Claim; and (iv) that the Notice is given pursuant to this Section. For Claims governed by Chapter 27 of the Texas Property Code, the time period for negotiation in Section 14.6 below, is equivalent to the sixty (60) day period under Section 27.004 of the Texas Property Code. If a Claim is subject to Chapter 27 of the Texas Property Code, the Claimant and Respondent are advised, in addition to compliance with Section 14.6, to comply with the terms and provisions of Section 27.004 of the Texas Property Code during such sixty (60) day period. Section 14.6 does not modify or extend the time period set forth in Section 27.004 of the Texas Property Code. Failure to comply with the time periods or actions specified in Section 27.004 of the Texas Property Code could affect a Claim if the Claim is subject to Chapter 27 of the Texas Property Code. The one hundred and twenty (120) day period for mediation set forth in Section 14.7 below,

is intended to provide the Claimant and Respondent with sufficient time to resolve the Claim in the event resolution is not accomplished during negotiation. If the Claim is not resolved during negotiation, mediation pursuant to Section 14.7 is required without regard to the monetary amount of the Claim.

If the Claimant is the Association, the Notice shall also include: (a) if the Claim relates to the design or construction of the Common Area, a true and correct copy of the Common Area Report and any and all other reports, studies, analyses, and recommendations obtained by the Association related to the Common Area; (b) a copy of any engagement letter between the Association and the law firm and/or attorney selected by the Association to assert or provide assistance with the Claim; (c) if the Claim relates to the design or construction of the Common Area, reasonable and credible evidence confirming that Members holding eighty percent (80%) of the votes in the Association approved the law firm and attorney and the written agreement between the Association and the law firm and/or attorney in accordance with Section 14.3.1; (d) a true and correct copy of the special meeting notice provided to Members in accordance with Section 14.3.6 above; and (e) reasonable and credible evidence confirming that Members holding eighty percent (80%) of the votes in the Association approved providing the Notice. If the Claimant is not the Association and pertains to the Common Areas, the Notice shall also include a true and correct copy of the Common Area Report.

14.6 Negotiation. Claimant and Respondent shall make every reasonable effort to meet in person to resolve the Claim by good faith negotiation. Within sixty (60) days after Respondent's receipt of the Notice, Respondent and Claimant shall meet at a mutually acceptable place and time to discuss the Claim. If the Claim involves all or any portion of the Property, then at such meeting or at some other mutually-agreeable time, Respondent and Respondent's representatives shall have full access to the Property that is subject to the Claim for the purposes of inspecting the Property.

14.7 Mediation. If the parties negotiate, but do not resolve the Claim through negotiation within one-hundred twenty (120) days from the date of the Notice (or within such other period as may be agreed on by the parties), Claimant shall have thirty (30) additional days within which to submit the Claim to mediation under the auspices of a mediation center or individual mediator on which the parties mutually agree. The mediator shall have at least five (5) years of experience serving as a mediator and shall have technical knowledge or expertise appropriate to the subject matter of the Claim. If Claimant does not submit the Claim to mediation within the 30-day period, Respondent shall submit the Claim to mediation in accordance with this Section 14.7. If the Parties do not settle the Claim within thirty (30) days after submission to mediation, Respondent or Claimant may initiate arbitration proceedings in accordance with Section 14.8.

14.8 Binding Arbitration-Claims. All Claims shall be settled by binding arbitration. Claimant or Respondent may, by summary proceedings (e.g., a plea in abatement or motion to stay further proceedings), bring an action in court to compel arbitration of any Claim not referred to arbitration as required by this Section.

14.8.1 Governing Rules. If a Claim has not been resolved after mediation in accordance with Section 14.7, the Claim shall be resolved by binding arbitration in accordance with the terms of this Section 14.8 and the American Arbitration Association (the **"AAA"**) Construction Industry Arbitration Rules and

Mediation Procedures and, if applicable, the rules contained in the AAA Supplementary Procedures for Consumer Related Disputes, as each are supplemented or modified by the AAA (collectively, the Construction Industry Arbitration Rules and Mediation Procedures and AAA Supplementary Procedures for Consumer Related Disputes are referred to herein as the **"AAA Rules"**). In the event of any inconsistency between the AAA Rules and this Section 14.8, this Section 14.8 shall control. Judgment upon the award rendered by the arbitrator shall be binding and not subject to appeal, but may be reduced to judgment or enforced in any court having jurisdiction. Notwithstanding any provision to the contrary or any applicable rules for arbitration, any arbitration with respect to Claims arising hereunder shall be conducted by a panel of three (3) arbitrators, to be chosen as follows:

(i) One arbitrator shall be selected by Respondent, in its sole and absolute discretion;

(ii) One arbitrator shall be selected by the Claimant, in its sole and absolute discretion; and

(iii) One arbitrator shall be selected by mutual agreement of the arbitrators having been selected by Respondent and the Claimant, in their sole and absolute discretion.

14.8.2 Exceptions to Arbitration; Preservation of Remedies. No provision of, nor the exercise of any rights under, this Section 14.8.2 shall limit the right of Claimant or Respondent, and Claimant and the Respondent shall have the right during any Claim, to seek, use, and employ ancillary or preliminary remedies, judicial or otherwise, for the purposes of realizing upon, preserving, or protecting upon any property, real or personal, that is involved in a Claim, including, without limitation, rights and remedies relating to: (i) exercising self-help remedies (including set-off rights); or (ii) obtaining provisions or ancillary remedies such as injunctive relief, sequestration, attachment, garnishment, or the appointment of a receiver from a court having jurisdiction before, during, or after the pendency of any arbitration. The institution and maintenance of an action for judicial relief or pursuit of provisional or ancillary remedies or exercise of self-help remedies shall not constitute a waiver of the right of any party to submit the Claim to arbitration nor render inapplicable the compulsory arbitration provisions hereof.

14.8.3 Statute of Limitations. All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding under this Section.

14.8.4 Scope of Award; Modification or Vacation of Award. The arbitrator shall resolve all Claims in accordance with Applicable Law. The arbitrator may grant any remedy or relief that the arbitrator deems just and equitable and within the scope of this Section 14.8.4 and subject to Section 14.9 below; provided, however, attorney's fees and costs may not be awarded by the arbitrator to either Claimant or Respondent. In addition, for a Claim, or any portion of a Claim governed by Chapter 27 of the Texas Property Code, or any successor statute, in no event shall the arbitrator award damages which exceed the damages a Claimant would be entitled to under Chapter 27 of the Texas Property Code, except that the arbitrator may not award attorney's fees and/or costs to their Claimant or Respondent. In all arbitration proceedings, the arbitrator shall make specific, written findings of fact and conclusions of law. In all arbitration proceedings the parties shall have the right to seek vacation or modification of any award that is based in whole, or in part, on: (i) factual findings that have no legally or factually sufficient evidence, as those terms are defined in Texas law; (ii) conclusions of law that are erroneous; (iii) an error of Applicable

Law; or (iv) a cause of action or remedy not expressly provided under Applicable Law. In no event may an arbitrator award speculative, special, exemplary, treble, or punitive damages for any Claim.

14.8.5 Other Matters. To the maximum extent practicable, an arbitration proceeding hereunder shall be concluded within one hundred and eighty (180) days of the filing of the Claim for arbitration. Arbitration proceedings hereunder shall be conducted in Medina County, Texas. Unless otherwise provided by this Section 14.8.5, the arbitrator shall be empowered to impose sanctions and to take such other actions as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the Texas Rules of Civil Procedure and Applicable Law. Claimant and Respondent agree to keep all Claims and arbitration proceedings strictly confidential, except for disclosures of information required in the ordinary course of business of the parties or by Applicable Law. In no event shall Claimant or Respondent discuss with the news media or grant any interviews with the news media regarding a Claim or issue any press release regarding any Claim without the written consent of the other parties to the Claim.

14.9 Allocation Of Costs. Notwithstanding any provision in this Declaration to the contrary, each Party bears all of its own costs incurred prior to and during the proceedings described in the Notice, Negotiation, Mediation, and Arbitration sections above, including its attorney's fees. Respondent and Claimant shall equally divide all expenses and fees charged by the mediator and arbitrator.

14.10 General Provisions. A release or discharge of Respondent from liability to Claimant on account of the Claim does not release Respondent from liability to persons who are not party to Claimant's Claim.

14.11 Period of Limitation.

14.11.1 For Actions by an Owner or Resident. The exclusive period of limitation for any of the Parties to bring any Claim, shall be the earliest of: (i) for Claims alleging construction defect or defective design, two (2) years and one (1) day from the date that the Owner or Resident discovered or reasonably should have discovered evidence of the Claim; (ii) for Claims other than those alleging construction defect or defective design, four (4) years and one (1) day from the date that the Owner or Resident discovered or reasonably should have discovered evidence of the Claim; or (iii) the applicable statute of limitations for such Claim. In the event that a court of competent jurisdiction determines that an Owner does have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings relating to the design or construction of the Common Area, the exclusive period of limitation for a Claim of construction defect or defective design of the Common Areas, shall be the earliest of: (a) two (2) years and one (1) day from the date that the Owner or the Association discovered or reasonably should have discovered evidence of the Claim; or (b) the applicable statute of limitations for such Claim. In no event shall this Section 14.11.1 be interpreted to extend any period of limitations.

14.11.2 For Actions by the Association. The exclusive period of limitation for the Association to bring any Claim, including, but not limited to, a Claim of construction defect or
defective design of the Common Areas, shall be the earliest of: (i) for Claims alleging construction defect or defective design, two (2) years and one (1) day from the date that the Association or its Manager, Board members, officers or agents discovered or reasonably should have discovered evidence of the Claim; (ii) for Claims other than those alleging construction defect or defective design of the Common Areas, four (4) years

and one (1) day from the date that the Association or its Manager, Board members, officers or agents discovered or reasonably should have discovered evidence of the Claim; or (iii) the applicable statute of limitations for such Claim. In no event shall this Section 14.11.2 be interpreted to extend any period of limitations.

14.12 Funding the Resolution of Claims. The Association shall levy a Special Assessment to fund the estimated costs to resolve a Claim pursuant to this Article. The Association may not use its annual operating income or reserve funds to fund the costs to resolve a Claim unless the Association has previously established and funded a dispute resolution fund.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Declarant executes this **DECLARATION** as of the _____ day of _____ 20_____.

BY:

KF Flat Creek, LP,

a Texas limited partnership

BY:

King Fish Development, LLC,

a Texas limited liability company,

its General Partner

By: _____

Name: _____

Title: _____

Date: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____, the ___ _____ of King Fish Development, LLC, a Texas limited liability company, the general partner of KF Flat Creek, LP, a Texas limited partnership, on behalf of said limited liability company and limited partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this __day of_____ 202_.

[SEAL]

_____
Notary Public, State of Texas
Printed Name: _____
My Commission Expires: _____

EXHIBIT A

METES AND BOUNDS DESCRIPTION

EXHIBIT B

PRELIMINARY CONCEPT PLAN

(as may be amended from time to time)

EXHIBIT C -1

LANDSCAPING DESIGN GUIDELINES

- **Landscaping Requirements for 50' Lots:**
  - Minimum of 100 square foot mulched landscape bed in the front yard.
  - Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
  - Minimum of ten (10) one (1) gallon plants in the front yard.
  - Minimum of six (6) three (3) gallon plants in the front yard.
  - Minimum of one (1) two-inch (2") caliper hardwood tree shall be planted within the rear yard inside of any fencing.
  - Minimum of one (1) two-inch (2") caliper hardwood tree shall be planted within the front yard or side yard in front of any fencing.
  - Landscape irrigation system for entire front and rear yard shall be installed.
  - Any Lots which are corner lots or side open space lots shall include the following:
    - Minimum of 100 square foot mulched landscape bed in the front yard.
    - Minimum of 100 square foot mulched landscape bed in the side yard.
    - Front yard and rear yard shall be fully sodded, except for landscape bed(s).
    - Minimum of fifteen (15) one (1) gallon plants in the front yard.
    - Minimum of ten (10) five (5) gallon plants in the front yard.
    - Minimum of three (3) two-inch (2") caliper hardwood trees, planted not less than twelve feet (12') apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
    - Minimum of six (6) one (1) gallon plants in the side yard.
    - Minimum of five (5) five (5) gallon plants in the side yard.
    - Landscape irrigation system for entire front yard, side yard and rear yard shall be installed.

- **Landscaping Requirements for 60' Lots:**
  - Minimum of 125 square foot mulched landscape bed in the front yard.
  - Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
  - Minimum of twelve (12) one (1) gallon plants in the front yard.
  - Minimum of eight (8) three (3) gallon plants in the front yard.
  - Minimum of one (1) two-inch (2") caliper hardwood tree shall be planted within the rear yard inside of any fencing.
  - Minimum of two (2) two-inch (2") caliper hardwood trees shall be planted within the front yard or side yard in front of any fencing.
  - Landscape irrigation system for entire front and rear yard shall be installed.
  - Any Lots which are corner lots or side open space lots shall include the following:
    - Minimum of 125 square foot mulched landscape bed in the front yard.
    - Minimum of 125 square foot mulched landscape bed in the side yard.
    - Front yard and rear yard shall be fully sodded, except for landscape bed(s).
    - Minimum of eighteen (18) one (1) gallon plants in the front yard.
    - Minimum of twelve (12) five (5) gallon plants in the front yard.
    - Minimum of three (3) two-inch (2") caliper hardwood trees, planted not less than twelve feet (12') apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
    - Minimum of eight (8) one (1) gallon plants in the side yard.
    - Minimum of seven (7) five (5) gallon plants in the side yard.
    - Landscape irrigation system for entire front yard, side yard and rear yard shall be installed.

EXHIBIT C – 2

LANDSCAPING DESIGN GUIDELINES

• **Landscaping Requirements for 70' Lots:**

o Minimum of 150 square foot mulched landscape bed in the front yard.
o Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
o Minimum of fifteen (15) one (1) gallon plants in the front yard.
o Minimum of ten (10) three (3) gallon plants in the front yard.
o Minimum of one (1) two-inch (2") caliper hardwood tree shall be planted within the rear yard inside of any fencing.
o Minimum of two (2) two-inch (2") caliper hardwood trees shall be planted within the front yard or side yard in front of any fencing.
o Landscape irrigation system for entire front and rear yard shall be installed.
o Any Lots which are corner lots or side open space lots shall include the following:
- Minimum of 150 square foot mulched landscape bed in the front yard.
- Minimum of 150 square foot mulched landscape bed in the side yard.
- Front yard and rear yard shall be fully sodded, except for landscape bed(s).
- Minimum of twenty (20) one (1) gallon plants in the front yard.
- Minimum of fourteen (14) five (5) gallon plants in the front yard.
- Minimum of three (3) two-inch (2") caliper hardwood trees, planted not less than twelve feet (12') apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
- Minimum of eight (8) one (1) gallon plants in the side yard.
- Minimum of seven (7) five (5) gallon plants in the side yard.
- Landscape irrigation system for entire front yard, side yard and rear yard shall be installed.

EXHIBIT D

SUMMARY OF DEDICATORY INSTRUMENTS

DEDICATORY INSTRUMENTS	
Declaration (Recorded)	Creates obligations that are binding upon the Association and all present and future Owners of Property.
Certificate of **Formation** (Recorded, and as filed under the Texas Secretary of State File No. 805638687)	Establishes the Association as a Texas nonprofit corporation.
Bylaws (Recorded)	Governs the Association's internal affairs, such as elections, meetings, etc.
Alternative Payment Plan Guidelines (Recorded)	Guidelines establishing an alternative payment schedule by which an Owner may make partial payments to the Association for delinquent Assessments or any other amount owed to the Association.
Records Production and Copying Policy (Recorded)	Governs the reasonable examination of books and records of the Association.
Records Retention Policy (Recorded)	Identifies how long each document of the Association is retained.
Management Certificate (Recorded and electronically filed with the Texas Real Estate Commission)	Provides information about the management of the Association.
Community Manual (if adopted, Recorded)	Establishes Rules and Regulations and policies governing the Association.
Design Guidelines (Recorded)	Governs the design and architectural standards for the construction of Residences, Improvements and/or any modifications thereto. The Declarant shall have no obligation to adopt the Design Guidelines.
Rules and Regulations (if adopted, Recorded)	Regulates the use of property, activities, and conduct within the Property or the Common Area.
Board Resolutions (if adopted, Recorded)	Establishes rules, policies, and procedures for the Property, Owners and Association.
Enforcement Policy (Recorded)	Establishes a policy regarding the levying of fines by the Association.
Development Agreement (Recorded)	Provides certain regulatory terms for the Property's residential development, including associated public infrastructure and other public and private improvements.
Maintenance Agreement (Recorded)	Provides the terms for the Association's ongoing maintenance of public parkland and storm drainage improvements.

[redacted] 123.23 Acres, called Tract 1 – Page 1 of 2

State of Texas
County of Medina

Field notes for a tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 1/2 inch steel rod monument, found for the Northwest corner of said 153.76 acre tract of land, being the Northeast corner of a 278.896 acre tract of land, described in volume 875, page 486, of the Deed Records, Medina County, Texas, and lying on the South line of a 297.28 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018001053, of the Official Public Records, Medina County, Texas, said point of beginning being the Northwest corner of this tract of land;

Thence South 89° 29' 57" East, 1150.67 feet, along the North line of said 154.17 acre tract of land, being the South line of said 297.28 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said 154.17 acre tract of land, being the Northwest corner of Tract 1, of the John Fischer Estate Lands Division, described in an instrument, recorded in Volume 290, Page 949 of the Official Public Records of Medina County, Texas, said point being the Northeast corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

South 00° 01' 14' West, 1417.67 feet, being the West line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for Southwest corner of said Tract 1, being the Northwest corner of a 41.58 acre tract of land, called Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 05' 34" West, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 2, being the Northwest corner of a 41.46 acre tract of land, called Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 00' 30" East, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 3, being the Northwest corner of a 48.41 acre tract of land, called Tract 4, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 13' 48" East, 805.06 feet, along the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, said point being an angle point of this tract of land;

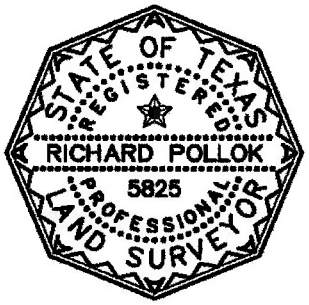
South 00° 12' 35" West, 437.26 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of Tract 5, of said John Fischer Estate Lands Division, the Southeast corner of a 123.23 acre tract of land, surveyed this same day, and the Northeast corner of a 30.53 acre tract of land, surveyed this same day, said point being the Southeast corner of this tract of land;

Thence South 89° 46' 17" West, 1152.72 feet, across said 154.17 acre tract of land, along the North line of said 30.53 acre tract of land, to a point marked by a 5/8 inch steel rod monument, with a cap stamped Rakowitz Engineering and Surveying, set on the West line of said 154.17 acre tract of land, for the Northwest corner of said 30.53 acre tract of land, and lying on the East line of said 278.896 acre tract of land, said point being the Southwest corner of this tract of land;

Thence North 00° 01' 54" East, 4671.00 feet, along the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 123.23 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.



Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

State of Texas
County of Medina

Field notes for a tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 4, being the Northeast corner of Tract 7, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, and lying on the West line of a 36.1 acre tract of land, described in an instrument, recorded in Clerk's File No. 2019007476, Deed Records, Medina County, Texas, said point of beginning being the Southeast corner of this tract of land;

Thence South 89° 44' 30" West, 1193.70 feet, along the South line of said Tract 4, being the North line of said Tract 7 and continuing along the North line of Tract 6, of said John Fischer Estate Lands Division, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 4, being the Northwest corner of said Tract 6, said point being a reentrant corner of this tract of land;

Thence South 00° 00' 47" West, 308.57 feet, along an East line of said Tract 4, being the West line of said Tract 6, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 4, being the Northeast corner of Tract 5, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 89° 46' 17" West, 801.70 feet, along the South line of said Tract 4, being the North line of said Tract 5, to a point marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of said Tract 5, The Southeast corner of a 123.23 acre tract of land, surveyed this same day, the Northeast corner of a 30.53 acre tract of land, surveyed this same day, and lying on the East line of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, Medina County, Texas, said point being the Southwest corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

North 00° 12' 35" East, 437.26 feet, being the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, being an angle point for said 154.17 acre tract of land, an angle point of said 123.23 acre tract of land, said point being an angle point of this tract of land;

North 00° 13' 48" West, 805.06 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 4, being the Southwest corner of Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 00' 30" West, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 3, being the Southwest corner of Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 05' 34" East, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 2, being the Southwest corner of Tract 1, of said John Fischer Estate Lands Division, said point being the Northwest corner of this tract of land;

Thence North 89° 46' 37" East, 1254.28 feet, along the North line of said Tract 2, being the South line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 2, being the Southeast corner of said Tract 1, and lying on the West line of a 50.96 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01' 54" East, 470.56 feet, along an East line of said Tract 2, being the West line of said 50.96 acre tract of land, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 2, being the Southwest corner of said 50.96 acre tract of land, said point being a reentrant corner of this tract of land;

Thence South 89° 54' 29" East, 721.96 feet, along a North line of said Tract 2, being the South line of said 50.96 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said Tract 2, being the Northwest corner of a 4.17 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being the Northeast corner of this tract of land;

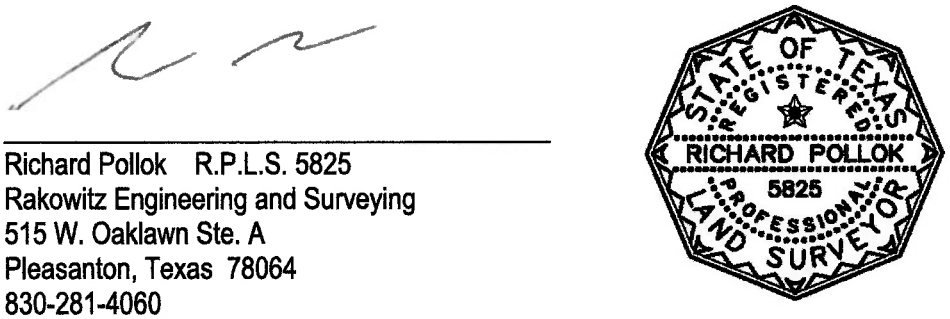
Thence South 00° 37' 18" East, 612.81 feet, along the East line of said Tract 2, being the West line of said 4.17 acre tract of land, and a 10.07 acre tract of land, described in an instrument, recorded in Clerk's File No. 2017005350, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 2, being the Northeast corner of said Tract 3, said point being an angle point of this tract of land;

Thence South 00° 29' 41" East, 907.75 feet, along the East line of said Tract 3, being the West line of said 10.07 acre tract of land, and a 6.587 acre tract of land, described in an instrument, recorded in Volume 321, Page 615, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of Tract 2, being the Northeast corner of said Tract 4, said point being an angle point of this tract of land;

Thence South 00° 16' 27" East, 934.20 feet, along the East line of said Tract 4, being the West line of said 6.587 acre tract of land, and continuing along the West line of a 0.925 acre tract of land, described in an instrument, recorded in Volume 403, Page 139, Deed Records, Medina County, Texas, and continuing along the West line of said 36.1 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 254.69 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.

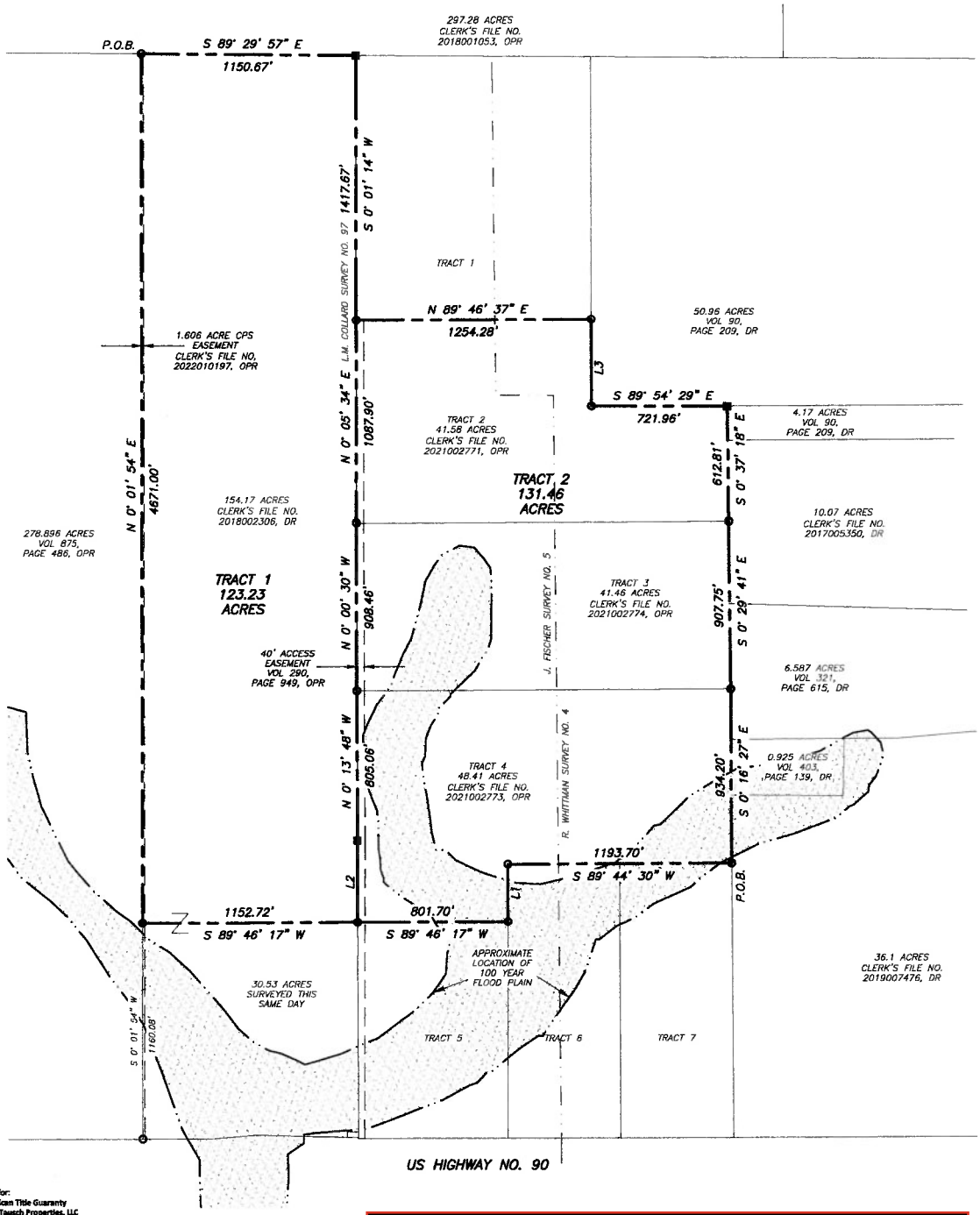


Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

PLAT OF SURVEY

OF

A 123.23 ACRE TRACT OF LAND, CALLED TRACT 1, BEING A PORTION OF A 153.76 ACRE TRACT OF LAND, CALLED 154.17, AND A 131.46 ACRE TRACT OF LAND, CALLED TRACT B, BEING ALL OF A 41.58 ACRE TRACT OF LAND, CALLED TRACT 2, ALL OF A 41.46 ACRE TRACT OF LAND, CALLED TRACT 3, AND ALL OF A 48.41 ACRE TRACT OF LAND, CALLED TRACT 4, OF THE JOHN FISCHER ESTATE LANDS DIVISION, LYING IN THE JOSEPH FISCHER SURVEY NO. 5, ABSTRACT NO. 1269, THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, AND THE ROMANUS WHITMAN SURVEY NO. 4, ABSTRACT NO. 1348, MEDINA COUNTY, TEXAS



1" = 400'

THE BASIS OF BEARING ON THIS PLAT IS GRID NORTH, TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83 (2011), SOUTH CENTRAL ZONE

Line Table		
Line #	Length	Direction
L1	308.57	S0° 09' 47"W
L2	437.26	N0° 12' 35"E
L3	470.56	S0° 01' 54"E

LEGEND

- Set 5/8 inch steel rod monument with cap stamped Rakowitz Engineering & Surveying
- Found 5/8 inch steel rod monument
- TxDot brass disk monument
- Fence corner post
- A calculated point
- Boundary line
- Adjoiner
- Barbed wire fence
- OHE — OHE — Overhead electric

Prepared for:
First American Title Guaranty
Dickerson Tausch Properties, LLC
Crown Money, LLC
KF Flat Creek, LP

REFERENCES:

DEED:
Clerk's File No. 2021002771, OPR
Clerk's File No. 2018002906, OPR
Clerk's File No. 2021002773, OPR
Clerk's File No. 2021002774, OPR
Flood plain panel #48325C0530D
Issued date: 5-15-2020

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that this plat was prepared from an actual survey done by me or under my direct supervision, and that to the best of my knowledge and belief it is a true and correct representation of said survey. This survey substantially complies with the current Texas Society of Professional Surveyors Manual of Practice requirements for a Category 1A, Condition 2.

STATE OF TEXAS
REGISTERED
RICHARD POLLOK
5825
PROFESSIONAL
LAND SURVEYOR

[redacted]

Rakowitz
ENGINEERING & SURVEYING
830.281.4080 515 W. OAKLAWN STE A PLEASANTON, TX 78064

Date of survey: April 25,
Update of survey: August 1
Job No. 22-2818B

DEVELOPMENT SUMMARY						
AREA/PHASE	LAND USE	AREA (Ac.)	DENSITY (DU/Ac.)	UNITS/LOTS	OPEN SPACE REQ. (Ac.)	OPEN SPACE PROVIDED (Ac.)
AM	AMENITY CENTER	10.70				10.70
OS	OPEN SPACE AREAS	6.29				6.29
FLP	FLOODPLAIN	15.01				15.01
LDA	LOCAL DRAIN AREAS	4.49				-
DET	DETENTION AREAS	9.21				-
RES-1	SINGLE-FAMILY RESIDENTIAL	16.99	4.24	72	3.40	0.17
RES-2	SINGLE-FAMILY RESIDENTIAL	16.14	3.66	59	3.23	0.16
RES-3	SINGLE-FAMILY RESIDENTIAL	15.94	4.77	76	3.19	0.16
RES-4	SINGLE-FAMILY RESIDENTIAL	64.41	3.66	236	12.88	0.64
RES-5	SINGLE-FAMILY RESIDENTIAL	76.92	2.94	226	15.38	0.77
ROW	ARTERIAL RIGHT OF WAY	14.24				
CS	CITY SERVICES-WATERTOWER SITE	4.35				4.35
	TOTAL	254.69		669	38.08	38.25

1.6 AC
1.5 AC
10.7 AC
0.6 AC
1.4 AC
1.2 AC
0.9 AC
0.94 AC
1.0 AC
Roadway by Others
US HIGHWAY 90

KINGFISH
REAL ESTATE | DEVELOPMENT | CONSULTING

FLAT CREEK SUBDIVISION CONCEPTUAL LAND USE SITE PLAN

CITY OF CASTROVILLE - MEDINA COUNTY - TEXAS

August 15, 2023 - Ver M

FLAT CREEK CASTROVILLE PROPERTY OWNERS' ASSOCIATION, INC.

PUBLIC IMPROVEMENT MAINTENANCE AGREEMENT

This Public Improvement Maintenance Agreement (this *Agreement*) is made and entered into on this the ___ day of _____, 202___, by and between **City of Castroville, Texas** (the *City*), a Type A general law municipality, and **Flat Creek Castroville Property Owners' Association** (the *Association*), a Texas property owners association organized and existing under laws of the State of Texas and having the powers and limitations provided under Title 11 of the Texas Property Code, for the purpose for providing the terms for the Association's maintenance of public parkland and storm drainage improvements within the hereinafter-defined District. The City and the Association are herein referred to individually as a *Party* and, together, as the *Parties*.

W I T N E S S E T H

WHEREAS, the City has, pursuant to applicable law, created the **Castroville East Side Public Improvement District No. 2** (the *District*) on approximately 254.69 acres of land located within the City (such land, as more particularly described on Exhibit "A" attached hereto and made a part hereof, the *Land*) to facilitate its development for use as mixed use residential and commercial master planned community (the such development, the *Project*); and

WHEREAS, through the District, the City will provide, by revenues resultant from assessments levied and imposed on certain property within the District, a mechanism for payment of a portion of the costs of certain public improvements within the District that are necessary and incidental to Project development; and

WHEREAS, as a condition to its creation of the District and provision of the aforementioned mechanism to finance a portion of the costs of public improvements within the District, the City requires that the ongoing maintenance obligations of the hereinafter-defined Public Improvements be assumed by a non-City entity associated with the Project or the related costs be paid by or from District-associated resources to prevent these costs resultant from Project development, which the City has facilitated, from becoming a burden on the general revenues of the City and its residents and property owners that do not reside within or directly enjoy the benefits resultant from the District; and

WHEREAS, the Developer has created the Association to provide services related to the developed Project as specified in its bylaws, including the ongoing maintenance of the Public Improvements in accordance with the provisions of this Agreement and payment of the associated costs from its fees collected from property owners within the District and subject to the Association's jurisdiction; and

WHEREAS, entry into this Agreement satisfies the City's condition to the District creation and utilization of its available powers to provide a mechanism for financing a portion of the costs of certain public improvements within the District, as described above; and

WHEREAS, the Parties, for the mutual consideration hereinafter stated, desire to enter into this Agreement, pursuant to which the Association assumes responsibility for maintaining the Public Improvements (which includes payment of the associated costs of such maintenance); and

NOW, THEREFORE, THE PARTIES AGREE TO THE FOLLOWING:

SECTION 1. Definition of Certain Terms. For purposes of this Agreement, the following terms shall have the ascribed meanings:

a. *Consultant's Plan* has the meaning ascribed thereto in the Development Agreement, dated as _____, between the City and the Developer pertaining to the Project.

b. *Developer* shall mean _____, a Texas _____.

c. *Engineer* shall mean _____.

d. *Parkland* shall mean common areas and other land within the District dedicated to the City by the Developer and established as property available to the general public for recreational use (to specifically include promenades, plazas, and bridges over permanent water features).

e. *Public Improvements* shall mean, collectively, the Parkland and the Storm Drainage Improvements.

f. *Storm Drainage Improvements* shall mean trench excavation and embedment, trench safety, concrete box culverts, reinforced concrete pipe, manholes, junction boxes, drainage inlets, headwall and wingwall structures, related earthwork, excavation, erosion control, detention ponds, and all other necessary appurtenances required to capture storm water runoff generated within the District.

SECTION 2. Association Agreement to Maintain Public Improvements.

a. *General*. The Association hereby exclusively agrees, at its sole cost and expense, to maintain the Public Improvements.

b. *Storm Drainage Improvements*. Maintaining Storm Drainage Improvements shall mean keeping in good structural condition all Storm Drainage Improvements and repairing and addressing any defects in or to the Storm Drainage Improvements that, if left unrepaired or unaddressed, might impair their hydraulic capacity or structural soundness, to include:

i. Maintaining access to the Storm Drainage Improvements for maintenance and inspection;

ii. Repairing defects in the storm drainage piping system, including leaking pipe joints, deflection of flexible pipe diameter in excess of 5%, pipe structural failure, or other defects;

iii. Removing obstructions from any inlet and outlet structures;

iv. Repairing concrete channel lining, pilot channels, rock rip-rap (including replacement, as needed, to maintain rock layer thickness, as designed), gabions or any other channel lining material and to repair any defects in the channel lining material including undermining, excessive cracking and settlement, structural failure, or other defects;

v. Repairing channels, ditches and detention or retention ponds and to repair erosion in same by backfilling the eroded area and re-establishing protective vegetation or by armoring the eroded area with gabions, rock rip-rap, concrete or other material approved by the Engineer;

vi. At least annually, removing willows, cottonwoods or other "woody" vegetation from channels, ditches, detention ponds and retention ponds;

vii. As frequently as required to prevent grassy vegetation from exceeding a height of more than one foot, mowing ditches, earthen channels and detention or retention ponds;

viii. Removing, as needed, accumulated debris, trash or sediment (with sediment accumulations in detention ponds not to exceed 18-inches before removal is required); and

ix. Maintaining minimum water levels in Storm Drainage Improvements intended upon construction to permanently hold water (as indicated in the Consultant's Plan).

The Association shall periodically (as needed based on weather conditions, but no less frequently than every 90 days) inspect or cause the inspection of all Storm Drainage Improvements to determine the necessity of action to address needed maintenance or repair. Remedial action shall be taken within 30 days of the Association's awareness of an issue (meaning that the Association shall commence necessary maintenance or repairs within 30 days of such awareness and diligently work toward their completion). At least annually, the Association shall commission the Engineer to complete a written inspection report concerning the condition and functionality of the Storm Drainage Improvements, deliver a copy of such report to the City, and take action, as described above, within 30 days of delivery of such report to address any identified deficiencies in, or recommendations concerning functionality or performance of, the Storm Drainage Improvements.

c. Parkland. Maintaining the Parkland shall mean at all times keeping and maintaining, or causing to be kept and maintained, the Parkland (including any improvements thereon and all other buildings and improvements erected therein) in a good state of appearance and repair (except for reasonable wear and tear), to include:

i. Maintening grass height according to species and variety of grass;

ii. Regularly mowing, aerating, fertilizing, seeding or reseeding, resodding and controlling weeds in areas that are seeded or sodded;

iii. Pruning all trees and shrubs, as needed;

iv. Maintaining an adequate number of trash cans (based on frequency of use and in plentiful quantity to hold all trash usually generated between servicing without overflowing) and emptying the same on at least a daily basis;

v. Sweeping the area on daily basis to remove and keep the area free of trash;

vi. Removing graffiti on any surface withing 24 hours of the incident;

vii. Remediating, upon discovery, insect, rodent, and invasive species infestations;

viii. Cleaning sidewalks and pavilions so that at no time is there an accumulation of sand, dirt, or leaves;

ix. Maintaining playground equipment, play areas, fields, sports courts, lighting systems, and flagpoles to ensure the equipment and spaces are in safe, clean, operating condition and free and clear of hazards and hazardous conditions;

x. Cleaning and sanitizing all restrooms and drinking fountains on a daily basis or more frequently, as and when required;

xi. Stocking all restrooms at a minimum of once per day or more frequently as needs arise;

xii. Providing and maintaining adequate security lighting and signage (to include wayfinding and mile markers on trail systems) free of loose rivets, missing text, graffiti, and other conditions that makes interpretation difficult or impossible;

xiii. Maintaining in good repair any trail system, to include elimination of all trip hazards, remediating impacts of erosion, periodic resurfacing, elimination of buildup of soil or debris that prevents water flow, and maintenance of an 8' vertical clearance; and

xiv. Upon discovery, eliminating user created "trails".

The Association shall, as frequently as necessary to maintain a safe and sanitary environment, inspect or cause the inspection of all Parkland to determine the necessity of action to address needed maintenance or repair. Remedial action shall be taken as and when needed and shall be diligently continued through satisfactory conclusion to address matters requiring attention with respect to Parkland maintenance.

SECTION 3. Annual Budget. The Association shall annually budget for the anticipated costs of maintaining the Public Improvements, which shall include (i) the costs of any necessary repair plan herein described coming due in the reporting period covered by such annual budget and (ii) adequate annual reserves to provide sufficient available sources of periodic major maintenance and capital repair and replacement of Public Improvements. Until such time as the Association has obtained sufficient experience to formulate the anticipated Public Improvements maintenance costs unassisted (herein determined to mean preparation of at least three annual budgets after the warranties for dedicated Public Improvements have expired), the Association shall enlist the Engineer's assistance in preparing the Public Improvements maintenance cost component of its annual budget.

SECTION 4. Payment of Public Improvements Maintenance Costs. To pay the costs of maintaining the Public Improvements, the Association shall either (i) charge an annual fee to its property owners or (ii) collect funds from the Developer in an amount at least equal to such budgeted annual maintenance costs. In determining the annual fee, the Association may take into account other funds then-available to the Association to pay such annual Public Improvements maintenance costs including funds collected from the Developer. In the event that unforeseen circumstances shall arise during the course of a financial reporting that necessitate additional funding to pay the costs of maintaining Public Improvements (including reimbursement of the City for costs of emergency repairs made pursuant to Section 5 below), the Association shall either (i) impose upon its property owners a special assessment (which is a charge on such property owners separate and distinct from any assessment thereon levied by the City pursuant to Chapter 372, as amended, Texas Local Government Code) or (ii) collect funds from the Developer in an aggregate amount sufficient to pay such unanticipated and unbudgeted Public Improvements maintenance costs.

SECTION 5. City Inspection of Public Improvements; Emergency Repairs. The City may, from time to time, but not more frequently than every 12 months, review the state of repair, condition, and cleanliness of the Public Improvements and provide a written report of its findings to the Association. If the City, in its review, finds the condition of the Public Improvements to not meet its standards for other similar public improvements owned and maintained by the City or in accordance with their original specifications applicable at the time of their respective construction , then the City shall detail and deliver in writing to the Association the specific instances of failure. The Association shall have 30 days from

receipt of this written notice to address or object to the specific failures in Public Improvements maintenance identified by the City.

If the City is made aware of emergency safety conditions relative to a Public Improvement, the City will notify the Association and request that the necessary repairs to mitigate the identified safety condition(s) be completed. Upon notification, the Association shall have 3 days to mitigate the identified safety condition(s). If, however the Association is unable to or fails to begin addressing the identified safety condition(s) within a reasonable time after notification, then the City may make repairs to Public Improvements as needed and without further notification to the Association or the owners of property within the District to address the conditions of emergency or safety. Within 30 days of completion of emergency repairs to Public Improvements, the City shall notify the Association of the reasons for its making the repairs and the costs thereof.

SECTION 6. City Funding of Public Improvements Maintenance Costs. The Parties intend that Association revenues realized in accordance with Section 4 hereof shall be sufficient to cover the costs of the Public Improvements. The Parties acknowledge, however, that the City may include as a component of its "maintenance assessment" levied and imposed on assessable property within the District pursuant to the District's Service and Assessment Plan, prepared and updated from time to time by the City Council of the City in accordance with applicable Texas law, the costs of maintaining the Public Improvements in the event the Association is unable or unwilling to fulfill its duties and obligations pursuant to the terms of this Agreement.

SECTION 7. Power and Authority. Each Party represents to the other that it has full power and authority to execute, deliver and perform its obligations hereunder and that the respective governing body of each Party has taken all necessary action on its part required to authorize the execution and delivery hereof and its performance hereunder.

SECTION 8. Notices. Except as otherwise provided herein, it shall be sufficient service of any notice, request, demand, authorization, direction, consent, waiver or other paper required or permitted by this Agreement to be made, given or furnished to or filed with the following persons, if the same shall be delivered in person or duly mailed by first-class mail, postage prepaid or duly transmitted by electronic mail, at the following physical or email addresses:

(a) **To Association at:**

Flat Creek Castroville Property Owners' Association, Inc.,
a Texas non-profit corporation
2611 N Loop 1604 W, Suite 100
San Antonio, Texas 78258

with a copy to:

KF Flat Creek, LP,
a Texas limited partnership
2722 West Bitters Road, Suite 106
San Antonio, Texas 78248

with a copy to:

Melissa Killen
Killen, Griffin & Farrimond, PLLC
10101 Reunion Place, Suite 250
San Antonio, Texas 78216
Email: melissa@kgftx.com

(b) **To City at:**

City of Castroville, Texas
Attn: City Administrator
1209 Fiorella Street
Castroville, Texas 78009

with a copy to:

Clay Binford
McCall, Parkhurst & Horton L.L.P.
112 E. Pecan Street, Suite 1310
San Antonio, Texas 78205
Phone: 210-225-2819
Email: cbinford@mphlegal.com

If, because of the temporary or permanent suspension of mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such delivery of notice in lieu thereof as shall be made with the approval of the City shall constitute a sufficient notice.

SECTION 9. Severability. If any terms or provisions of this Agreement or the application of any terms or provisions of this Agreement to a particular situation, are held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this Agreement or the application of such terms or provisions of this Agreement to other situations, will remain in full force and effect unless amended or modified by mutual consent of the Parties; provided that, if the invalidation, voiding or unenforceability would deprive either Party of material benefits derived from this Agreement, or make performance under this Agreement unreasonably difficult, then the Parties will meet and confer and will make good faith efforts to amend or modify this Agreement in a manner that is mutually acceptable to the Parties.

SECTION 10. Amendment. No amendment, modification, or alteration of the terms of this Agreement will be binding unless it is in writing, dated subsequent to the date of this Agreement, and duly executed by the Parties.

SECTION 11. Binding Agreement; Successors and Assigns. This Agreement will be binding upon and inure to the benefit of each of the Parties and their respective successors and permitted assigns.

SECTION 12. Correction of Technical Errors. If, by reason of inadvertence, and contrary to the intention of the Parties, errors are herein made in the legal descriptions or the references thereto or within any exhibit with respect to the legal descriptions, in the boundaries of any parcel in any map or drawing which is an exhibit, or in the typing of this Agreement or any of its exhibits or any other similar matters, the Parties by mutual agreement may correct such error by memorandum executed by them without the necessity of amendment of this Agreement.

SECTION 13. Governing Law and Venue. The laws of the State and the rules and regulations issued pursuant thereto shall govern the validity, construction, enforcement, and interpretation of this Agreement, without regard to conflict of law provisions. All claims, disputes and other matters in question arising out of or relating to this Agreement, or the breach thereof, shall be decided by proceedings instituted and litigated in a State court of competent jurisdiction sitting in Medina County, Texas, and the Parties hereto expressly consent to the venue and jurisdiction of such court. Any provision included or incorporated herein by reference that conflicts with said laws, rules and regulations shall be null and void and shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise.

SECTION 14. No Waiver of Sovereign Immunity. NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED TO WAIVE THE SOVEREIGN IMMUNITY OF THE CITY. THE CITY IS ENTERING INTO THIS AGREEMENT IN ITS GOVERNMENTAL FUNCTION AND CAPACITY AND THIS AGREEMENT DOES NOT CONSTITUTE AN EXERCISE OF THE CITY'S REGULATORY POWERS (E.G., REGULATORY APPROVALS OR IN ANY OTHER REGULATORY CAPACITY). THE ASSOCIATION ACKNOWLEDGES THAT THE CITY CANNOT CONTRACT IN ANY MANNER REGARDING THE EXERCISE, AND NOTHING CONTAINED HEREIN CONSTITUTES THE CITY'S EXERCISE, OF ITS REGULATORY POWERS OR A WAIVER OF ITS SOVEREIGN IMMUNITY PROTECTIONS.

SECTION 15. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed original and all of which, when taken together, shall constitute one and the same document.

SECTION 16. No Personal Liability. None of the members of the City Council, the Association's governing body, or any officer, agent, or employee of either Party shall be charged personally by the other Party with any liability, or be held liable to the other Party under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach, of this Agreement.

SECTION 17. Recordation. This Agreement, upon execution by both Parties, shall be recorded in the real property records maintained by the City Clerk of Medina County.

SECTION 18. Effective Term. This Agreement shall be effective as of its date, shall be perpetual and shall encumber and run with the Land.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, this Public Improvement Maintenance Agreement has been duly executed as of the date of the acknowledgement below, to be effective on the date first above written.

BY:

CITY OF CASTROVILLE, TEXAS

By:
Name:
Title:

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the _____day of _____, 202__, by _____, _____of Castroville, Texas, a Type A general law municipality and a political subdivision of the State of Texas, on behalf of Castroville, Texas.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ___ day of _____, 20__

[SEAL]

_____
Notary Public, State of Texas
Printed Name: _____
My Commission Expires: _____

IN WITNESS WHEREOF, this Public Improvement Maintenance Agreement has been duly executed as of the date of the acknowledgement below, to be effective on the date first above written.

BY:

Flat Creek Castroville Property Owners' Association, Inc.,

a Texas nonprofit corporation

By: Approval of Initial Directors:

By: _____

Name: _____
Title: President

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____, the _____ of the Flat Creek Castroville Property Owners' Association, Inc., a Texas nonprofit corporation, on behalf of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ___ day of _____, 20__

[SEAL]

_____
Notary Public, State of Texas
Printed Name: _____
My Commission Expires: _____

CERTIFICATION

I hereby certify that I am the duly elected and acting President of the Association and that this Policy was approved by not less than a majority vote of the Board of Directors and now appears in the books and records of the Association, which is to be recorded in the Official Public Records of Real Property of Medina County, Texas.

TO CERTIFY which witness my hand this _____ day of _____ 20___.

BY:

FLAT CREEK CASTROVILLE PROPERTY OWNERS' ASSOCIATION, INC.,

a Texas nonprofit corporation

By: _____

Name: _____
Title: President

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____, the _____ of the Flat Creek Castroville Property Owners' Association, Inc., a Texas nonprofit corporation, on behalf of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ___ day of _____, 20__

[SEAL]

_____
Notary Public, State of Texas
Printed Name: _____
My Commission Expires: _____

DECLARANT CONSENT

(in accordance with the Declaration and Bylaws for the Flat Creek Castroville Property Owners' Association)

If the Declarant Control Period or Development Period are in effect, the Declarant expressly consents to the adoption of this document, as evidenced by its signature below.

IN WITNESS WHEREOF, the undersigned hereunto expressly consents to this **Public Improvement Maintenance Agreement**, effective as of this _____ day of _____ 20 ___.

BY:

KF Flat Creek, LP,

a Texas limited partnership

BY:

King Fish Development, LLC,

a Texas limited liability company,

its General Partner

By: _____

Name: _____

Title: _____

Date: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____, the ___ _____ of King Fish Development, LLC, a Texas limited liability company, the general partner of KF Flat Creek, LP, a Texas limited partnership, on behalf of said limited liability company and limited partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this __day of_____ 202_.

[SEAL]

_____

Notary Public, State of Texas
Printed Name: _____
My Commission Expires: _____

EXHIBIT A

LAND DESCRIPTION
(Metes and Bounds)

AFTER RECORDING, RETURN TO:

Declarant:

KF Flat Creek, LP,
a Texas limited partnership
2722 West Bitters Road, Suite 106
San Antonio, Texas 78248

Association:

Flat Creek Castroville Property Owners' Association, Inc.,
a Texas non-profit corporation
2611 N Loop 1604 W, Suite 100
San Antonio, Texas 78258

with a copy to:

Melissa Killen
Killen, Griffin & Farrimond, PLLC
10101 Reunion Place, Suite 250
San Antonio, Texas 78216
Email: melissa@kgftx.com

[redacted] 123.23 Acres, called Tract 1 – Page 1 of 2

State of Texas
County of Medina

Field notes for a tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 1/2 inch steel rod monument, found for the Northwest corner of said 153.76 acre tract of land, being the Northeast corner of a 278.896 acre tract of land, described in volume 875, page 486, of the Deed Records, Medina County, Texas, and lying on the South line of a 297.28 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018001053, of the Official Public Records, Medina County, Texas, said point of beginning being the Northwest corner of this tract of land;

Thence South 89° 29' 57" East, 1150.67 feet, along the North line of said 154.17 acre tract of land, being the South line of said 297.28 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said 154.17 acre tract of land, being the Northwest corner of Tract 1, of the John Fischer Estate Lands Division, described in an instrument, recorded in Volume 290, Page 949 of the Official Public Records of Medina County, Texas, said point being the Northeast corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

South 00° 01' 14' West, 1417.67 feet, being the West line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for Southwest corner of said Tract 1, being the Northwest corner of a 41.58 acre tract of land, called Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 05' 34" West, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 2, being the Northwest corner of a 41.46 acre tract of land, called Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 00' 30" East, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 3, being the Northwest corner of a 48.41 acre tract of land, called Tract 4, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 13' 48" East, 805.06 feet, along the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, said point being an angle point of this tract of land;

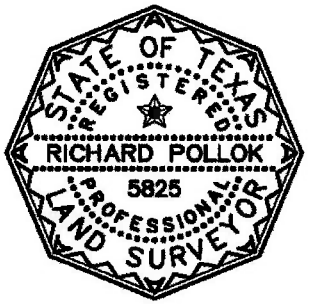
South 00° 12' 35" West, 437.26 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of Tract 5, of said John Fischer Estate Lands Division, the Southeast corner of a 123.23 acre tract of land, surveyed this same day, and the Northeast corner of a 30.53 acre tract of land, surveyed this same day, said point being the Southeast corner of this tract of land;

Thence South 89° 46' 17" West, 1152.72 feet, across said 154.17 acre tract of land, along the North line of said 30.53 acre tract of land, to a point marked by a 5/8 inch steel rod monument, with a cap stamped Rakowitz Engineering and Surveying, set on the West line of said 154.17 acre tract of land, for the Northwest corner of said 30.53 acre tract of land, and lying on the East line of said 278.896 acre tract of land, said point being the Southwest corner of this tract of land;

Thence North 00° 01' 54" East, 4671.00 feet, along the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 123.23 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.



Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

State of Texas
County of Medina

Field notes for a tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 4, being the Northeast corner of Tract 7, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, and lying on the West line of a 36.1 acre tract of land, described in an instrument, recorded in Clerk's File No. 2019007476, Deed Records, Medina County, Texas, said point of beginning being the Southeast corner of this tract of land;

Thence South 89° 44' 30" West, 1193.70 feet, along the South line of said Tract 4, being the North line of said Tract 7 and continuing along the North line of Tract 6, of said John Fischer Estate Lands Division, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 4, being the Northwest corner of said Tract 6, said point being a reentrant corner of this tract of land;

Thence South 00° 00' 47" West, 308.57 feet, along an East line of said Tract 4, being the West line of said Tract 6, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 4, being the Northeast corner of Tract 5, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 89° 46' 17" West, 801.70 feet, along the South line of said Tract 4, being the North line of said Tract 5, to a point marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of said Tract 5, The Southeast corner of a 123.23 acre tract of land, surveyed this same day, the Northeast corner of a 30.53 acre tract of land, surveyed this same day, and lying on the East line of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, Medina County, Texas, said point being the Southwest corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

North 00° 12' 35" East, 437.26 feet, being the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, being an angle point for said 154.17 acre tract of land, an angle point of said 123.23 acre tract of land, said point being an angle point of this tract of land;

North 00° 13' 48" West, 805.06 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 4, being the Southwest corner of Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 00' 30" West, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 3, being the Southwest corner of Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 05' 34" East, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 2, being the Southwest corner of Tract 1, of said John Fischer Estate Lands Division, said point being the Northwest corner of this tract of land;

Thence North 89° 46' 37" East, 1254.28 feet, along the North line of said Tract 2, being the South line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 2, being the Southeast corner of said Tract 1, and lying on the West line of a 50.96 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01' 54" East, 470.56 feet, along an East line of said Tract 2, being the West line of said 50.96 acre tract of land, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 2, being the Southwest corner of said 50.96 acre tract of land, said point being a reentrant corner of this tract of land;

Thence South 89° 54' 29" East, 721.96 feet, along a North line of said Tract 2, being the South line of said 50.96 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said Tract 2, being the Northwest corner of a 4.17 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being the Northeast corner of this tract of land;

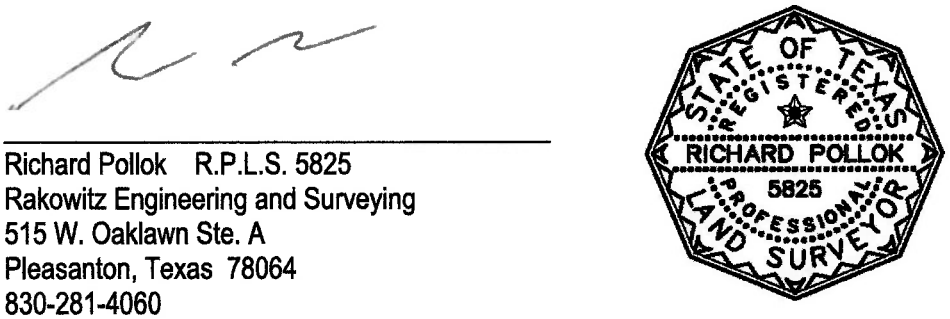
Thence South 00° 37' 18" East, 612.81 feet, along the East line of said Tract 2, being the West line of said 4.17 acre tract of land, and a 10.07 acre tract of land, described in an instrument, recorded in Clerk's File No. 2017005350, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 2, being the Northeast corner of said Tract 3, said point being an angle point of this tract of land;

Thence South 00° 29' 41" East, 907.75 feet, along the East line of said Tract 3, being the West line of said 10.07 acre tract of land, and a 6.587 acre tract of land, described in an instrument, recorded in Volume 321, Page 615, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of Tract 2, being the Northeast corner of said Tract 4, said point being an angle point of this tract of land;

Thence South 00° 16' 27" East, 934.20 feet, along the East line of said Tract 4, being the West line of said 6.587 acre tract of land, and continuing along the West line of a 0.925 acre tract of land, described in an instrument, recorded in Volume 403, Page 139, Deed Records, Medina County, Texas, and continuing along the West line of said 36.1 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 254.69 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.

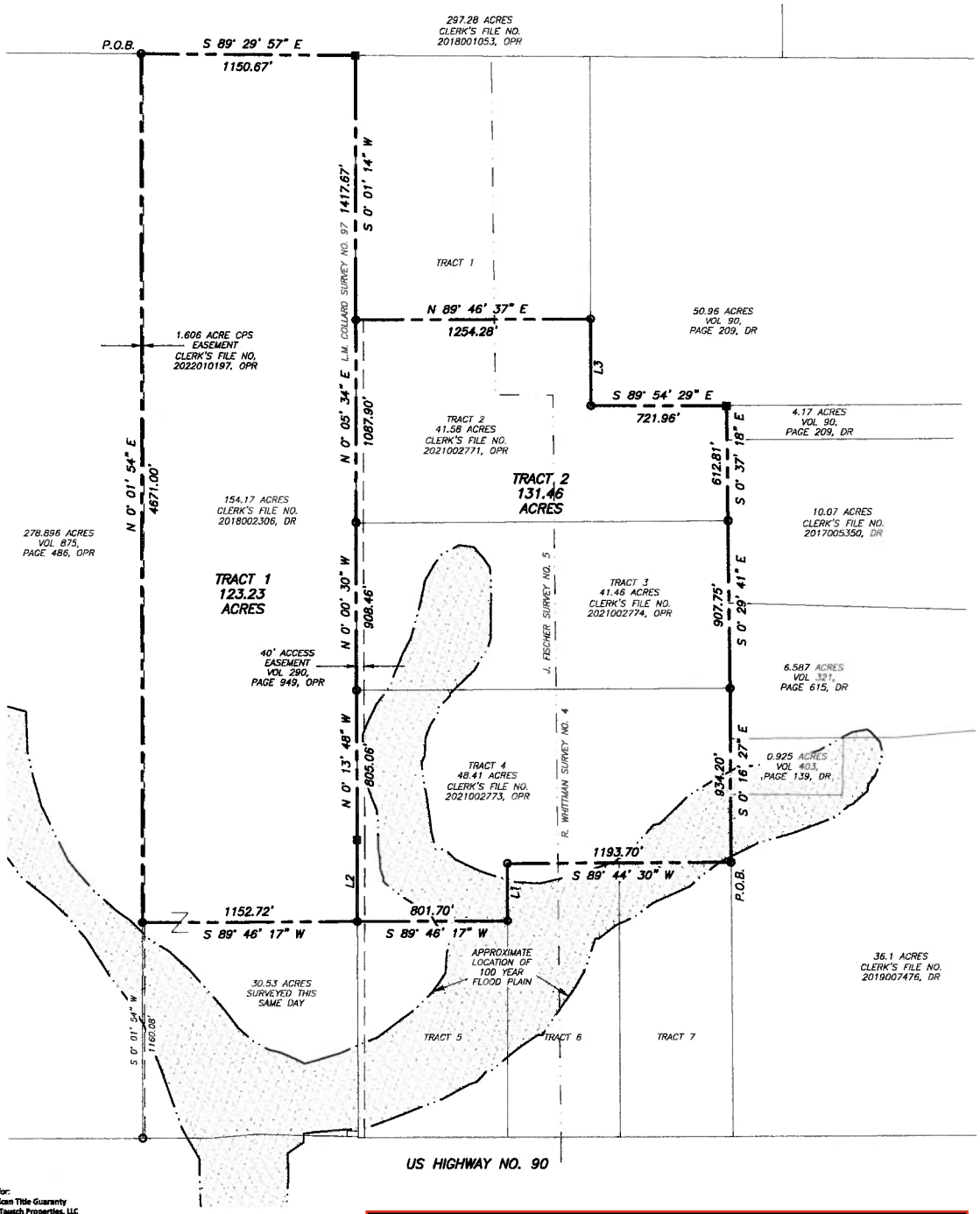


Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

PLAT OF SURVEY

OF

A 123.23 ACRE TRACT OF LAND, CALLED TRACT 1, BEING A PORTION OF A 153.76 ACRE TRACT OF LAND, CALLED 154.17, AND A 131.46 ACRE TRACT OF LAND, CALLED TRACT B, BEING ALL OF A 41.58 ACRE TRACT OF LAND, CALLED TRACT 2, ALL OF A 41.46 ACRE TRACT OF LAND, CALLED TRACT 3, AND ALL OF A 48.41 ACRE TRACT OF LAND, CALLED TRACT 4, OF THE JOHN FISCHER ESTATE LANDS DIVISION, LYING IN THE JOSEPH FISCHER SURVEY NO. 5, ABSTRACT NO. 1269, THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, AND THE ROMANUS WHITMAN SURVEY NO. 4, ABSTRACT NO. 1348, MEDINA COUNTY, TEXAS



1" = 400'

THE BASIS OF BEARING ON THIS PLAT IS GRID NORTH, TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83 (2011), SOUTH CENTRAL ZONE

Line Table		
Line #	Length	Direction
L1	308.57	S0° 09' 47"W
L2	437.26	N0° 12' 35"E
L3	470.56	S0° 01' 54"E

LEGEND

- Set 5/8 inch steel rod monument with cap stamped Rakowitz Engineering & Surveying
- Found 5/8 inch steel rod monument
- TxDot brass disk monument
- Fence corner post
- A calculated point
- Boundary line
- Adjoiner
- Barbed wire fence
- OHE — OHE — Overhead electric

Prepared for:
First American Title Guaranty
Dickerson Tausch Properties, LLC
Crown Money, LLC
KF Flat Creek, LP

REFERENCES:

DEED:
Clerk's File No. 2021002771, OPR
Clerk's File No. 2018002906, OPR
Clerk's File No. 2021002773, OPR
Clerk's File No. 2021002774, OPR
Flood plain panel #48325C0530D
Issued date: 5-15-2020

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that this plat was prepared from an actual survey done by me or under my direct supervision, and that to the best of my knowledge and belief it is a true and correct representation of said survey. This survey substantially complies with the current Texas Society of Professional Surveyors Manual of Practice requirements for a Category 1A, Condition 2.

STATE OF TEXAS
REGISTERED
RICHARD POLLOK
5825
PROFESSIONAL
LAND SURVEYOR

[redacted]

Rakowitz
ENGINEERING & SURVEYING
830.281.4080 515 W. OAKLAWN STE A PLEASANTON, TX 78064

Date of survey: April 25,
Update of survey: August 1
Job No. 22-2818B

Flat Creek HOA

Total Lots	670	
70%	469	
Projected Closings Per Month	8	
Annual Assessment Rate	$ 500.00	
Quarterly Assessment Rate	$ 125.00	
Working Cap Fee	$ 500.00	

INCOME

Income	Buildout Budget	Description
Assessments	$ 335,000.00	
Total Income	335,000	

EXPENSES

Administrative		
Audit and Tax Services	$ 400.00	
General Admin	$ 1,000.00	
Management Fee Charged at 70%	$ 21,600.00	
Technology Fee	$ 840.00	
Insurance- G/L & Property/ Umbrella	$ 7,500.00	
Insurance- D&O	$ 3,000.00	
Mailing Expense- General	$ 4,200.00	
Mailing Expense- Violation	$ 2,500.00	
Amenity Expenses		
Pool Mgmt	$ 18,000.00	
Amenity Porter	$ 12,000.00	
Pool Furniture	$ 3,000.00	
Pool Gate Service	$ 1,500.00	
Pool Phone	$ 1,200.00	
Amenity Maint/Repairs	$ 1,500.00	
Kiddie Mulch Replenish	$ 2,400.00	
Amenity Security and Surveilance	$ 1,500.00	
Social Committee	$ 4,000.00	
Maintenance		
Landscape Maintenance- Contract	$ 120,000.00	
Color Change/Monument	$ 5,000.00	
Fence Maint/ Repairs	$ 4,500.00	
Irrigation Maint/ Repairs	$ 2,500.00	
Trail Maintenance	$ 3,500.00	
Open space/extra trail area	$ 12,000.00	
General Repairs	$ 2,500.00	
Utilities		
Electric	$ 8,000.00	
Water	$ 16,000.00	
Seasonal	$ 2,500.00	
Misc Expense		
Transfer to Reserve	$ 72,360.00	
Street Repair/ Fund	$ -	
Expense Accounts Total	$ 262,640.00	

Flat Creek HOA

Anticipated Expenses	12 Month	6 Month	3 Month
EXPENSES			
Administrative			
Technology Fee	$ 840.00	$ 420.00	$ 210.00
Set Up Fee	$ 500.00	$ 500.00	$ 500.00
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ 7,500.00	$ 7,500.00
Insurance- D&O	$ 3,000.00	$ 3,000.00	$ 3,000.00
Maintenance			
Landscape Maintenance- Contract	$ 120,000.00	$ 60,000.00	$ 30,000.00
Retention Pond Maintenance	$ 12,000.00	$ 6,000.00	$ 3,000.00
General Repairs	$ 2,500.00	$ 1,250.00	$ 625.00
Utilities			
Electric	$ 8,000.00	$ 4,000.00	$ 2,000.00
Water	$ 16,000.00	$ 8,000.00	$ 4,000.00
Funding Request	**$ 170,340.00**	**$ 90,670.00**	**$ 50,835.00**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		8	24	32	40	48	56	64
Projected Closing Per Month		8	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		-8	-16	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 1,000	$ -	$ -	$ 5,000	$ -	$ -	$ 8,000
Builder Assessments:		$ (500)	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 1,000	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 5,500**	**$ 4,667**	**$ 4,333**	**$ 10,000**	**$ 4,667**	**$ 4,333**	**$ 13,000**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 16	$ 16	$ 80	$ 16	$ 16	$ 128	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 1	$ 2	$ 3	$ 4	$ 5	$ 6	$ 6
Amenity Expenses								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,437**	**$ 20,438**	**$ 20,503**	**$ 20,840**	**$ 20,441**	**$ 20,554**	**$ 20,442**
Deficit Funding Requirement		$ (14,937)	$ (30,709)	$ (46,878)	$ (57,718)	$ (73,493)	$ (89,713)	$ (97,155)

72	80	88	96	104	**104**
8	8	8	8	8	**96**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 11,000	$ -	$ -	**$ 25,000**
$ -	$ -	$ -	$ -	$ -	**$ (500)**
$ 667	$ 333	$ 1,000	$ 667	$ 333	**$ 8,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	**$ 48,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 16,000**	**$ 4,667**	**$ 4,333**	**$ 80,500**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 45	$ 83	$ 83	$ 83	$ 83	**$ 962**
$ 982	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 20,782**
$ 38	$ 70	$ 70	$ 70	$ 70	**$ 808**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ 176	$ -	$ -	$ 224	**$ 400**
$ 16	$ 16	$ 16	$ 16	$ 16	**$ 368**
$ 7	$ 8	$ 9	$ 10	$ 10	**$ 71**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 19,555	**$ 20,620**	**$ 20,445**	**$ 20,446**	**$ 20,670**	**$ 245,391**
$ (112,044)	$ (128,331)	$ (132,775)	$ (148,554)	$ (164,891)	**$ (164,891)**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		112	128	136	144	152	160	168
Projected Closing Per Month		8	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		0	0	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 14,000	$ -	$ -	$ 18,000	$ -	$ -	$ 21,000
Builder Assessments:		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 1,000	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 19,000**	**$ 4,667**	**$ 4,333**	**$ 23,000**	**$ 4,667**	**$ 4,333**	**$ 26,000**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 16	$ 16	$ 288	$ 16	$ 16	$ 336	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 11	$ 13	$ 14	$ 14	$ 15	$ 16	$ 17
Amenity								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,447**	**$ 20,449**	**$ 20,722**	**$ 20,850**	**$ 20,451**	**$ 20,772**	**$ 20,453**
Deficit Funding Requirement		$ (1,447)	$ (17,229)	$ (33,618)	$ (31,468)	$ (47,253)	$ (63,691)	$ (58,144)

176	184	192	200	208	**208**
8	8	8	8	8	**96**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 24,000	$ -	$ -	**$ 77,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 667	$ 333	$ 1,000	$ 667	$ 333	**$ 8,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	**$ 48,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 29,000**	**$ 4,667**	**$ 4,333**	**$ 133,000**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 83	$ 83	$ 83	$ 83	$ 83	**$ 1,000**
$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 21,600**
$ 70	$ 70	$ 70	$ 70	$ 70	**$ 840**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 16	$ 384	$ 16	$ 16	$ 432	**$ 1,568**
$ 18	$ 18	$ 19	$ 20	$ 21	**$ 196**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 20,454	**$ 20,822**	**$ 20,455**	**$ 20,456**	**$ 20,873**	**$ 247,204**
$ (73,931)	$ (90,420)	$ (81,875)	$ (97,665)	$ (114,204)	**$ (114,204)**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		213	226	234	242	250	258	266
Projected Closing Per Month		5	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		0	0	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 26,625	$ -	$ -	$ 30,250	$ -	$ -	$ 33,250
Builder Assessments:		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 625	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 2,500	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 29,750**	**$ 4,667**	**$ 4,333**	**$ 35,250**	**$ 4,667**	**$ 4,333**	**$ 38,250**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 10	$ 16	$ 484	$ 16	$ 16	$ 532	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 21	$ 23	$ 23	$ 24	$ 25	$ 26	$ 27
Amenity								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,451**	**$ 20,459**	**$ 20,927**	**$ 20,860**	**$ 20,461**	**$ 20,978**	**$ 20,463**
Deficit Funding Requirement		$ 9,299	$ (6,493)	$ (23,087)	$ (8,697)	$ (24,492)	$ (41,136)	$ (23,349)

274	282	290	298	306	**306**
8	8	8	8	8	**93**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 36,250	$ -	$ -	**$ 126,375**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 667	$ 333	$ 1,000	$ 667	$ 333	**$ 7,625**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	**$ 46,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 41,250**	**$ 4,667**	**$ 4,333**	**$ 180,500**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 83	$ 83	$ 83	$ 83	$ 83	**$ 1,000**
$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 21,600**
$ 70	$ 70	$ 70	$ 70	$ 70	**$ 840**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 16	$ 580	$ 16	$ 16	$ 628	**$ 2,346**
$ 27	$ 28	$ 29	$ 30	$ 31	**$ 314**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 20,463	**$ 21,028**	**$ 20,465**	**$ 20,466**	**$ 21,079**	**$ 248,100**
$ (39,146)	$ (55,841)	$ (35,056)	$ (50,855)	$ (67,600)	**$ (67,600)**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		314	330	338	346	354	362	370
Projected Closing Per Month		8	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		0	0	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 39,250	$ -	$ -	$ 43,250	$ -	$ -	$ 46,250
Builder Assessments:		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 1,000	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 44,250**	**$ 4,667**	**$ 4,333**	**$ 48,250**	**$ 4,667**	**$ 4,333**	**$ 51,250**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 16	$ 16	$ 692	$ 16	$ 16	$ 740	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 31	$ 33	$ 34	$ 35	$ 35	$ 36	$ 37
Amenity								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,467**	**$ 20,469**	**$ 21,146**	**$ 20,871**	**$ 20,471**	**$ 21,196**	**$ 20,473**
Deficit Funding Requirement		$ 23,783	$ 7,980	$ (8,832)	$ 18,547	$ 2,742	$ (14,120)	$ 16,657

378	386	394	402	410	**410**
8	8	8	8	8	**96**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 49,250	$ -	$ -	**$ 178,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 667	$ 333	$ 1,000	$ 667	$ 333	**$ 8,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	**$ 48,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 54,250**	**$ 4,667**	**$ 4,333**	**$ 234,000**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 83	$ 83	$ 83	$ 83	$ 83	**$ 1,000**
$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 21,600**
$ 70	$ 70	$ 70	$ 70	$ 70	**$ 840**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 16	$ 788	$ 16	$ 16	$ 836	**$ 3,184**
$ 38	$ 39	$ 39	$ 40	$ 41	**$ 438**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 20,474	**$ 21,247**	**$ 20,475**	**$ 20,476**	**$ 21,297**	**$ 249,062**
$ 849	$ (16,064)	$ 17,711	$ 1,901	$ (15,062)	**$ (15,062)**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		418	434	442	450	458	466	474
Projected Closing Per Month		8	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		0	0	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 52,250	$ -	$ -	$ 56,250	$ -	$ -	$ 59,250
Builder Assessments:		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 1,000	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 57,250**	**$ 4,667**	**$ 4,333**	**$ 61,250**	**$ 4,667**	**$ 4,333**	**$ 64,250**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 16	$ 16	$ 900	$ 16	$ 16	$ 948	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 42	$ 43	$ 44	$ 45	$ 46	$ 47	$ 47
Amenity								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,478**	**$ 20,479**	**$ 21,364**	**$ 20,881**	**$ 20,482**	**$ 21,415**	**$ 20,483**
Deficit Funding Requirement		$ 36,772	$ 20,959	$ 3,929	$ 44,298	$ 28,482	$ 11,401	$ 55,168

482	490	498	506	514	**514**
8	8	8	8	8	**96**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 62,250	$ -	$ -	**$ 230,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 667	$ 333	$ 1,000	$ 667	$ 333	**$ 8,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	**$ 48,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 67,250**	**$ 4,667**	**$ 4,333**	**$ 286,000**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 83	$ 83	$ 83	$ 83	$ 83	**$ 1,000**
$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 21,600**
$ 70	$ 70	$ 70	$ 70	$ 70	**$ 840**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 16	$ 996	$ 16	$ 16	$ 1,044	**$ 4,016**
$ 48	$ 49	$ 50	$ 51	$ 51	**$ 563**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 20,484	**$ 21,465**	**$ 20,486**	**$ 20,487**	**$ 21,515**	**$ 250,019**
$ 39,350	$ 22,219	$ 68,983	$ 53,163	$ 35,981	**$ 35,981**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		522	538	546	554	562	570	578
Projected Closing Per Month		8	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		0	-8	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 65,250	$ -	$ -	$ 69,250	$ -	$ -	$ 72,250
Builder Assessments:		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 1,000	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 70,250**	**$ 4,667**	**$ 4,333**	**$ 74,250**	**$ 4,667**	**$ 4,333**	**$ 77,250**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 16	$ 16	$ 1,108	$ 16	$ 16	$ 1,156	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 52	$ 54	$ 55	$ 55	$ 56	$ 57	$ 58
Amenity								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,488**	**$ 20,490**	**$ 21,583**	**$ 20,891**	**$ 20,492**	**$ 21,633**	**$ 20,494**
Deficit Funding Requirement		$ 49,762	$ 33,939	$ 16,689	$ 70,048	$ 54,222	$ 36,923	$ 93,679

586	594	602	610	610	**610**
8	8	8	8	0	**88**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 75,250	$ -	$ -	**$ 282,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 667	$ 333	$ 1,000	$ 667	$ -	**$ 7,667**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ -	**$ 44,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 80,250**	**$ 4,667**	**$ -**	**$ 333,667**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 83	$ 83	$ 83	$ 83	$ 83	**$ 1,000**
$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 21,600**
$ 70	$ 70	$ 70	$ 70	$ 70	**$ 840**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 16	$ 1,204	$ 16	$ 16	$ 1,220	**$ 4,816**
$ 59	$ 59	$ 60	$ 61	$ 61	**$ 687**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 20,495	**$ 21,683**	**$ 20,496**	**$ 20,497**	**$ 21,701**	**$ 250,943**
$ 77,851	$ 60,501	$ 120,255	$ 104,424	$ 82,723	**$ 82,723**

STATE OF TEXAS §
§
COUNTY OF MEDINA §
§
CITY OF CASTROVILLE §

DEVELOPMENT AGREEMENT

BY AND AMONG

CITY OF CASTROVILLE, TEXAS

AND

MKT 179 INVESTMENTS, LLC (FORMERLY DICKERSON TAUSCH PROPERTIES, LLC)

AND

CROWN MONEY, LLC

AND

MKT179, LLC

AND

KF FLAT CREEK, LP

This Development Agreement (this "Agreement") is entered into by and among the City of Castroville, Texas (as further defined herein, the "City"), MKT 179 Investments, LLC (formerly Dickerson Tausch Properties, LLC), Crown Money, LLC, MKT179, LLC (the "Landowners") and KF Flat Creek, LP (the "Developer") and is effective as of the Effective Date for the duration of the Term.

RECITALS

WHEREAS, the Landowners own approximately 255 acres of real property (the "Property") located in Medina County, Texas, approximately 194.17 acres being within the City's extraterritorial jurisdiction (as further defined and described herein, the "City ETJ"; such parcel, "Parcel A") and the remaining 60.83 acres being wholly outside the ETJ ("Parcel B"), as more particularly described by metes and bounds and location map attached hereto as Exhibit A, which Property the Landowners have under contract to sell to the Developer; and

WHEREAS, the Property is not located in any other municipality's corporate limits or extraterritorial jurisdiction; and

WHEREAS, Developer intends to develop the Property as a master-planned residential development, to include associated public infrastructure and other public and private improvements (as further described herein, the "Project"); and

WHEREAS, upon its acquisition of the Property from the Landowners, the Developer has agreed to voluntary, full purpose annexation of the Property, thereafter to be included within the City's corporate limits and to comply with certain terms and conditions regarding the Project's

development, including with respect to subdivision and platting of the Property, design and construction standards, and the design, construction, installation, and inspection of water, sewer, natural gas, electric power, broadband internet service, drainage, roadway, streets, sidewalks, and other public infrastructure and public improvements to serve the Property, all as further described herein; and

WHEREAS, upon full purpose annexation, necessary police, public safety, and other municipal utility services will be provided to the Property as herein described; and

WHEREAS, the Parties intend that the Property be developed (i) as a high-quality residential development and (ii) pursuant to binding, contractual development regulations herein memorialized, that are recorded in the County's Official Public Land Records (so as to bind the Developer, the Developer, and all future owners of the Property or any portion thereof), and that will provide regulatory certainty, among other matters, during the Term of this Agreement; and

WHEREAS, the Developer has communicated to the City that its development of the Project in the manner herein described, and the City has communicated to the Developer that its participation in certain City public works projects necessary for the City's provision of retail water service to the Property, require the City's creation of a public improvement district under Chapter 372 over the entirety of the Property (the "PID"); and

WHEREAS, the City has determined that the Property's annexation and development in accordance with the terms herein provided will benefit the City by, among other things, expanding the City's corporate limits, property tax base, sales and use tax base, and utility system customer base, and by creating additional residential, commercial, and employment opportunities for City residents; and

WHEREAS, the Developer has communicated to the City that it will not close on its purchase of the Property from the Landowner prior to the execution of this Agreement by all Parties; and

WHEREAS, this Agreement is a development agreement of the type described by Subchapter G of Chapter 212; and

WHEREAS, the Parties agree that the provisions of this Agreement substantially advance a legitimate interest of the City by expanding the City's ad valorem tax, and utility system customer bases, and increasing local residential and employment opportunities; and

WHEREAS, the City Council has found that development of the Property in compliance with this Agreement will serve a public purpose and benefit the economy of the City and is in the best interests of the residents of the City; and

NOW, THEREFORE, for and in consideration of the above stated recitals, which are made a part of this Agreement for all purposes, the benefits described below, and the mutual promises expressed herein, the sufficiency of which is hereby acknowledged by the Parties, the Parties hereby contract, covenant, and agree as follows:

ARTICLE 1
DEFINED TERMS

1.01 Construction of Terms. All terms and phrases defined herein shall have the meanings and definitions ascribed thereto. Terms that have well known technical, municipal, or construction or development industry meanings are used in accordance with such recognized meanings, unless otherwise defined herein or unless the context clearly indicates a different meaning. If appropriate in the context of this Agreement, words of the singular shall be considered to include the plural, words of the plural shall be considered to include the singular, and words of the masculine, feminine, or neuter gender shall be considered to include the other genders.

1.02 Definition of Certain Terms. In addition to capitalized terms defined throughout this Agreement, the following terms used in this Agreement have the meaning ascribed thereto:

"Administrative Expenses" means the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of: (i) creating and organizing the PID, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, maintenance, and operation of the PID and the Authorized Improvements, (iii) computing, levying, billing and collecting Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Assessments and the system of registration and transfer of the PID Bonds, (v) issuing, paying and redeeming the PID Bonds, (vi) investing or depositing of monies, (vii) complying with Chapter 372 and other laws applicable to the PID Bonds, (viii) the PID Bond trustee's reasonable fees and expenses relating to the PID Bonds, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Authorized Improvements. Administrative Expenses do not include payment of the actual principal of, redemption premium, if any, and interest on the PID Bonds or any costs of issuance associated with the PID Bonds.

"Administrator" means an employee or contracted designee of the City who shall have the responsibilities provided in the Service and Assessment Plan or any other agreement or document approved by the City related to the duties and responsibilities for the administration of the PID, being (initially) MuniCap, Inc.

"Airport Proximity Consent" means the consent in the form attached hereto as Exhibit N.

"Allocated Water Capacity Cost" means the cost of those improvements to the City's water system that are the subject of the Multi-Party Agreement allocated to the Developer on a pro rata basis (in accordance with the methodology specified in the Multi-Party Agreement).

"Annual Installment" means, with respect to the Assessed Property, the annual installment payments of an Assessment calculated by the Administrator and approved by the City Council.

"Annual Service Plan Update" means the annual review and update of the Service and Assessment Plan required by Chapter 372 and the Service and Assessment Plan.

"Approved Plat" means a final plat for portions of the Property that are approved, from time to time, by the City Council or City staff, as applicable, in accordance with the Governing

Regulations.

"Assessable Property" means all Property other than Non-Benefited Property.

"Assessed Property" means for any year, any Parcel within an Improvement Area, other than Non-Benefited Property, against which an Assessment is levied.

"Assessment Revenues" means money collected by or on behalf of the City from any one or more of the following: (i) an Assessment levied against an Assessed Property, or Annual Installment payment thereof (including any interest on such Assessment or Annual Installment thereof during any period of delinquency), (ii) a Prepayment, (iii) Delinquent Collection Costs, and (iv) Foreclosure Proceeds.

"Assessment Roll(s)" means the Assessment Roll for the Assessed Property included in the Service and Assessment Plan or any other Assessment Roll in an amendment or supplement to the Service and Assessment Plan or in an Annual Service Plan Update showing the total amount of the Assessments, as updated, modified or amended from time to time in accordance with the procedures set forth in the Service and Assessment Plan and in Chapter 372 (including updates prepared in connection with any Annual Service Plan Update).

"Assessment Ordinance" means each ordinance approved by the City Council that levies Assessments, on a Phase-by-Phase basis, on certain Assessed Property in accordance with Chapter 372 to pay for Authorized Improvements Costs, as well as the costs associated with the issuance of the PID Bonds and the Administrative Expenses.

"Assessments" means (i) singularly, the assessment levied against an Assessed Property (as shown on the Assessment Roll), subject to reallocation upon the subdivision of an Assessed Property or reduction according to the provisions of the Service and Assessment Plan and Chapter 372 and (ii) plurally, the aggregate assessments shown on the Assessment Roll.

"Authorized Improvements" means water (including the improvements to the City's water system that are the subject of the Multi-Party Agreement), sewer, drainage, landscaping, hardscaping, and roadway infrastructure, facilities, any other permitted public improvements authorized under Chapter 372, and other soft costs needed to serve and fully develop the Property as set forth in the Consultant's Plan and in the Land Plan (and ultimately to be included in the Service and Assessment Plan) and to be constructed by the Developer or by or on behalf of the City.

"Authorized Improvements Costs" means, with respect to an Authorized Improvement, the demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement. Authorized Improvement Costs may include (a) the costs for the design, planning, financing, administration, management, acquisition, installation, construction and/or implementation of such Authorized Improvement, including general contractor and construction management fees, if any, (b) the costs of preparing the construction plans for such Authorized Improvement, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvement, (d) the costs for external professional costs associated with such Authorized Improvement, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services, and taxes (property and franchise), (e) the costs of all labor,

bonds and materials, including equipment and fixtures, incurred by contractors, builders and material men in connection with the acquisition, construction or implementation of the Authorized Improvements, (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal, and consulting fees, financing charges, taxes, governmental fees and charges (including inspection fees, permit fees, development fees), insurance premiums and miscellaneous expenses. Authorized Improvements Costs may include general contractor's fees in an amount up to a percentage equal to the percentage of work completed and accepted by the City or construction management fees in an amount up to five (5%) percent of the eligible Authorized Improvements Costs described in a certification for payment. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the general contractor and construction management fees are calculated.

"Authorizing Ordinance" means Ordinance No. _____ adopted by the City Council on August 24, 2023, which ordinance authorizes the City's entering into this Agreement and other matters necessary or incidental to the foregoing, all in accordance with Subchapter G of Chapter 212.

"Bankruptcy Event" means (a) commencement of an involuntary proceeding or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of either Developer or of a substantial part of the assets of either Developer under any insolvency or debtor relief law or (ii) the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for either Developer or a substantial part of either Developer's assets and, in any case referred to in the foregoing clauses (i) and (ii), such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; or (b) either Developer shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for either Developer or for a substantial part of either Developer's assets, or (ii) generally not be paying its debts as they become due unless such debts are the subject of a bona fide dispute, or (iii) make a general assignment for the benefit of creditors, or (iv) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition with respect to it described in clause (b)(i) of this definition, or (v) commence a voluntary proceeding under any insolvency or debtor relief law, or file a voluntary petition seeking liquidation, reorganization, an arrangement with creditors or an order for relief under any insolvency debtor relief law, or (vi) file an answer admitting the material allegations of a petition filed against it in any proceeding referred to in the foregoing clauses (i) through (v), inclusive, of this part (b), and, in any case referred to in the foregoing clauses (i) through (v), such action has not been cured within twenty (20) days thereafter.

"Chapter 42" means Chapter 42, as amended, Texas Local Government Code.

"Chapter 43" means Chapter 43, as amended, Texas Local Government Code.

"Chapter 202" means Chapter 202, as amended, Texas Property Code.

"Chapter 212" means Chapter 212, as amended, Texas Local Government Code.

"Chapter 245" means Chapter 245, as amended, Texas Local Government Code.

"Chapter 372" means Chapter 372, as amended, Texas Local Government Code.

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

"Chapter 2258" means Chapter 2258, as amended, Texas Government Code.

"City" means the City of Castroville, Texas, a Texas General Law Type A Municipality, located in the County.

"City Council" means the City Council of the City, as its governing body.

"City ETJ" means the City's Extraterritorial Jurisdiction, as determined under Chapter 42, the unincorporated area that is contiguous to the corporate boundaries of the City and that is located within one-half mile of those boundaries (plus those contiguous areas that are included in the City ETJ by request of the owners thereof), all as further evidenced in the map attached hereto as Exhibit B.

"City Representative" means the City Administrator of the City or another official or representative of the City, as the City representative designated by the City Council to undertake certain duties and obligations hereunder on the City's behalf.

"City Subdivision Ordinance" means Chapter 100 of the Code and any successor ordinance or regulation thereto under which is incorporated the general subject matter of Chapter 100 of the Code that exists as of the Effective Date.

"CFA" means the Construction, Funding, and Acquisition Agreement to be entered into between the City and the Developer.

"Code" means the City Code of Ordinances, as from time to time amended by the City Council.

"Completion Agreement" means that certain "Completion Agreement", in the form attached hereto as Exhibit C, to be entered into prior to or in conjunction with the City's approval of the initial series of PID Bonds by and among the City, the trustee for such series of PID Bond, and the Developer, as the same may be amended, modified or extended, or supplemented from time to time.

"Comprehensive Zoning Ordinance" means Ordinance No. 107, originally adopted by the City Council on June 17, 1975 and as amended from time to time, which ordinance provides for zoning regulations within the City for the purpose of promoting health, safety, morals, and the general welfare of the City, and for the protection and preservation of places and areas of historical and cultural importance and significance therein, and any successor ordinance or regulation thereto under which is incorporated the general subject matter of Ordinance No. 107 that exists as of the Effective Date.

"Continuing Disclosure Agreement" means any continuing disclosure agreement of the Developer executed contemporaneously with the issuance and sale of PID Bonds for purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission.

"County" means Medina County, Texas.

"Delinquent Collection Costs" means interest, penalties, and expenses incurred or imposed

with respect to any delinquent installment of an Assessment in accordance with Chapter 372and the costs related to pursuing collection of an Assessment and foreclosing the lien against the Assessed Property, including attorney's fees.

"Development Documents" means this Agreement, the CFA, the PUD, the Landowner Agreement, the Completion Agreement, and the Reimbursement Agreement.

"End Buyer" means any developer, homebuilder, builder, tenant, user, or occupant/owner of a Fully Developed and Improved Lot, including without limitation a builder who acquires a Fully Developed and Improved Lot with the intent to construct a single-family residence on the lot.

"Effective Date" means August 24, 2023, being the date of this Agreement's effectiveness.

"Fee Ordinance" means the City's ordinance establishing the comprehensive fee schedule for City services, adopted annually and being uniformly applicable to all residents and development within the corporate limits of the City.

"Force Majeure" means the occurrence of war, act of terrorism, acts of God, civil commotion, fire, severe flood, hurricane, tornado, explosion, court order, pandemic, epidemic, or change in legal requirements applicable to the Project other than those in existence as of the Effective Date, but only to the extent that such events or circumstances delay development of the Project by the Developer (as and if applicable) or otherwise make the Developer's development of the Project (as and if applicable) impracticable or impossible, in such responsible Party's commercially reasonable judgement, after taking reasonable steps to mitigate the effects thereof.

"Foreclosure Proceeds" means the proceeds, including interest and penalty interest (but excluding and net of all Delinquent Collection Costs), received by the City from the enforcement of the Assessments against any Assessed Property or Assessed Properties, whether by foreclosure of lien or otherwise.

"Fully Developed and Improved Lot" means any lot, regardless of proposed use, which is served by the Authorized Improvements and for which an Approved Plat has been recorded in the real property records of the County.

"Improvement Area" means a defined area within the Property that is subject to an Assessment Ordinance.

"Land Plan" means the general rendering of the Project (including its critical elements), a copy of which is attached hereto as Exhibit D.

"Landowner Agreement" means an agreement of the owners of the Property from time to time, in the form attached hereto as Exhibit E attached hereto, agreeing to various provisions relative to establishment of the PID, the Property's development, and financing Authorized Improvements Costs.

"Maintenance Agreement" means a "Maintenance Agreement", in the form attached hereto as Exhibit F, to be entered into between the City and each MOA pursuant to which the MOA agrees to undertake the applicable MOA Maintenance Obligations.

"MOA" means a mandatory owner's association, being an association created and existing under Chapter 202 for the purpose of enforcing covenants, conditions, or restrictions contained in a dedicatory instrument, whether mandatory, prohibitive, permissive, or administrative, applicable to property, and assuming the responsibility for maintenance of certain specified Public Infrastructure, Public Improvements, and private amenities within its territory.

"MOA Maintenance Obligations" means the annual costs of operating and maintaining the Project's amenity features (including the Project's central amenity center indicated on the Land Plan), monuments, esplanades, open spaces, common areas (including, but not limited to, all landscaped Project entrances), right-of-way landscaping (including irrigation systems), raised medians and other right-of-way landscaping, Public Improvements that are parks, recreational facilities, playgrounds, walking trails, lakes, and bridges, and Public Infrastructure that are detention areas and ponds, drainage areas and screening walls.

"Multi-Party Agreement" means that certain Multi-Party Agreement to Pay Design Costs Associated with Planned City Utility System Expansion, dated as of August 9, 2022, by and among the City and various private parties, including the Landowners, pursuant to which the parties thereto have agreed to design improvements to the City's water system to expand its capacity to allow for provision of City water service to various developments (including the Project).

"Non-Benefited Property" means Parcels within the boundaries of the PID that accrue no special benefit from the Authorized Improvements.

"Outdoor Lighting" means any temporary or permanent lighting that is installed, located or used in such a manner to cause light rays to shine outdoors, including lighting fixtures that are installed indoors that cause light to shine outside and beyond the perimeter of the Property and/or directly to the sky without shielding (e.g., through a skylight).

"Outdoor Lighting Criteria" means the following criteria applicable to Outdoor Lighting: (i) shielded so that luminous elements of the fixture are not visible from any other property; (ii) uplighting prohibited, with exceptions (as approved by the City, in its sole discretion); (iii) total light output of any nonresidential property shall not exceed 100,000 lumens per net acre; (iv) total light output of any residential property shall not exceed 25,000 lumens per net acre; and (v) lighting for outdoor signs and panels constructed with an opaque background and translucent letters and symbols or with a colored background and lighter letters and symbols.

"Owner Disclosure Program" means the disclosure program, administered by the Assessment Company, as set forth in a document in the form of Exhibit G attached hereto, that establishes a mechanism to disclose to each End Buyer the terms and conditions under which their lot is burdened by the PID.

"Parcel" means a property identified by either a tax map identification number assigned by the Medina County Appraisal District for real property tax purposes, by metes and bounds description, by lot and block number in a final subdivision plat recorded with the Clerk in Medina County's official public records, or by any other means determined by the City.

"Party" or "Parties" means the City, the Landowner, and the Developer, collectively or (as applicable and in context) singularly.

"Phase" means a segment of Project development relating to a portion of the Project, as identified in the PUD.

"PID Bonds" means the assessment revenue bonds issued by the City secured solely by certain of the Assessments levied on specific Assessed Property within the PID to finance the Authorized Improvements that are constructed for the benefit of such Assessed Property.

"Prepayment" means, before the due date thereof, payment of all or a portion of an Assessment, plus accrued but unpaid interest to the date of prepayment, less any amounts (received at the time of such prepayment) that represent a payment of principal, interest or penalties on a delinquent installment of an Assessment (which other amounts are to be treated as the payment of the regularly scheduled Assessment).

"Project" means the single-family residential development and associated private and public improvements to be constructed on the Property in accordance with the terms of this Agreement.

"Public Improvements" means sidewalks, open space and other improvements accessible and enjoyed by the general public, if any, the design, construction, acquisition, development, and payment of which are the responsibility of the Developer (but whose costs may be reimbursed to the Developer or paid directly from funds derived by the City through the PID).

"Public Infrastructure" means the on-site and off-site water, wastewater, natural gas, electric power, drainage, streets and roadway improvements and other public infrastructure necessary or incidental to serve the Property, as the same are identified on each plat to be filed with the City from time to time relating to the Property, the design, construction, acquisition, development, and payment of which are the responsibility of the Developer (but whose costs may be reimbursed to the Developer or paid directly from funds derived by the City through the PID).

"PUD" means a Planned Unit Development plan, to be prepared by the Developer and implemented in accordance with the City Subdivision Ordinance and the Comprehensive Zoning Ordinance and that incorporates and includes the applicable provisions of the Consultant's Plan.

"Reimbursement Agreement" means that certain "Reimbursement Agreement", in the form attached hereto as Exhibit H, to be entered into prior or in conjunction with the City's approval of the initial series of PID Bonds by and among the City and the Developer, as the same may be amended, modified or extended, or supplemented from time to time.

"Residential Construction Standards" means those construction standards applicable to the Project, as specified in Exhibit I.

"Retail Municipal Utility Service" means potable water, sewer, gas, and garbage services provided by the City to the Property.

"Retail Municipal Utility Service Rate Ordinance" means any City ordinance from time to time adopted that establishes the then-current rate schedule for the retail provision of any Retail Municipal Utility Service.

"Service and Assessment Plan" means the PID service and assessment plan to be adopted

by City Council prior to or in conjunction with the approval of the initial series of PID Bonds, as may be amended or updated annually pursuant to an Annual Service Plan Update, to assess allocated costs of the Authorized Improvements against Assessed Property located within the boundaries of the PID, and which has terms, provisions and findings approved and agreed to by the Developer and the City in accordance with Chapter 372.

"Sound Abatement Criteria" means the standards of construction to abate sounds applicable to residential structures as specified by the Code or the Federal Aviation Association.

"State" shall mean the State of Texas.

"Term" means the period of time beginning on the Effective Date and ending on the Termination Date.

"Termination Date" means the date that is the twentieth (20th) anniversary of the Effective Date.

"USA" means a Utility Services Agreement to be negotiated and entered into between the City and the Developer pursuant to which water and wastewater service will be provided by the City to the Property, in substantially the form attached hereto as Exhibit J.

ARTICLE 2
AUTHORITY, TERM, AND LIABILITY

2.01 Authority.

(a) The City enters into this Agreement pursuant to the authority granted thereto under the Constitution and general laws of the State of Texas, including (particularly) Article III, Section 52-a of the Texas Constitution, Subchapter G of Chapter 212, and the Authorizing Ordinance. The Landowner and the Developer enter into this Agreement pursuant to their respective general corporate powers exercised by duly adopted resolution of their respective governing body.

(b) Regarding prescribed uses of portions of the Property herein described, this Agreement is determined to be a plan under which general uses and development of the Property are authorized pursuant to and in accordance with Section 212.172(b)(2), as amended, Texas Local Government Code.

(c) The Developer acknowledges and agrees that the City may zone the Property in a manner consistent with the uses hereunder contemplated, but this Agreement does not constitute a contract for specific zoning.

2.02 Term. This Agreement shall become effective and enforceable on the Effective Date and shall continue through the Termination Date; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, the Developer's failure to deliver to the City by 5:00 p.m., Central time, on September 24, 2023 evidence of its purchase of the Property from the Landowners shall result in the immediate and automatic termination of this Agreement without further or additional action of any Party hereto.

2.03 Landowner as a Party. The Parties acknowledge that the Landowners' inclusion in this Agreement as a Party reflects the fact that the Landowners are the sole party authorized as

of the date hereof to obligate the Property to the provisions hereunder concerning its development. Except with respect to Section 3.04(f), which is expressly excluded from the effect of this Section 2.03, none of the Parties contemplate the Landowners' performance of the operative provisions hereof regarding the development of the Property, which obligations belong solely to the City and the Developer as herein specified. Accordingly, the Landowners shall be automatically released from this Agreement and no longer a Party hereto immediately upon completion of the Landowners' sale of the Property to the Developer (written notice of which shall be provided to the City by the time specified in Section 2.02) without requirement of amendment or supplement to this Agreement. After delivery of such notice to the City, the Landowners shall not be a Party hereunder for any purpose other than with respect to the representations made to the City and the Developer in Section 10.01.

ARTICLE 3
PROJECT DEVELOPMENT, TIMING AND STANDARDS

3.01 Project Development.

(a) Generally; Jurisdiction. Development of the Project shall include the subdivision of the Property, the construction of Public Infrastructure adequate for the development of the Project, the construction of necessary or required Public Improvements, and dedication of Public Infrastructure and Public Improvements to the City. As a result of full-purpose annexation of the Property in accordance with Article 6, the Parties intend that the City shall have and exercise exclusive jurisdiction over the review and approval of preliminary and final plats relative to the Property, the inspection of Public Infrastructure and Public Improvements (designed, constructed and installed pursuant to the Governing Regulations, and conveyed to the City pursuant to the terms hereof and thereof), and the issuance of a Certificate of Occupancy (defined herein) for each Structure (defined herein). As such, prior to full and final annexation of the Property into the City's corporate limits, the Developer may choose to proceed with development of the Project, including submittal of applications for plat(s), building permit(s) and other permits/approvals required for development as if the Property were in the City's corporate limits (including payment of requisite fees, except as provided otherwise herein or in the USA) and the City agrees to process – including review and approval of – the same as if the Property were in the City's corporate limits (but subject to any modifications included in this Agreement).

(b) Governing Regulations. Except as specifically provided in this Agreement, all Property development shall be governed solely by the following regulations (together, the "Governing Regulations"):

(i) this Agreement;

(ii) the PUD;

(iii) the Code;

(iv) the Comprehensive Zoning Ordinance;

(v) the Approved Plats; and

(vi) the 2006 International Building Codes, heretofore adopted by the City.

The Governing Regulations are exclusive, and no other ordinances, rules, regulations, standards, policies, orders, guidelines, or other City-adopted or City-enforced requirements of any kind (including but not limited to any development moratorium adopted by the City after the Effective Date) apply to the development of the Property.

The City Council may, upon Developer request, authorize exceptions to strict compliance with the Governing Regulations, within the limitations described therein and pursuant to applicable State law, when the Developer demonstrates, to the reasonable satisfaction of the City Council, that the requested exception: (1) is not contrary to the public interest; (2) does not cause injury to adjacent property; and (3) does not materially adversely affect the quality of the Project's development. The City has the right to amend the Code and the Comprehensive Zoning Ordinance, from time to time, to include changes, including local amendments to either or both that have been approved by the International Code Council (or any successor organization) or have been adopted by the City Council (for uniform application throughout the corporate limits of the City, including (upon annexation) the Property). Development of the Property shall also be subject to ordinances that the City is required to adopt, from time to time, by State or federal law.

Notwithstanding the foregoing, and to the extent not inconsistent with the provisions of this Agreement, the Developer may exercise rights under Chapter 245. The Parties hereby agree that the Effective Date shall be the date for establishment of the Developer's rights under Chapter 245, pursuant to Section 245.002(a-1) of such Chapter. The Developer may not take advantage of any changes to laws, rules, regulations, or ordinances of the City or other regulatory agency occurring after the Effective Date that are inconsistent with the terms of this Agreement without prior receipt of the City's consent (such consent not to be unreasonably withheld), which shall be reflected in the form of an amendment to this Agreement made in accordance with Section 13.05 hereof. For the avoidance of doubt, the foregoing restriction shall not prohibit the Developer from taking advantage of prospective changes in laws, rules, regulations, or City ordinances that do not otherwise conflict with the provisions of this Agreement.

Except as otherwise provided by the foregoing, if there is a conflict between this Agreement and the application of any other ordinance, rule, regulation, standard, policy, order, guideline or other City-adopted or City-enforced requirement, whether existing on the Effective Date or hereafter adopted (including the Code or the Comprehensive Zoning Ordinance), then this Agreement shall control. If there is a conflict between any Approved Plat and any of the other Governing Regulations, the Approved Plat shall control. The Governing Regulations shall be read in concert, with all reasonable effort made by the Parties to reconcile their respective terms and provisions. In the event of direct conflict, the provisions of this Agreement, the Consultant's Plan, and the PUD shall supersede and control over competing or contradictory provisions of the Code and the Comprehensive Zoning Ordinance.

(c) Planned Unit Development. The Developer agrees to prepare a PUD that incorporates the Project elements as herein provided (as generally depicted in the Land Plan), in accordance with the Governing Regulations and as confirmed by and acceptable to the City. Upon its completion and acceptance by the City, the Project shall be developed in accordance with the PUD, being the Property's initial master general development plan that identifies proposed land uses, Phases, Public Infrastructure (including major streets, and major drainage ways), and Public Improvements. The PUD regulates Property development by applying thereto the City's applicable

zoning classifications under the Comprehensive Zoning Ordinance, as they exist on the Effective Date. The PUD will act to satisfy all City requirements for the various plans required for subdivision development under the Code or the Comprehensive Zoning Ordinance, as applicable.

The PUD may be revised from time to time with the approval of the City, by action of the City Council, the Developer, and (if other than the Developer) the owners of the portions of the Property within the area of the PUD being revised. Notwithstanding the foregoing, the originally adopted PUD may be revised by Developer, without the approval of the City or any other owners, regarding lot layout, right-of-way locations, and the location of Public Infrastructure and Public Improvements within the boundaries of the Property, so long as: (i) the housing density of the Project does not increase; (ii) the amount of natural areas, public parks, or open space does not decrease; (iii) the change does not result in a (1) violation of any other Governing Regulation that would otherwise require a City variance from compliance or (2) departure from the provisions of the Consultant's Plan; (iv) the change does not impact the requisite size or capacity, location, or cost of off-Property public infrastructure (including the System Improvements); and (v) arterial and collector roadway alignments substantially conform to the roadway alignments shown on the then-current PUD. If the PUD is revised as provided by this Section, the revision shall be considered an amendment to this Agreement, and the City shall cause the revised PUD to be attached to the official version of this Agreement on file with the City Secretary's Office.

(d) Project Commencement; Phasing. Subject to its representations, warranties, and covenants made in Section 10.03 hereof, the timing and sequencing of Project development will be based on market demand and conditions and will be completed as and when the Developer determines it to be economically feasible, subject to and in accordance with the following provisions and conditions. Project development shall be undertaken in Phases, but not necessarily in any sequential order. Once development of a particular Phase has commenced (as evidenced by recordation of an Approved Plat), the Developer shall be required to complete Public Infrastructure and Public Improvements identified on such Approved Plat.

(e) Plat Application. Subdivision of the Property shall require the City's approval of plats in accordance with the City Subdivision Ordinance, except as otherwise specifically modified by the Governing Regulations. No plat shall be approved within a Phase except in substantial conformity with the approved Phase Infrastructure Plan (defined below). Easements for the location, installation, construction, operation, and maintenance of major infrastructure shown on approved Phase Infrastructure Plans will be dedicated to the City by separate instrument or plat at the discretion of the Developer. As described above, plat application(s) may be submitted to, and shall be processed by, the City prior to full and final annexation of the Property into the City's corporate limits.

(f) Phase Infrastructure Plan. A plat application made in conformance with Subsection 3.01(d) shall be preceded or accompanied by the submittal to the City of an infrastructure development plan for the Phase (the "Phase Infrastructure Plan"). The Phase Infrastructure Plan shall identify Public Infrastructure that will be required to develop the portion of the Property covered by the plat application. Each Phase Infrastructure Plan shall be subject to review and approval by the City Representative (or the designee thereof) solely to determine compliance with the Governing Regulations. Plat applications shall not be considered complete until the related Phase Infrastructure Plan is submitted. The Phase Infrastructure Plan shall be approved prior to approval of any plat with respect to which such Phase Infrastructure Plan relates. The City and the Developer agree that existing City sewer utility infrastructure are adequate to service the Project, as fully

developed in accordance with the provisions of this Agreement.

(g) Project Development Reporting. Upon commencement of Project development (and with respect to each Project Phase thereafter), the Developer shall submit to the City a written report detailing Project development progress, with the first such report to be delivered not later than the one hundred eightieth (180^{th}) day after the City's issuance of the applicable building permit and continuing each one hundred eightieth (180^{th}) day thereafter until completion of the applicable Phase of the Project.

For purposes of this Section 3.01(g), "commencement" shall mean the date of the City's issuance of the first building permit regarding improvements within a particular Phase of the Project.

3.02 Construction Standards.

(a) General. In addition to the other applicable Governing Regulations, the Developer shall cause single-family residences within the Project to be constructed in accordance with the Residential Construction Standards as outlined in Exhibit I.

(b) Specific Standards. The Developer shall incorporate or cause to be incorporated into the Project's development the following attributes:

(i) Buried utilities (electric, telephone, and broadband internet) from existing poles to the Structures (defined herein);

(ii) Compliance with the Outdoor Lighting Criteria;

(iii) Streetlights similar to cobra-head LED lights that are dark-sky compliant throughout the Project to promote safety and walkability;

(iv) Compliance with the Sound Abatement Criteria with respect to residential Structures construed within the Project; and

(v) Safety and way-finding signage incorporating the following elements Examples found in Exhibit I.:

(1) Blades:

a. Double sided, printed on 0.080 Aluminum, high intensity, 100% coverage in prismatic color, reflective, UV rated;

b. 9" tall x 36" length, using arm detail to eliminate tilt;

c. 9" x 9" non-reflective 3M logo sign will be permitted, with matching frame detail; and

d. Blades will have decorative arm.

(2) Traffic Signs:

a. Hi-intensity, 0.080 aluminum with black backing; and

b. Traffic signs will have a black frame.

(3) Poles:

a. 3" fluted aluminum black pole; and

b. topped with aball for 3" pole, black. .

(4) Bases:

a. Slipcover base for 3" pole, black.

(5) Sign foundation to be built so that if a sign needs to be replaced, the foundation can be reused.

3.03 Public Improvement and Public Infrastructure.

(a) Design Standards; Inspection. Public Infrastructure and Public Improvements shall be designed to comply with the Governing Regulations, and no construction or installation of Public Infrastructure or Public Improvements shall begin until plans and specifications therefor have been approved by the City. All Public Infrastructure and Public Improvements shall be constructed and installed in compliance with the Governing Regulations and shall be inspected by inspectors (certified and State-licensed, to the extent required by law) that have been approved by the City and that have agreed, in writing, to be bound by this Agreement and to follow State bond submittal inspection requirements, as and to the extent applicable (each, a "Certified Inspector"). The cost for such inspections shall be paid by the Developer. All Public Infrastructure and Public Improvements constructed by the Developer or by any person or entity on behalf of or in the name of the Developer shall have a maintenance bond with an expiration period of two years after completion and City acceptance of such Public Infrastructure or Public Improvement. Maintenance bonds shall name the City as a co-beneficiary and shall be assignable to the City.

Each Certified Inspector shall maintain a permanent record of all Public Infrastructure and Public Improvements inspected. All such records shall be available for copying by the City and the Developer. All such records shall be kept in a form reasonably approved by the City. Each Certified Inspector shall provide to the City and the Developer a copy of each Public Infrastructure and Public Improvement inspection report within ten (10) days after the inspection is performed (including reports that identify deficiencies and subsequent corrective action). Unless the City shall have objected in writing with reasonable specificity to the Developer within thirty (30) days of the City's receipt of copies of such certificates, records or reports, then such certificates, records, or reports shall be deemed accepted and approved by the City for all purposes.

The City and the Developer each shall have the right to terminate any Certified Inspector for failure to properly perform any duty or for failure to provide inspection reports, all as required by this Agreement (after written notice to the Certified Inspector and the other Party and the failure of the Certified Inspector to cure the failure within ten (10) days); provided, however, that the Developer shall have no right to terminate the employment of any City employee then serving in

the capacity of a Certified Inspector, but may only terminate such City employee's engagement as Certified Inspector of the Public Infrastructure and Public Improvements. Upon any such termination, the City, at its option, may allow the use of another Certified Inspector or may elect to perform some or all of the duties of the Certified Inspectors (unless such terminated Certified Inspector was a City employee, in which case the replacement Certified Inspector shall be a qualified third-party engaged to serve in such capacity). If the City elects to perform any of those duties, such duties shall be performed (and reports provided to the Developer) in the same manner as would be applicable to the Certified Inspectors, and the actual, reasonable costs and expenses paid or incurred by the City in performing the duties shall be paid by the Developer (or the contractor or builder or by the owner of the property on which the work is being performed). Notwithstanding the foregoing, the Developer shall have no right to terminate a Certified Inspector provided at the sole cost and expense of the City.

The City shall have the right, at its sole cost and expense, to conduct additional inspections, from time to time, of the construction of any Public Infrastructure or Public Improvement. If the City determines that any Public Infrastructure or Public Improvement is not being constructed in compliance with the Governing Regulations and the contractor or builder fails to correct the non-compliance within a reasonable period of time after notice thereof, the City shall have the right to enforce compliance and to stop new work on the Public Infrastructure or Public Improvement by the issuance of a "stop-work order" until the non-compliance is corrected to the reasonable satisfaction of the City.

(b) Dedication of Public Infrastructure and Public Improvements to City. Upon completion, Public Infrastructure and Public Improvements shall be dedicated and conveyed to, and accepted by, the City. As a condition to the City's final acceptance of any Public Infrastructure or Public Improvement, the following shall be delivered to the City:

(i) a report of a Certified Inspector concerning the subject Public Infrastructure or Public Improvement, in form satisfactory to the City in its reasonable judgment;

(ii) executed Affidavit of Payment, bills of sale, assignments, or other instruments of transfer (and evidence of recordation thereof in the deed records of the County) reasonably requested by the City;

(iii) utility, drainage, and other easements or rights-of-way (and evidence of recordation thereof in the deed records of the County) that are related to or necessary for use of the subject Public Infrastructure or Public Improvement;

(iv) all bonds, warranties, guarantees, and other assurances of performance, "record" drawings in both hard copy and digital (PDF and CAD) and sealed by the Developer's Engineer pursuant to Chapter 1001, as amended, Texas Occupations Code, easements, project manuals and all other documentation related to subject Public Infrastructure or Public Improvement; and

(v) an executed Maintenance Agreement between the City and the applicable MOA evidencing the MOA's acceptance of the MOA Maintenance Obligations relative to any of the then-dedicated Public Infrastructure and

Public Improvements, as and if applicable.

After delivery of the foregoing, and upon the City issuing to the Developer a letter indicating satisfaction of the conditions precedent to such acceptance pursuant to and in accordance with this Agreement, the Developer shall, by proper instrument (as agreed to by the City and the Developer), dedicate the subject Public Infrastructure or Public Improvement to the City and cause such dedication to be recorded in the deed records of the County. The City shall then accept each such completed Public Infrastructure or Public Improvement for ownership, operation, and maintenance within twenty (20) business days of such dedication.

(c) City to Own, Operate and Maintain Dedicated Public Improvements and Public Infrastructure; Exception. From and after the time of the City's final acceptance of Public Infrastructure or a Public Improvement, the City will own, operate, and maintain each such Public Infrastructure or Public Improvement and shall be responsible for all costs associated therewith; provided, however, that notwithstanding the foregoing, operations and maintenance responsibilities of Public Infrastructure and Public Improvements that constitute MOA Maintenance Obligations shall be responsibility of the appropriate MOA pursuant to the terms of this Agreement and a Maintenance Agreement.

(d) Developer Access to Dedicated Public Infrastructure and Public Improvements. Upon the City's acceptance of Public Infrastructure or a Public Improvement identified within a particular Approved Plat, the Developer shall be allowed to connect, access or otherwise utilize the dedicated Public Infrastructure or Public Improvement in such a manner to serve lots within the particular Phase, subject to (i) payment to the City of applicable Impact Fees (defined herein) (unless waived pursuant to the terms of the USA), rates, charges and other connection fees, as and to the extent applicable, and (ii) satisfaction of any such connection, access, or use requirements of any Governing Regulation.

3.04 Water and Wastewater Service.

(a) To provide for delivery of retail water and wastewater service to the Property, the City and the Developer shall enter into a USA.

(b) Subject to Section 3.04(f), for water service capacity (in the form of living unit equivalents ("LUEs") to be allocated to the Property, the Developer has entered into the Multi-Party Agreement to facilitate City water system expansion to enable provision of service to the Project. The terms by which the Developer may access this capacity, which includes the Developer's payment (or its causing to be paid) the water system capacity allocation charge, shall be specified in the USA.

(c) For the wastewater service capacity (in the form of LUEs) to be allocated to the Property, which capacity the City is in the process of obtaining, the Developer shall pay to the City the applicable Impact Fees, in accordance with, at the times and in the amounts specified in the Code, as further specified in the USA.

(d) The Developer acknowledges that the City does not currently have capacity to provide water service to the fully-developed Project, and though the City is exercising commercially reasonable efforts to expand its water system to provide such necessary capacity, the City makes no representations regarding the timely delivery of, and assumes no liability for its

failure to timely deliver, such expanded water system capacity.

(e) Other than with respect to the water system improvements that are the subject of the Multi-Party Agreement and the City's wastewater system expansion project ongoing as the date hereof (and the subject of Task Order No. 15 approved by the City Council on June 14, 2022), the Developer shall, at its expense, design, construct, acquire and install all offsite (relative to the Property) improvements necessary to connect to the City's water and wastewater utility system to permit retail water and wastewater service to the Property. The design of these offsite improvements shall be coordinated with and approved by the City engineer. Subject to the City's reimbursement to the Developer of the incremental cost associated therewith, as further specified in the USA, the offsite improvements that are the subject of this Subsection (e) shall include capacity oversizing requirements as and to the extent required by the City, if at all.

(f) The Landowners are parties to the Multi-Party Agreement, a copy of which is attached hereto as Exhibit M. Pursuant to the Multi-Party Agreement, the Landowners have received an allocation of 800 LUEs as a reservation from the Capacity resultant from the Improvements (identified therein as the "Jagge Ranch" allocation). Upon completion of the sale of the Property by the Landowners to the Developer, the Landowners hereby convey and assign to the Developer 700 LUEs from this allocation of reserved Capacity to which the Landowners are entitled under the Multi-Party Agreement (the "Transferred Capacity"). Upon such conveyance and assignment (and not before), all rights, duties, and obligations under the Multi-Party Agreement shall be transferred by the Landowners to the Developer. The Developer hereby accepts such assignment and conveyance and hereby agrees, from and after such date of assignment and conveyance, to be a Private Party under the Multi-Party Agreement in possession of 700 LUEs of Capacity, subject to all duties and obligations owing to the City and the other Private Parties thereunder as a result of designation. At such time, the reserved Capacity of the Landowners under the Multi-Party Agreement, and all rights, duties, and obligations of the Landowners thereunder to the City and the other Private Parties, shall reflect (and be based off of) 100 LUEs of reserved Capacity. The City hereby agrees to the foregoing and, upon effectiveness of the same at the time of completion of the Developer's purchase of the Property from the Landowners, the Multi-Party Agreement shall be deemed amended in accordance with Section 10 thereof to reflect the provisions of this Section 2.04(f).

Capitalized terms used in this paragraph but not otherwise defined in this Agreement shall have the meanings ascribed thereto in the Multi-Party Agreement.

3.05 Building Permits; Certificates of Occupancy. No permanent structure designed or intended for human occupancy or commercial use (a "Structure") shall be constructed unless a building permit has been issued by the City and a final plat has been recorded for the lot on which the Structure is being built (which shall be included in an Approved Plat). No Structure shall be occupied until a certificate of occupancy has been issued by the City (a "Certificate of Occupancy") in accordance with the Code. As stated herein, the City agrees to diligently process any building permits and related items submitted by the Developer prior to full and final annexation of the Property into the City's corporate limits.

3.06 Fees and Charges.

(a) General Applicability of City Fee Ordinance; Other Fees. Activities within the Property, including development activities, shall be subject to payment to the City the fees and

charges from time to time specified in the Fee Ordinance, as well as other fees described in this Section 3.07. In the event a requested service is not covered by the provisions of this Agreement or another Governing Regulation, the Parties shall negotiate a reasonable fee for such service, on a cost basis and not with an intention of profit generation.

(b) Inspection Fees. In addition to any plan review fees identified in the Fee Ordinance, any inspections of Public Infrastructure or Public Improvements pursuant to the City's inspection rights under Section 3.04(a) hereof (if the City determines that any Public Infrastructure or Public Improvement is not being constructed in accordance with the Governing Regulations or if the City terminates any Certified Inspector), shall be subject to the payment to the City of all reasonable costs and expenses paid or incurred by the City in performing such inspections.

(c) Impact Fees. Development of the Property will be subject to the payment to the City of the capital recovery fees and charges set forth in this Section 3.07 for Public Infrastructure and Public Improvements necessitated by and attributable to the development of the Property, but only to the extent such fees and charges are adopted and applied to the Property in compliance with Chapter 395 and otherwise subject to the provisions set forth in this Agreement (the "Impact Fees"). All Impact Fees shall be payable upon, and as a condition to, the issuance of building permits. Impact Fees include, and are limited to, the following:

(i) Impact Fees for any requirements for compliance with applicable State or federal law; and

(ii) Fees applicable to development within the City, as identified in the Fee Ordinance and as the same are in effect on the date of submittal of a plat application.

Notwithstanding the foregoing or any other provision in this Agreement or the USA to the contrary, the USA may provide for the waiver of Impact Fees in lieu of payment of a substitute capital recovery charge and, if so, the provisions of the USA shall control. The parties agree that the USA will provide for a retail water capacity charge in lieu of Impact Fees therefor.

3.07 Mandatory Owner's Association; Agreement to Maintain Certain Improvements. Prior to the sale of the first platted lot within the Property, the Developer will create one or more MOAs that, in total, provide owners association services to the entirety of the Property (excluding the Dedicated Parcel). Upon creation, each MOA shall enter into a Maintenance Agreement with the City, pursuant to which the MOA shall agree to the MOA Maintenance Obligations (whose responsibility shall solely be the MOA's, notwithstanding any ownership by the City of the improvements or real property upon which such maintenance is required to be performed). The Developer shall provide in each MOA's organization documents that the MOA shall annually levy and collect fees from owner members that are, at a minimum and based on annual budget adopted by the MOA prior to the beginning of its fiscal year, sufficient to satisfy the annual MOA Maintenance Obligations. Each Maintenance Agreement shall provide that the MOA shall perform the MOA Maintenance Obligations in accordance with the applicable provisions of the Governing Regulations, subject to oversight and inspection by the City, and provide to the MOA permission to perform the MOA Maintenance Obligations, as and to the extent reasonably necessary, on City-owned property. Upon reasonable request, the City shall have the right to inspect the financial reports, audits, and budget of each MOA.

3.08 Buyer Disclosures. All End Buyers shall be required to sign (i) an Airport Proximity Consent and (ii) an acknowledgement that the property that is the subject of such sale is located within a PID, as required by and in accordance with applicable Texas law and herein referred to as the Owner Disclosure Program.

3.09 Prohibited Uses. If commercial use is ever added as Project component, then the following uses shall not be permitted within the Project: (i) sexually oriented businesses; (ii) shops dedicated primarily to the sale of drug or tobacco paraphernalia, including vape shops; (iii) unlicensed massage parlors; (iv) flea markets; (v) bingo halls; (vi) pawn shops; (vi) payday lenders; and (vii) check cashing centers.

3.10 Delivery of Requisite Water Rights to the City. Nothing in this Agreement shall be determined or deemed to modify or impact the Developer's obligation to comply with Section 100-25(c) of the City Subdivision Ordinance.

3.11 Competitive Bidding. Development of Authorized Improvements within the PID will be exempt from any public bidding or other purchasing and procurement policies in accordance with, and subject to the limitation of, Section 252.022(a)(9), as amended, Texas Local Government Code.

3.12 Additional Public Improvements; Developer Capital Contribution.

(a) Developer shall, by the time specified below, deliver to the City $400,000 in unencumbered, immediately available funds (the "Developer Capital Contribution"). The City shall use the Developer Capital Contribution to pay the costs of improving, enlarging, and expanding youth sports facilities located on City-owned property ("Park Improvements"), which improvements shall be permanent in nature and shall enhance and expand the opportunity for sports participation by area youth.

(b) The Developer Capital Contribution shall be delivered to the City on or before the fifth (5^{th}) business day after the recordation of a plat that would bring the cumulative total number of lots within the Project to at least five hundred (500). The City agrees that the Developer Capital Contribution is in lieu of, and shall satisfy, any and all obligations for the Project related to parkland dedication or open space.

(c) The expenditure of the Developer Capital Contribution by the City for Park Improvements shall be at the City's discretion; provided, however, the City shall erect permanent signage that identifies "Flat Creek" as the sponsor of the Park Improvements (which signage shall be agreed upon by Developer as a condition of its delivery of the Developer Capital Contribution, such agreement not to be unreasonable withheld).

(d) If the Developer Capital Contribution has not been used to pay the costs of Park Improvements within five (5) years from the date the Developer delivers the Capital Contribution, the Capital Contribution shall be refunded to Developer.

ARTICLE 4
MUNICIPAL SERVICES

4.01 Retail Municipal Utility Services. The City shall provide Retail Municipal Utility Services to lots within the Property and will connect each Structure to the City's water, sewer, and gas system upon payment of applicable fees described in Article 3 hereof and issuance of a Certificate of Occupancy for the Structure. Retail Municipal Utility Services will be delivered pursuant to and in accordance with State law and the Governing Regulations, and rates and charges for such services imposed pursuant to and in accordance with the Retail Municipal Utility Services Rate Ordinance.

4.02 Police Services. The City shall, upon annexation (and not before), provide police service to the Property.

4.03 Electric Service. Retail electric service shall be provided to the Property by City Public Service Board of San Antonio, Texas, also known as CPS Energy, subject to a franchise fee paid by CPS Energy to the City.

4.04 Internet Service Provider. The Developer shall ensure installation of state-of-the art internet infrastructure (broadband) to each lot within the Project to allow access to high-speed internet service (minimum of one hundred (100) megabytes per second) from providers serving the City (determined as of the time of installation of such infrastructure).

4.05 Fire and Emergency Response Services. Fire and emergency response services to the Property will be provided by a Texas political subdivision having jurisdiction over such area and charged with the responsibility of providing such services, initially being the Medina County Emergency Services District No. 1.

ARTICLE 5
SOURCES OF PROJECT FINANCING

5.01 Public Improvement District.

(a) PID Creation. To provide for payment of the Allocated Water Capacity Cost, Authorized Improvements Costs, and Administrative Expenses, the Parties contemplate creation of the PID. In furtherance of such expectation, the Developer will submit to the City an application to create the PID in accordance with Chapter 372. In addition, after delivery of sufficient notice to interested parties, the City will consider conduct of a public hearing concerning creation of the PID, all as specified and in accordance with Chapter 372.

(b) Service and Assessment Plan. The Developer and the City agree that the City, the Developer, and the Administrator shall prepare an initial Service and Assessment Plan providing for the levy of the Assessments on all or portions of the Assessable Property within the PID. Promptly following preparation and approval of the initial Service and Assessment Plan acceptable to the Developer and the City and subject to the City Council making findings that the Authorized Improvements specified in the Service and Assessment Plan confer a special benefit on the Assessable Property, the City Council shall consider an Assessment Ordinance.

(c) Assessment Ordinance. Adoption of an Assessment Ordinance is conditioned on the successful negotiation, inclusive of terms mutually acceptable to the City and the Developer, of all Development Documents other than this Agreement (which shall at such time already be in effect). Accordingly, consideration of an Assessment Ordinance shall be conditioned on presentation to the City Council (i) for approval of the City's entering into and executing the same

concurrently with or prior to the City Council's consideration of the initial Assessment Ordinance or (ii) in the event any of such Development Documents for whatever reason may not be entered into at such time, final forms thereof.

(d) Acceptance of Assessments. Prior to or concurrently with the City's adoption of the initial Assessment Ordinance, the Developer shall (i) approve and accept in writing the levy of the Assessment(s) on all Assessable Property owned or controlled by the Developer; (ii) approve and accept in writing the Owner Disclosure Program; and (iii) cause to be recorded against the Assessed Property covenants running with the land that will bind any and all current and successor developers and owners of any of the Assessed Property to pay the then-subject Assessment and any subsequent Assessments, with applicable interest and penalties thereon, as and when due and payable and to take their title to their interest in the Assessed Property subject to and expressly accepting and assuming the terms and provisions of such Assessments and the liens created thereby.

(e) Administrative Expenses. The Parties hereby agree that all of the Administrative Expenses associated with the PID will be funded by Assessment Revenues and the City shall not be responsible for payment of such costs from any other City funds.

(f) Assessment Revenues. The Parties agree that, once deposited to the hereinafter-defined Project Fund, Assessment Revenues will be bifurcated, *pari passu*, between the Allocated Water Capacity Costs and the scheduled debt service requirements on PID Bonds from time to time issued and outstanding. On a *pari passu* basis, the pro rata portion of the Assessment Revenues attributable to the Allocated Water Capacity Costs will be directed to and delivered from the Project Fund to the City. At no time will such portion of the Assessment Revenues be subject to a lien thereon or pledge thereof securing the repayment of any PID Bonds or City obligation to reimburse the Developer for its incurring Authorized Improvements Costs.

(g) Issuance of PID Bonds. Subject to satisfaction of the conditions set forth in this Section 5.01(g) and the Service and Assessment Plan, the City may issue PID Bonds for the purposes of acquiring or constructing or reimbursing Authorized Improvement Costs or any other purposes authorized by the Chapter 372. The Developer may request the City's issuance of a series PID Bonds by filing with the City a list of the Authorized Improvements to be funded with the PID Bonds and the estimated budgeted costs therefor, as described by the Service and Assessment Plan. The Developer acknowledges that the City may at the time of its request to issue PID Bonds require the Parties enter into a professional services agreement that obligates the Developer to fund the costs of the City's professionals relating to the preparation for and issuance of PID Bonds, funded in an amount of $50,000 or such greater amount as shall be agreed to by the Parties (which amount is considered Administrative Expenses payable from the proceeds of such series of PID Bonds).

The issuance of any series of PID Bonds is subject to the following conditions:

(i) the aggregate principal amount of all PID Bonds shall not exceed $20,000,000, plus the amount allocated to the Project pursuant to the application of the terms of the Multi-Party Agreement in accordance with Section 3.04(f) hereof;

(ii) no series of PID Bonds shall pay from the proceeds therefrom capitalized interest beyond the second anniversary of its initial issuance;

(iii) prior to the City's authorization of the initial series of PID Bonds:

(1) the Developer will create the Owner Disclosure Program and provide a copy of the program to the City Administrator;

(2) the Developer shall have delivered to the City Administrator a fully executed Landowner Agreements from each owner of the Property; and

(3) the City shall have received fully-executed or final versions of each of the Development Documents, in form satisfactory thereto;

(iv) issuance of any series of PID Bonds shall be preceded by the City's adoption or amendment of a Service and Assessment Plan, Assessment Roll, and an Assessment Ordinance levying Assessments on all or any portion of the Property benefited by the Authorized Improvements to be funded by such Assessments;

(v) each series of PID Bonds shall be in an amount estimated to be sufficient to fund the Authorized Improvements Costs for which such PID Bonds are being issued, plus required reserves and capitalized interest (in accordance with the limitations described above), and issuance costs;

(vi) if applicable, delivery by the Developer to the City of a certification or other evidence from an independent appraiser or another qualified professional acceptable to the City confirming that the special benefits conferred on the parcels of the Property subject to Assessments for payment of Authorized Improvements Costs increase the value of such parcels of Property by an amount at least equal to the amount assessed against such parcels;

(vii) the Developer shall have delivered to the City (i) a certificate or report from an independent certified appraiser, appraisal firm or financial consultant, assuming completion of the Authorized Improvements, demonstrating that the ratio of the aggregate appraised value of all assessed parcels of Property to the aggregate principal amount of all PID Bonds then secured or proposed to be secured by the resultant Assessment Revenues that remain after subtraction therefrom the amount of Assessment Revenues owed to the City for the Allocated Water Capacity Cost (the "Value to Lien Ratio") is at least 3:1 (which in determining, the independent certified appraiser, appraisal firm or financial consultant may rely on builder contracts, a certificate from the Administrator identifying lots on which Structure construction has commenced or the Medina County Tax Assessor/Collector's estimated assessed valuation for completed Structures (Structure and lot assessed valuation) and estimated lot valuation for lots on which Structures are under construction);

(viii) approval by the Texas Attorney General of the PID Bonds and registration of the PID Bonds by the Comptroller of Public Accounts of the State of Texas;

(ix) evidence delivered to the City (the sufficiency of which the City has

determined, in its sole discretion), that:

(1) the Developer is current on all the payment of all taxes, Assessments, fees and obligations owed to each taxing district whose jurisdiction the Property is subject;

(2) the Developer is not in default under any Development Document; and

(3) no outstanding PID Bonds are then-in default and no reserve funds established therefor have been drawn upon that have not been replenished;

(x) the Administrator has certified that the costs of the Authorized Improvements to be paid from the proceeds of the PID Bonds are eligible to be paid with the proceeds of such PID Bonds;

(xi) the City has determined that the amount of proposed Assessments and the structure, terms, conditions and timing of the issuance of the series of PID Bonds are reasonable for payment of the Authorized Improvements Costs to be financed and scope and state of Project development within the PID, and that there is sufficient security for the PID Bonds to be creditworthy;

(xii) the City has confirmed that no information regarding the City, including (without limitation) financial information, has been included in any offering document relating to PID Bonds without receipt of the City's prior consent;

(xiii) the City has confirmed that the maximum maturity for a series of PID Bonds does not exceed 30 years from its date of initial delivery; and

(xiv) the Developer has agreed to provide periodic information and notices of material events regarding the Developer as it relates to the development of the Property within the PID in accordance with Securities and Exchange Commission Rule 15c2-12 and any Continuing Disclosure Agreements executed by the Developer in connection with the issuance of such series of PID Bonds.

(h) Agreement to Establish Project Fund.

(i) On the date of issuance of any PID Bonds, to accept PID Bond proceeds to fund Authorized Improvements Costs, the City shall establish in the applicable provisions of the associated indenture pursuant to which the applicable series of PID Bonds is issued a "Project Fund" and provide for the creation therein of any necessary accounts (including, if necessary (and as a non-indenture account) an account to accept the pro rata portion of Assessment Revenues dedicated to the City to pay the Allocated Water Capacity Cost). Any such Project Fund shall be maintained as provided in such indenture, separate and apart from all other City funds. Any such Project Fund shall be administered and controlled (including signatory authority) by the City and deposits thereto and disbursements therefrom shall be made in accordance with the terms of the applicable indenture. In

the event of any conflict between the terms of this Agreement and the terms of the indenture relative to Project Fund deposits and/or disbursement of Project Fund money (other than with respect to any deposits to an account therein created and held made in satisfaction of payment to the City from Assessment Revenues the Allocated Water Capacity Cost), the terms of the indenture shall control.

(ii) The Parties intend that the Developer will undertake construction of the Authorized Improvements (other than the City water system improvements that are the subject of the Multi-Party Agreement) in accordance with this Agreement, the other Development Documents, and the Service and Assessment Plan in conjunction with the construction of the applicable Phases of the Development, prior to seeking direct payment therefor from funds on a deposit in a Project Fund or reimbursement for such expenditures made pursuant to a Completion Agreement under the terms of the Reimbursement Agreement. Although the terms by which Developer is entitled to reimbursement shall be detailed in the Reimbursement Agreement as described in Section 372.023 of Chapter 372, the Parties agree that the Developer will generally be entitled to the maximum available funds derived from Assessment Revenues that remain after payment to the City of the pro rata portion thereof dedicated to the City to pay the Allocated Water Capacity Cost, up to the Authorized Improvement Costs thereby expended.

(iii) If, other than funds on deposit in a non-indentured account reserved to pay the pro rata portion of Assessment Revenues dedicated to the City to pay the Allocated Water Capacity Cost, funds remain in a Project Fund after the completion of all Authorized Improvements and the payment of all Authorized Improvement Costs, then such funds shall be used to pay for additional Authorized Improvement Costs as may thereafter be included in an updated Service and Assessment Plan or used to redeem the Bonds, as further provided for in the applicable indenture.

(i) Selection of Professionals. The Administrator, the appraiser, the underwriter of any PID Bonds, the bond trustee, and any other professional deemed necessary or desirable in connection with the issuance of a series of PID Bonds shall be selected by the City, at its sole discretion, but in consultation with the Developer.

5.02 Maximum All-In Tax Equivalent Rate. The maximum tax-equivalent rate applicable to the Property, inclusive of the ad valorem tax rate of all jurisdictions having taxing authority over the Property and the tax-rate equivalent to pay the Annual Installments, excluding any Annual Installments associated with the Allocated Water Capacity Cost, shall not exceed $3.00 per $100 of assessed valuation of Assessed Property in the PID.

5.03 Completion Agreement. Prior to the City's authorization of the initial series of PID Bonds, the Developer, the City, and the trustee for such series of PID Bonds shall have entered into a Completion Agreement obligating the Developer to satisfy the Authorized Improvement Costs not anticipated to be directly funded with proceeds of PID Bonds or paid for separately by the City.

5.04 Reimbursement of Authorized Improvement Costs. The City and Developer shall, prior to or substantially contemporaneous with the initial levy of Assessments on a Phase(s) of the Property, enter into a Reimbursement Agreement to provide for the Developer's reimbursement from available Assessment Revenues all Authorized Improvement Costs paid for by Developer under the Completion Agreement. Notwithstanding its execution of the Reimbursement Agreement, the Developer hereby acknowledges that the City makes no representations or guarantees regarding the sufficiency of available Assessment Revenues to fully reimburse the Developer for amounts paid by the Developer under the Completion Agreement or reimbursements to which it is entitled under the Reimbursement Agreement.

ARTICLE 6
ANNEXATION & ZONING

6.01 Petition for Annexation into ETJ. Developer hereby agrees to voluntary annexation of Parcel B into the City ETJ and hereby submits, Exhibit K hereto, a petition requesting the inclusion of Parcel B (the "Parcel B Petition") into the City ETJ. The Parcel B Petition is deemed filed by the Developer as of the Effective Date and the City agrees to pursue and process the annexation of Parcel B into the City ETJ as quickly as reasonably possible.

6.02 Petition for Annexation into City. Developer hereby agrees to the voluntary, full-purpose annexation of any portion of the Property outside the corporate limits of the City (being Parcel A and Parcel B) into the City and hereby submits, as Exhibit L hereto, a petition requesting the annexation of the Property (the "Annexation Petition"). The Annexation Petition is deemed filed by the Developer as of the Effective Date and the City agrees to pursue and process full annexation as quickly as reasonably possible.

6.03 City Council Action. City action initiating Property annexation shall occur as soon as practicable after the Effective Date and after the City's receipt of the completed Parcel B Petition and Annexation Petition, which shall include the steps required under Chapter 43 for the full-purpose annexation of all Property. Notwithstanding its full-purpose annexation of the Property, provision of City services, including extension of Public Infrastructure, to the Property shall be made subject to this Agreement and no other agreement, regulation, or law.

6.04 Permanent Zoning. City agrees that the Property shall be permanently zoned within thirty (30) days after annexation of the Property. The City cannot contractually agree to the zoning designation the Property shall receive; however, the City recognizes the Developer's rights under Chapter 245.

ARTICLE 7
ASSIGNMENT OF COMMITMENTS AND OBLIGATIONS; SUCCESSORS

7.01 Assignment of Developer Rights. Subject to this Section 7.01, the Developer may assign in whole or part its rights and obligations under this Agreement to persons purchasing all of the Property or a part of the Property. In the event the Developer assigns all of its respective rights under this Agreement in conjunction with the conveyance of any unplatted portion of the Property, a written assignment of said rights must be filed of record in the Official Public Records of Medina County, Texas in order to be effective.

Because the City's entering into this Agreement with the Developer is conditioned, in part,

on the Developer's demonstrated skill, expertise, and financial resources with respect to the development of projects similar to the Project, demonstrating its ability to satisfy its obligations arising under this Agreement, any assignment by the Developer of its rights hereunder shall be subject to the City's approval, not to be unreasonably withheld; provided, however, an assignment by the Developer to any Developer-affiliated entity does not require approval by the City. In connection with any request for approval of assignment, the Developer shall provide to the City evidence of the assignee's similar experience, resources, and financial resources that are demonstrative of such assignee's ability to complete Project development in a manner at least equal to those of the Developer.

7.02 Lot Conveyance Not an Assignment. The mere conveyance of a lot or any portion of the Property without a written assignment of the rights of the Developer under this Agreement shall not be sufficient to constitute an assignment of the rights or obligations of the Developer hereunder, unless specifically provided herein.

7.03 Agreement Binding on Assigns. In the event of an assignment of this Agreement, the Developer shall be released from any obligations of this Agreement, provided the successors or assigns agree in writing to all terms and conditions of this Agreement. Any reference to the Developer, the City, or the Parties shall be deemed to and will include the successors or assigns thereof, and all the covenants and agreements in this Agreement shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

ARTICLE 8
DEFAULT AND NOTICE

8.01 Notice and Opportunity to Cure. If either Party defaults in its obligations under this Agreement, the other Party must, prior to exercising a remedy available to that Party due to the default, give written notice to the defaulting Party, specifying the nature of the alleged default and the manner in which it can be satisfactorily cured, and extend to the defaulting Party at least thirty (30) calendar days from receipt of the notice to cure the default. If the nature of the default is such that it cannot reasonably be cured within the thirty (30) calendar day period, the commencement of the cure within the thirty (30) calendar day period and the diligent prosecution of the cure to completion will be deemed a cure within the cure period. Notwithstanding the foregoing, the occurrence of a Bankruptcy Event shall result in immediate default hereunder without opportunity to cure.

8.02 Enforcement. The Parties may enforce this Agreement by any proceeding at law or equity. Failure of either Party to enforce this Agreement shall not be deemed a waiver to enforce the provisions of this Agreement thereafter. The Parties agree that monetary damages are not a sufficient remedy for a default of this Agreement. As a remedy for default, the non-defaulting party shall be entitled to equitable relief, including specific performance of this Agreement, but not monetary damages. In addition to the foregoing, a remedy to each Party for the other's default hereunder, after compliance with Section 8.01 hereof, shall be termination of this Agreement.

8.03 Litigation. In the event of any third-party lawsuit or other claim relating to the validity of this Agreement or any actions taken by the Parties hereunder, the Developer and the City intend to cooperate in the defense of such suit or claim, and to use their respective best efforts to resolve the suit or claim without diminution of their respective rights and obligations under this Agreement. The City's participation in the defense of such a lawsuit is expressly conditioned on

budgetary appropriations for such action by the City Council and shall be covered by Article 11 hereof, as applicable. The filing of any third-party lawsuit relating to this Agreement or the development of the Project will not delay, stop or otherwise affect the development of the Project or the City's processing or issuance of any approvals for the Project or Project development, unless otherwise required by a court of competent jurisdiction.

8.04 Cessation of Compliance. As a matter of law, a city by contract cannot bind its current or future city councils in the exercise of the council's legislative discretion or the performance of its legislative functions, which include the zoning of property, the establishment of public improvement districts, and the levying of assessments, issuance of bonds or approval of contracts. Nonetheless, the Developer has spent a substantial sum to negotiate, implement, and comply with this Agreement and the Developer expects and relies on the City to take appropriate actions to zone the Property, create the PID, and levy the Assessments that are described in this Agreement. If the current or a future City Council does not zone the Property as described in the Land Plan, does not establish or operate the PID as described in this Agreement, or does not levy the Assessments, then Developer shall have no further obligation to comply with any of the terms of this Agreement until such time as the City Council takes appropriate actions to have the City resume compliance with its obligations under this Agreement. If the City resumes its compliance with its obligations under this Agreement, the Developer shall have up to ninety (90) days to resume its compliance with this Agreement.

8.05 Notices. Any notice required or permitted to be delivered hereunder shall be in writing and shall be deemed received on the earlier of (i) actual receipt by mail, Federal Express or other delivery service, fax, email or hand delivery; or (ii) three (3) business days after being sent by United States mail, postage prepaid, certified mail, return receipt requested, addressed to City or the Developer, as the case may be, at the address stated below.

Any notice mailed to the City shall be addressed:

City of Castroville
Attn.: City Administrator
1209 Fiorella St.
Castroville, Texas 78009
scott.dixon@castrovilletx.gov

With a copy to:

Clay Binford
McCall, Parkhurst & Horton L.L.P.
112 East Pecan Street, Suite 1310
San Antonio, Texas 78205
cbinford@mphlegal.com

Any notice mailed to the Developer shall be addressed:

KF Flat Creek, LP
2722 West Bitters Road, Suite 106
San Antonio, Texas 78248
jeff@kingfishtx.com
shad@kingfishtx.com

With a copy to:

Rob Killen
Killen, Griffin & Farrimond
10101 Reunion Place, Suite 250
San Antonio, Texas 78216
rob@kgftx.com

Any Party may change the address for notice to it by giving notice of such change in accordance with the provisions of this paragraph.

ARTICLE 9
CERTIFICATE OF COMPLIANCE

Within thirty (30) calendar days of written request by either Party given to the other Party requesting a statement of compliance with this Agreement, the other Party will execute and deliver to the requesting Party a statement certifying that:

(a) this Agreement is unmodified and in full force and effect, or if there have been modifications, that this Agreement is in full force and effect as modified and stating the date and nature of each modification; and

(b) there are no current uncured defaults under this Agreement or specifying the date and nature of each default.

ARTICLE 10
REPRESENTATIONS, WARRANTIES, AND COVENANTS

10.01 Mutual Representations, Warranties and Covenants of the Parties. The Parties acknowledge that each Party is acting in reliance upon the other Party's performance of its obligations under this Agreement in making the decision to commit substantial resources and money to the Project's development. In recognition of such mutual reliance, each Party represents and warrants to the other that it shall employ commercially reasonable efforts to perform its duties and obligations hereunder and shall adhere to the requirements of this Agreement.

10.02 City Representations, Warranties and Covenants.

(a) The City covenants, represents and warrants to the Developer that the City has and shall exercise sole and exclusive jurisdiction over the review and approval of preliminary and final plats, the inspection of Public Infrastructure and Public Improvements (except to the extent that such inspection responsibilities are undertaken by a Certified Inspector pursuant to Section 3.04(a) hereof) and the issuance of Certificates of Occupancy for Structures.

(b) The City recognizes this Agreement as a development agreement under Subchapter G of Chapter 212. Subject to the Developer's compliance with Section 3.01(c), the City recognizes and acknowledges that the Project is a "planned unit development" under Section IV of the Subdivision Ordinance.

(c) To the extent required to implement Project development in accordance with the Governing Regulations, the City shall provide necessary waivers and variances to the Code as herein provided.

(d) The City has, pursuant to the Authorizing Ordinance, taken all requisite and necessary actions to enter into this Agreement, and this Agreement represents a valid and binding agreement of the City, subject to governmental immunity and principles of bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights in general and by general principles of equity.

(e) To the extent (but only to the extent) its obligations are not uncertain or in dispute, the City is not entitled to claim immunity on the grounds of sovereignty from relief by writ of mandamus to perform its obligations hereunder.

10.03 Developer Representations, Warranties and Covenants.

(a) The Developer hereby represents to the City that, upon acquisition from the respective owners thereof, it will own the Property, free and clear of any and all liens or mortgages.

(b) The Developer hereby warrants and covenants to the City that any prospective lien, mortgage, or encumbrance on any portion of the Property shall be made subject to the dedication of Public Infrastructure and Public Improvements, as indicated on the Approved Plat that is applicable to the portion of the Property to be subject to any such lien, mortgage, or encumbrance.

(c) The Developer agrees to dutifully, diligently, and continually work to develop the Property in accordance with the Governing Regulations and shall complete, or cause to be completed, the Public Infrastructure and Public Improvements that are included in the Governing Regulations and pay their costs.

(d) The Developer shall provide, or cause to be provided, all materials, labor, and services for completing the Public Infrastructure and Public Improvements, which materials, labor, and services shall be of adequate quality when graded against industry standards.

(e) The Developer agrees to obtain or cause to be obtained all necessary permits and approvals required by any Governing Regulation from the City and/or all other governmental entities having jurisdiction or regulatory authority over the construction, installation, operation, or maintenance of improvements within the Property and, with respect thereto, pay or cause to be paid all applicable permit or similar license fees.

(f) The Developer acknowledges and agrees that, pursuant to State law, the Developer is required to make information regarding its contractual relationships regarding construction or acquisition of Public Infrastructure and Public Improvements generally available as public records and, with respect thereto, the Developer acknowledges and agrees that any information provided by the Developer to the City with respect to the Public Infrastructure and Public Improvements, this Agreement, and any work performed by the Developer, a contractor, or a subcontractor for any Public Infrastructure and Public Improvements (including pricing and payment information) may be subject to public disclosure by the City pursuant to applicable law.

(g) The Developer shall prepare, or cause to be prepared, for each Phase of the Project,

plats that are compliant with applicable provisions of the Code and the Comprehensive Zoning Ordinance and shall submit such plats to, and have such plats approved by, the City prior to starting any construction in said Phase.

(h) The Developer shall supervise the construction of the Project and cause the construction to be performed in accordance with the Governing Regulations.

(i) Development services that are performed by the Developer hereunder shall be enforced in compliance with the Governing Regulations.

(j) Except with respect to a Certified Inspector then employed by the City pursuant to Section 3.04(a), all personnel supplied or used by the Developer in the performance of its obligations arising under this Agreement shall be deemed employees, contractors or subcontractors of the Developer and shall not be considered employees, agents or subcontractors of the City for any purpose whatsoever. The Developer shall be solely responsible for the compensation of all such personnel.

(k) The Developer acknowledges and agrees that it is subject as an employer to all applicable unemployment compensation statutes and agrees to indemnify and hold harmless the City from any and all responsibilities thereunder toward employees of the Developer.

(l) As and to the extent applicable, the Developer shall comply with all regulations concerning employment of labor required by law (including, but not limited to, Chapter 2258 requiring the Developer to pay prevailing wages to workers, which shall be determined using the wage scales from time to time published online by Wage Determinations online at www.wdol.gov/wdol/scafiles/davisbacon/tx.html). The reference to this source of prevailing wages is not a warranty, guaranty or other representation by the City that adequate numbers of skilled or unskilled workers are actually available in the local market to perform the required services or that workers may be hired for the wages identified in such prevailing wage schedule.

(m) The Developer hereby represents, warrants, and covenants for the benefit of the City:

(i) the Developer is a limited partnership, duly organized and validly existing under the laws of the State of Texas, is in compliance with the laws of the State of Texas, and has the power and authority to own its properties and assets and to carry on its business as now being conducted and as now contemplated;

(ii) the Developer has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered on behalf of the Developer;

(iii) this Agreement is a valid and enforceable obligation of the Developer and is enforceable against the Developer in accordance with its terms, subject to bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights in general and by general principles of equity;

(iv) the Developer understands the duties, limitations, and responsibilities imposed upon the City under the applicable State law having application to matters that are the subject of this Agreement, including Project development; and

(v) the Developer has sufficient knowledge, experience, and financial resources to perform its obligations under this Agreement in accordance with all duties, obligations, regulations, Governing Regulation requirements, and other applicable law affecting or required to perform the development work with respect to the Project and, in this regard, the Developer shall bid, procure, supervise, manage, perform, and from time to time provide information relating to such development work regarding Project development in compliance with all duties, obligations, regulations, code and legal requirements arising under any Governing Regulation with jurisdiction over the subject development work and the Project.

(n) The Developer has delivered, unless exempted under State law, the Certificate of Interested Parties Form 1295 ("Form 1295") and certification of filing generated by the Texas Ethics Commission's electronic portal, signed by an authorized agent, prior to the execution of this Agreement by the City and the Developer. The Developer and the City understand that none of the City or any City representative, consultant, or advisor have the ability to verify the information included in Form 1295, and none of the City or any City employee, official consultant, or advisor have an obligation, nor have undertaken any responsibility, for advising the Developer with respect to the proper completion of Form 1295 other than providing the identification numbers required for the completion of Form 1295.

(o) The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, as amended, and to the extent such section does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit. The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on the following page of such officer's Internet website:

https://comptroller.texas.gov/purchasing/publication/divestment.php

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, as amended, and to the extent such Section does not contravene applicable Texas or federal law and excludes the Developer and each of its parent company, wholly- or

majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

(p) To the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section, to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

(q) To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Developer verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law.

As used in the foregoing verification and the following definitions, 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

(i) 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

(ii) 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

ARTICLE 11
INDEMNIFICATION

THE DEVELOPER COVENANTS AND AGREES TO FULLY INDEMNIFY AND HOLD HARMLESS THE CITY, THE CITY COUNCIL, AND ANY OTHER OFFICIAL, EMPLOYEE, AGENT, ATTORNEY, OR REPRESENTATIVE OF ANY OF THE FOREGOING (TOGETHER, THE "INDEMNIFIED PARTIES") FROM AND AGAINST ANY AND ALL COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, PROCEEDINGS, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND SUITS OF ANY KIND AND NATURE BROUGHT BY A THIRD PARTY, INCLUDING BUT NOT LIMITED TO, PERSONAL OR BODILY INJURY, DEATH AND PROPERTY DAMAGE, MADE UPON ANY INDEMNIFIED PARTY DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM OR RELATED TO THE DEVELOPER'S ACTIVITIES UNDER THIS AGREEMENT, INCLUDING ANY ACTS OR OMISSIONS OF THE DEVELOPER, ANY AGENT, OFFICER, DIRECTOR, REPRESENTATIVE, EMPLOYEE, CONSULTANT OR SUBCONTRACTOR OF THE DEVELOPER, AND THEIR RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, DIRECTORS AND REPRESENTATIVES, WHILE IN THE EXERCISE OF PERFORMANCE OF THE RIGHTS OR DUTIES UNDER THIS AGREEMENT. THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL NOT

APPLY TO ANY LIABILITY RESULTING FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY INDEMNIFIED PARTY. IN THE EVENT THE DEVELOPER AND AN INDEMNIFIED PARTY ARE FOUND JOINTLY LIABLE, BECAUSE OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF AN INDEMNIFIED PARTY, BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO ANY SUCH INDEMNIFIED PARTY UNDER APPLICABLE TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES HERETO UNDER TEXAS LAW AS TO SAID CLAIMANTS. THE PROVISIONS OF THIS INDEMNIFICATION ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. THE DEVELOPER SHALL IMMEDIATELY ADVISE THE CITY, IN WRITING, OF ANY CLAIM OR DEMAND AGAINST THE DEVELOPER OR AN INDEMNIFIED PARTY, TO THE EXTENT AND WHEN KNOWN TO THE DEVELOPER, RELATED TO OR ARISING OUT OF THE DEVELOPER'S ACTIVITIES UNDER THIS AGREEMENT.

In addition to the indemnification provided above, the Developer shall also require each of its general contractors working on the Project to indemnify each Indemnified Party from and against any and all claims, losses, damages, causes of actions, suits and liabilities arising out of their actions related to the performance of this Agreement, utilizing (in its entirety) the same indemnification language contained herein.

ARTICLE 12
MISCELLANEOUS

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

12.02 Entire Agreement; Parties in Interest. This Agreement, together with any exhibits attached hereto, constitutes the entire agreement between Parties with respect to its subject matter, and may not be amended except by a writing signed by all Parties with authority to sign and dated subsequent to the date hereof. There are no other agreements, oral or written, except as expressly set forth herein. No person, other than a Party, shall acquire or have any right hereunder or by virtue hereof.

12.03 Recordation. A copy of this Agreement will be recorded in the Official Public Records of the County by the City.

12.04 Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State. This Agreement is performable in the County. Any legal action or proceeding brought or maintained, directly or indirectly, as a result of this Agreement shall be heard and determined in a court of competent jurisdiction located in the County. Notwithstanding the foregoing, the parties hereto agree that any dispute that may arise under this Agreement shall first be submitted to non-binding mediation, or to alternative dispute resolution proceedings, before litigation is filed in court.

12.05 Termination or Amendment by Agreement. This Agreement may only be

terminated prior to the Termination Date, or its terms amended by mutual written consent of the Parties.

12.06 No Oral or Implied Waiver. The Parties may waive any of their respective rights or conditions contained herein or any of the obligations of the other Party hereunder, but unless this Agreement expressly provides that a condition, right, or obligation is deemed waived, any such waiver will be effective only if in writing and signed by the party waiving such condition, right, or obligation. The failure of either party to insist at any time upon the strict performance of any covenant or agreement in this Agreement or to exercise any right, power, or remedy contained in this Agreement will not be construed as a waiver or a relinquishment thereof for the future.

12.07 No Third-Party Beneficiary. This Agreement is not intended, nor will it be construed, to create any third-party beneficiary rights in any person or entity who is not a Party, unless expressly otherwise provided herein.

12.08 No Personal Liability. None of the members of the City Council, nor any officer, agent, or employee of the City, shall be charged personally by the Developer with any liability, or be held liable to the Developer under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach, of this Agreement.

12.09 Severability. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provision of any Constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

12.10 Section Headings. Section headings have been inserted in this Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Agreement and will not be used in the interpretation of any provisions of this Agreement.

* * *

CITY OF CASTROVILLE, TEXAS

By: _____
Name: Darrin Schroeder
Title: Mayor
Address: 1209 Fiorella Street
Castroville, Texas 78009

THE STATE OF TEXAS §
§
COUNTY OF §

This instrument was acknowledged before me on September 21, 2023, by Mayor Darrin Schroeder of Castroville.

_____
Notary Public in and for the State of Texas

DEBRA HOWE
NOTARY PUBLIC
STATE OF TEXAS
MY COMM. EXP. 04/06/24
NOTARY ID 1164494-6

THE LANDOWNERS:

MKT 179 INVESTMENTS, LLC formerly DICKERSON TAUSCH PROPERTIES, LLC

By: _____
Name: Terry Dickerson
Title: Manager
Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

CROWN MONEY, LLC

By: _____
Name: Terry Dickerson
Title: Manager
Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

MKT179, LLC

By: _____
Name: Terry Dickerson
Title: Manager
Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

THE STATE OF TEXAS §
§
COUNTY OF §

This instrument was acknowledged before me on August 28, 2023, by Terry Dickerson, Manager of MKT 179 Investments, LLC formerly Dickerson Tausch Properties, LLC, Crown Money, LLC, and MKT179, LLC.

RICHARD WESLEY RUSSELL
Notary Public, State of Texas
Comm. Expires 07-20-2026
Notary ID 607490-9

_____
Notary Public in and for the State of Texas

THE DEVELOPER:

KF FLAT CREEK, LP

By: _____
Name: Shad Schmid
Title: Manager
Address: 2722 West Bitters Road
Suite 106
San Antonio, Texas 78248

THE STATE OF TEXAS §
§
COUNTY OF BEXAR §

This instrument was acknowledged before me on August 22nd., 2023, by Shad Schmid, Manager of KF Flat Creek, LP

_____
Notary Public in and for the State of Texas

OSCAR V. DOMINGUEZ
Notary Public, State of Texas
Comm. Expires 08-06-2024
Notary ID 132609444

INDEX TO EXHIBITS

Exhibit A.....Property Description (Metes and Bounds and Location Map)
Exhibit B..... City Map – Corporate and ETJ Limits
Exhibit C..... Form of Completion Agreement
Exhibit D.....Land Plan
Exhibit E .....Form of Landowner Agreement
Exhibit F.....Form of Maintenance Agreement
Exhibit G.....Owner Disclosure Program
Exhibit H.....Form of Reimbursement Agreement
Exhibit I .....Residential Construction Standards
Exhibit J .....Form of Utility Service Agreement
Exhibit K.....Petition for ETJ Annexation
Exhibit L .....Petition for Annexation
Exhibit M..... Multi-Party Agreement
Exhibit N .....Airport Proximity Consent

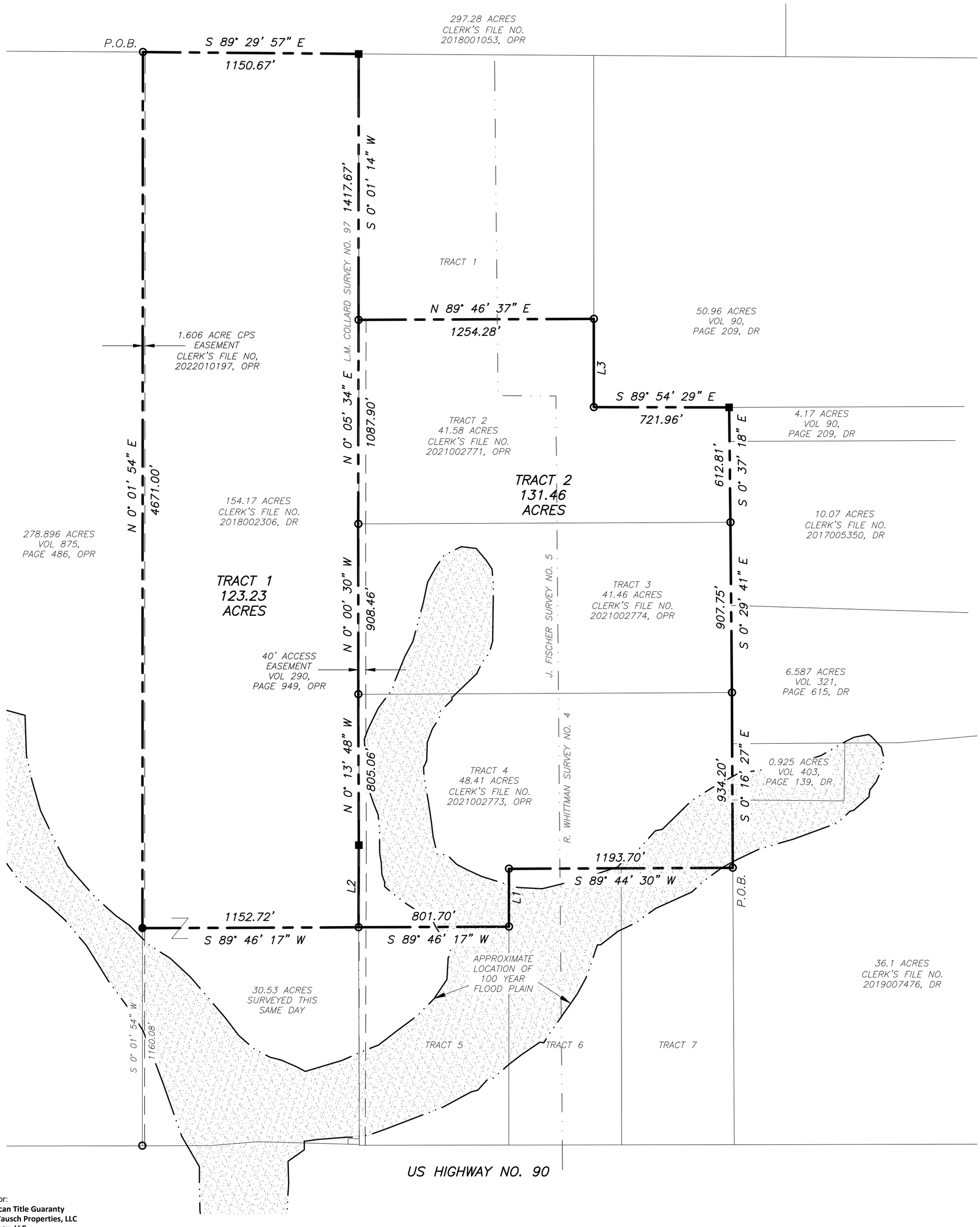
Exhibit A

PROPERTY DESCRIPTION
[METES AND BOUNDS AND LOCATION MAP]

PLAT OF SURVEY

OF

A 123.23 ACRE TRACT OF LAND, CALLED TRACT 1, BEING A PORTION OF A 153.76 ACRE TRACT OF LAND, CALLED 154.17, AND A 131.46 ACRE TRACT OF LAND, CALLED TRACT B, BEING ALL OF A 41.58 ACRE TRACT OF LAND, CALLED TRACT 2, ALL OF A 41.46 ACRE TRACT OF LAND, CALLED TRACT 3, AND ALL OF A 48.41 ACRE TRACT OF LAND, CALLED TRACT 4, OF THE JOHN FISCHER ESTATE LANDS DIVISION, LYING IN THE JOSEPH FISCHER SURVEY NO. 5, ABSTRACT NO. 1269, THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, AND THE ROMANUS WHITMAN SURVEY NO. 4, ABSTRACT NO. 1348, MEDINA COUNTY, TEXAS



1" = 400'

THE BASIS OF BEARING ON THIS PLAT IS GRID NORTH, TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83 (2011), SOUTH CENTRAL ZONE

Line Table		
Line #	Length	Direction
L1	308.57	S0° 00' 47"W
L2	437.26	N0° 12' 35"E
L3	470.56	S0° 01' 54"E

Prepared for:
First American Title Guaranty
Dickerson Tausch Properties, LLC
Crown Money, LLC
KF Flat Creek, LP

REFERENCES:

DEED:
Clerk's File No. 2021002771, OPR
Clerk's File No. 2018002306, OPR
Clerk's File No. 2021002773, OPR
Clerk's File No. 2021002774, OPR
Flood plain panel #48325C8530D
Issued date: 5-15-2020

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that this plat was prepared from an actual survey done by me or under my direct supervision, and that to the best of my knowledge and belief it is a true and correct representation of said survey. This survey substantially complies with the current Texas Society of Professional Surveyors Manual of Practice requirements for a Category 1A, Condition 2.

STATE OF TEXAS
REGISTERED
RICHARD POLLOK
5825
PROFESSIONAL
LAND SURVEYOR

TRACKS 2, 3, AND 4

ITEMS CORRESPONDING TO SCHEDULE B

PER TITLE COMMITMENT GF NO. 2759757–1841, ISSUED JULY 26, 2022

e. RIGHT OF WAY EASEMENT, RECORDED IN VOLUME 86, PAGE 152, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS NONPLOTTABLE**

f. RIGHT OF WAY EASEMENT, RECORDED IN VOLUME 117, PAGE 530, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS NONPLOTTABLE**

g. 40 FOOT INGRESS/EGRESS EASEMENT, RECORDED IN VOLUME 290, PAGE 949, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS SHOWN**

154.17 ACRES

ITEMS CORRESPONDING TO SCHEDULE B

PER TITLE COMMITMENT GF NO. 2759766–1841, ISSUED AUGUST 10, 2023

e. RIGHT OF WAY EASEMENT, RECORDED IN VOLUME 86, PAGE 152, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS SHOWN**

f. RIGHT OF WAY EASEMENT, RECORDED IN VOLUME 117, PAGE 530, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS SHOWN**

g. 40 FOOT INGRESS/EGRESS EASEMENT, RECORDED IN VOLUME 290, PAGE 949, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS SHOWN**

j. ELECTRIC RIGHT OF WAY EASEMENT, RECORDED IN CLERK'S FILE NO. 2022010197, OFFICIAL PUBLIC RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS SHOWN**

l. EASEMENT AGREEMENT, RECORDED IN VOLUME 243, PAGE 33, OFFICIAL PUBLIC RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM DOES NOT EFFECT THIS PROPERTY**

n. PUBLIC UTILITY EASEMENT, RECORDED IN CLERK'S FILE NO. 2021005209, OFFICIAL PUBLIC RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM DOES NOT EFFECT THIS PROPERTY**

o. CONSTRUCTION EASEMENT, RECORDED IN CLERK'S FILE NO. 2021005210, OFFICIAL PUBLIC RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM DOES NOT EFFECT THIS PROPERTY**

LEGEND

- ● Set 5/8 inch steel rod monument with cap stamped Rakowitz Engineering & Surveying
- ○ Found 5/8 inch steel rod monument
- ▲ TxDot brass disk monument
- ■ Fence corner post
- □ A calculated point
- Boundary line
- Adjoiner
- Barbed wire fence
- OHE — OHE — Overhead electric

Rakowitz
ENGINEERING & SURVEYING
TEXAS REGISTERED ENGINEERING FIRM F-9155
TEXAS LICENSED SURVEYING FIRM 101812-00
830.281.4060 515 W. OAKLAWN STE. A PLEASANTON, TX 78064

Date of survey: April 25, 2023
Update of survey: August 14, 2023
Job No. 22-2818B

State of Texas
County of Medina

Field notes for a tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 1/2 inch steel rod monument, found for the Northwest corner of said 153.76 acre tract of land, being the Northeast corner of a 278.896 acre tract of land, described in volume 875, page 486, of the Deed Records, Medina County, Texas, and lying on the South line of a 297.28 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018001053, of the Official Public Records, Medina County, Texas, said point of beginning being the Northwest corner of this tract of land;

Thence South 89° 29' 57" East, 1150.67 feet, along the North line of said 154.17 acre tract of land, being the South line of said 297.28 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said 154.17 acre tract of land, being the Northwest corner of Tract 1, of the John Fischer Estate Lands Division, described in an instrument, recorded in Volume 290, Page 949 of the Official Public Records of Medina County, Texas, said point being the Northeast corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

South 00° 01' 14' West, 1417.67 feet, being the West line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for Southwest corner of said Tract 1, being the Northwest corner of a 41.58 acre tract of land, called Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 05' 34" West, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 2, being the Northwest corner of a 41.46 acre tract of land, called Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 00' 30" East, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 3, being the Northwest corner of a 48.41 acre tract of land, called Tract 4, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 13' 48" East, 805.06 feet, along the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, said point being an angle point of this tract of land;

South 00° 12’ 35” West, 437.26 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of Tract 5, of said John Fischer Estate Lands Division, the Southeast corner of a 123.23 acre tract of land, surveyed this same day, and the Northeast corner of a 30.53 acre tract of land, surveyed this same day, said point being the Southeast corner of this tract of land;

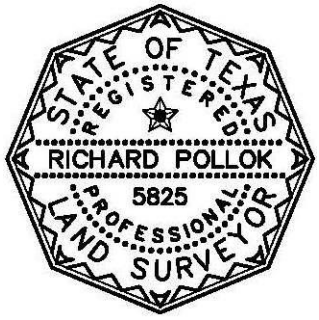
Thence South 89° 46’ 17” West, 1152.72 feet, across said 154.17 acre tract of land, along the North line of said 30.53 acre tract of land, to a point marked by a 5/8 inch steel rod monument, with a cap stamped Rakowitz Engineering and Surveying, set on the West line of said 154.17 acre tract of land, for the Northwest corner of said 30.53 acre tract of land, and lying on the East line of said 278.896 acre tract of land, said point being the Southwest corner of this tract of land;

Thence North 00° 01’ 54” East, 4671.00 feet, along the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 123.23 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.





Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

State of Texas
County of Medina

Field notes for a tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 4, being the Northeast corner of Tract 7, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, and lying on the West line of a 36.1 acre tract of land, described in an instrument, recorded in Clerk's File No. 2019007476, Deed Records, Medina County, Texas, said point of beginning being the Southeast corner of this tract of land;

Thence South 89° 44' 30" West, 1193.70 feet, along the South line of said Tract 4, being the North line of said Tract 7 and continuing along the North line of Tract 6, of said John Fischer Estate Lands Division, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 4, being the Northwest corner of said Tract 6, said point being a reentrant corner of this tract of land;

Thence South 00° 00' 47" West, 308.57 feet, along an East line of said Tract 4, being the West line of said Tract 6, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 4, being the Northeast corner of Tract 5, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 89° 46' 17" West, 801.70 feet, along the South line of said Tract 4, being the North line of said Tract 5, to a point marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of said Tract 5, The Southeast corner of a 123.23 acre tract of land, surveyed this same day, the Northeast corner of a 30.53 acre tract of land, surveyed this same day, and lying on the East line of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, Medina County, Texas, said point being the Southwest corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

North 00° 12’ 35” East, 437.26 feet, being the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, being an angle point for said 154.17 acre tract of land, an angle point of said 123.23 acre tract of land, said point being an angle point of this tract of land;

North 00° 13’ 48” West, 805.06 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 4, being the Southwest corner of Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 00’ 30” West, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 3, being the Southwest corner of Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 05’ 34” East, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 2, being the Southwest corner of Tract 1, of said John Fischer Estate Lands Division, said point being the Northwest corner of this tract of land;

Thence North 89° 46’ 37” East, 1254.28 feet, along the North line of said Tract 2, being the South line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 2, being the Southeast corner of said Tract 1, and lying on the West line of a 50.96 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01’ 54” East, 470.56 feet, along an East line of said Tract 2, being the West line of said 50.96 acre tract of land, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 2, being the Southwest corner of said 50.96 acre tract of land, said point being a reentrant corner of this tract of land;

Thence South 89° 54’ 29” East, 721.96 feet, along a North line of said Tract 2, being the South line of said 50.96 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said Tract 2, being the Northwest corner of a 4.17 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being the Northeast corner of this tract of land;

Thence South 00° 37’ 18” East, 612.81 feet, along the East line of said Tract 2, being the West line of said 4.17 acre tract of land, and a 10.07 acre tract of land, described in an instrument, recorded in Clerk’s File No. 2017005350, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 2, being the Northeast corner of said Tract 3, said point being an angle point of this tract of land;

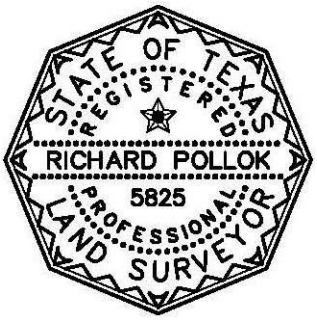
Thence South 00° 29’ 41” East, 907.75 feet, along the East line of said Tract 3, being the West line of said 10.07 acre tract of land, and a 6.587 acre tract of land, described in an instrument, recorded in Volume 321, Page 615, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of Tract 2, being the Northeast corner of said Tract 4, said point being an angle point of this tract of land;

Thence South 00° 16’ 27” East, 934.20 feet, along the East line of said Tract 4, being the West line of said 6.587 acre tract of land, and continuing along the West line of a 0.925 acre tract of land, described in an instrument, recorded in Volume 403, Page 139, Deed Records, Medina County, Texas, and continuing along the West line of said 36.1 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 254.69 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.





Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

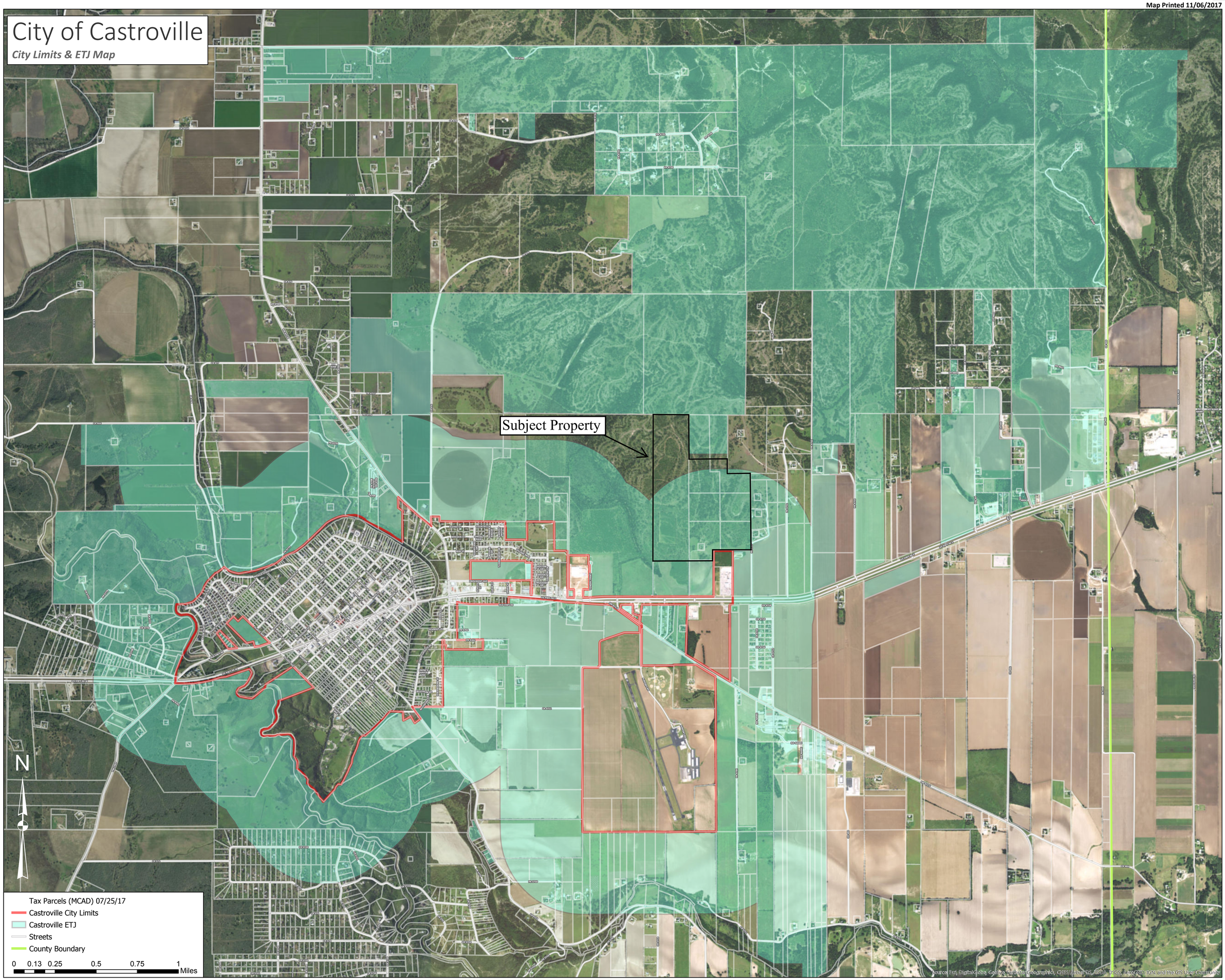
Exhibit B

CITY MAP – CORPORATE AND ETJ LIMITS

Map Printed 11/06/2017

City of Castroville

City Limits & ETJ Map

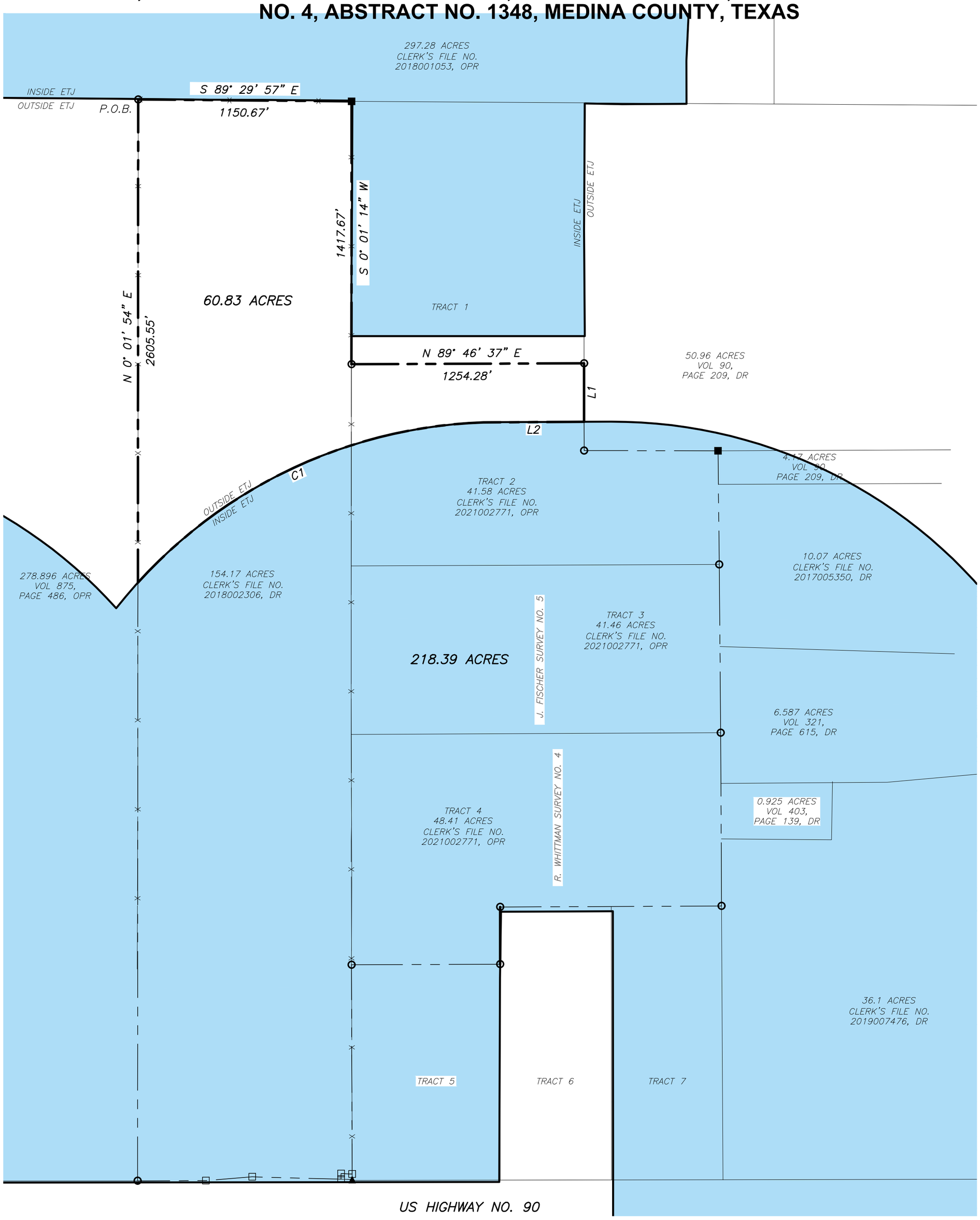


Disclaimer – The City of Castroville (City) does not guarantee the accuracy, adequacy, completeness, or usefulness of this information. The map is not a legal representation of the depicted data. Data is derived from public records that are constantly undergoing revision. Under no circumstances should this map be used for final design purposes. City provides this information on an "as is" basis without warranty of any kind, express or implied, and assumes no responsibility for anyone's use of the information. The appropriate City department should always be contacted for official and current information.

EXHIBIT

OF

A 285.22 ACRE TRACT OF LAND, BEING ALL OF A 153.76 ACRE TRACT OF LAND, CALLED 154.17, ALL OF A 41.58 ACRE TRACT OF LAND, CALLED TRACT 2, ALL OF A 41.46 ACRE TRACT OF LAND, CALLED TRACT 3, AND ALL OF A 48.41 ACRE TRACT OF LAND, CALLED 4, OF THE JOHN FISCHER ESTATE LANDS DIVISION, LYING IN THE JOSEPH FISCHER SURVEY NO. 5, ABSTRACT NO. 1269, THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, AND THE ROMANUS WHITTMAN SURVEY NO. 4, ABSTRACT NO. 1348, MEDINA COUNTY, TEXAS



1" = 400'

THE BASIS OF BEARING ON THIS PLAT IS GRID NORTH, TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83 (2011), SOUTH CENTRAL ZONE

LEGEND

- Found 5/8 inch steel rod monument
- TxDot brass disk monument
- Fence corner post
- A calculated point
- Boundary line
- Adjoiner
- X — Barbed wire fence
- OHE — OHE — Overhead electric

Prepared for:
King Fish Development, LLC

REFERENCES:

DEED: Clerk's File No. 2021002771, OPR
Clerk's File No. 2018002306, OPR
Flood plain panel #48325C8530D
Issued date: 5-15-2020

Line Table		
Line #	Length	Direction
L1	315.35	S0° 01' 54"E
L2	543.77	S89° 39' 05"W

Curve Table					
Curve #	Length	Radius	Delta	Chord Direction	Chord Length
C1	2108.70	2636.33	45°49'44"	S65° 06' 35"W	2052.94

Rakowitz
ENGINEERING & SURVEYING
TEXAS REGISTERED ENGINEERING FIRM F-9155
TEXAS LICENSED SURVEYING FIRM 101812-00
830.281.4060 515 W. OAKLAWN STE A PLEASANTON, TX 78064

Date of survey: April 25, 2023
Job No. 22-2818B

State of Texas
County of Medina

Field notes for a tract of land containing 60.83 acres tract of land, being a portion of a 153.76 acre tract of land, called 154.17 acres, and a portion of a 41.58 acre tract of land, called Tract 2, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, the Romanus Whitman Survey No. 4, Abstract No. 1348, and the L.M. Collard Survey No. 97, Abstract No. 129, Medina County, Texas, prepared for King Fish Development, LLC, dated April 25, 2023.

A tract of land containing 60.83 acres tract of land, being a portion of a 153.76 acre tract of land, called 154.17 acres, described in an instrument, recorded in Clerk's File No. 201800002306, Official Public Records, Medina County, Texas, and a portion of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, and lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, the Romanus Whitman Survey No. 4, Abstract No. 1348, and the L.M. Collard Survey No. 97, Abstract No. 129, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 5/8 inch steel rod monument, found for the Northwest corner of said 154.17 acre tract of land, being the Northeast corner of a 278.896 acre tract of land, described in an instrument, recorded in Volume 875, Page 486, Official Public Records, Medina County, Texas, and lying on the North line of a 297.28 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018001053, Official Public Records, Medina County, Texas, said point of beginning being the Northwest corner of this tract of land;

Thence South 89° 29' 57" East, 1150.67 feet, along the North line of said 154.17 acre tract of land, being the South line of said 297.28 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said 154.17 acre tract of land, being the Northwest corner of Tract 1, of the John Fischer Estate Lands Division, said point being the Northeast corner of this tract of land;

Thence South 00° 01' 14" West, 1417.67 feet, along the East line of said 154.17 acre tract of land, being the West line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 2, being the Southwest corner of said Tract 1, said point being an reentrant corner of this tract of land;

Thence North 89° 46' 37" East, 1254.28 feet, along the North line of said 154.17 acre tract of land, being the South line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for the upper Northeast corner of said Tract 2, being the Southeast corner of said Tract 1, and lying on the West line of a 50.96 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01' 54" East, 315.35 feet, along an East line of said Tract 2, being the West line of said 50.96 acre tract of land, to a calculated point, said point being the Southeast corner of this tract of land;

Thence South 89° 39’ 05” West, 543.77 feet, across said Tract 2 to a calculated point, said point being an angle point of this tract of land;

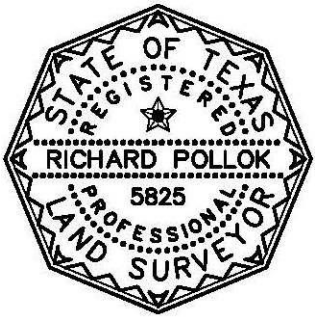
Thence along a non-tangent curve to the left, having a radius of 2636.33 feet, a delta angle of 45° 49’ 44”, an arc length of 2108.70 feet, and a chord bearing and distance of South 65° 06’ 35” West, 2052.94 feet, to a calculated point, lying on the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, said point being the Southwest corner of this tract of land;

Thence North 00° 01’ 54” East, 2605.55 feet, along the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 60.83 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated April 25, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.





Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

State of Texas
County of Medina

Field notes for a tract of land containing 254.69 acres tract of land, being a portion of a 153.76 acre tract of land, called 154.17 acres, all of a 41.58 acre tract of land, called Tract 2, all of a 41.46 acre tract of land, called Tract 3, and all of a 48.41 acre tract of land, called Tract 4, of the John fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, prepared for King Fish Development, LLC, dated April 25, 2023.

A tract of land containing 254.69 acres tract of land, being a portion of a 153.76 acre tract of land, called 154.17 acres, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, Medina County, Texas, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 4, being the Northeast corner of Tract 7, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, and lying on the West line of a 36.1 acre tract of land, described in an instrument, recorded in Clerk's File No. 2019007476, Deed Records, Medina County, Texas, said point of beginning being the Southeast corner of this tract of land;

Thence South 89° 44' 30" West, 1193.70 feet, along the South line of said Tract 4, being the North line of said Tract 7 and Tract 6 to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 4, being the Northwest corner of said Tract 6, said point being a reentrant corner of this tract of land;

Thence South 00° 00' 47" West, 308.57 feet, along an East line of said Tract 4, being the West line of said Tract 6, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 4, being the Northeast corner of Tract 5, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 89° 46' 17" West, 1954.41 feet, along the South line of said Tract 4, and across said 154.17 acre tract of land, being the North line of said Tract 5, and a 30.53 acre tract of land, surveyed this same day, to a point marked by a 5/8 inch steel rod monument, with a cap stamped Rakowitz Engineering and Surveying, set, lying on the West line of said 154.17 acre tract of land, being the Northwest corner of said 30.53 acre tract of land, and lying on the East line of a 278.896 acre tract of land, described in an instrument, recorded in Volume 875, Page 486, Official Public Records, Medina County, Texas, said point being the Southwest corner of this tract of land;

Thence North 00° 01' 54" East, 4671.00 feet, along the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, to a point marked by a 5/8 inch steel rod monument, found for the Northwest corner of said 154.17 acre tract of land, being the Northeast corner of said 278.896 acre tract of land, and lying on the South line of a 297.28 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018001053, Official Public Records, Medina County, Texas, said point being the Northwest corner of this tract of land;

Thence South 89° 29' 57" East, 1150.67 feet, along the North line of said 154.17 acre tract of land, being the South line of said 297.28 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said 154.17 acre tract of land, being the Northwest corner of Tract 1, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01' 14' West, 1417.67 feet, along the East line of said 154.17 acre tract of land, being the West line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for

Northwest corner of said Tract 2, being the Southwest corner of said Tract 1, said point being a reentrant corner of this tract of land;

Thence North 89° 46’ 37” East, 1254.28 feet, along the North line of said Tract 2, being the South line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 2, being the Southeast corner of said Tract 1, and lying on the West line of a 50.96 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01’ 54” East, 470.56 feet, along an East line of said Tract 2, being the West line of said 50.96 acre tract of land, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 2, being the Southwest corner of said 50.96 acre tract of land, said point being a reentrant corner of this tract of land;

Thence South 89° 54’ 29” East, 721.96 feet, along a North line of said Tract 2, being the South line of said 50.96 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said Tract 2, being the Northwest corner of a 4.17 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being the Northeast corner of this tract of land;

Thence South 00° 37’ 18” East, 612.81 feet, along the East line of said Tract 2, being the West line of said 4.17 acre tract of land, and a 10.07 acre tract of land, described in an instrument, recorded in Clerk’s File No. 2017005350, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 2, being the Northeast corner of said Tract 3, said point being an angle point of this tract of land;

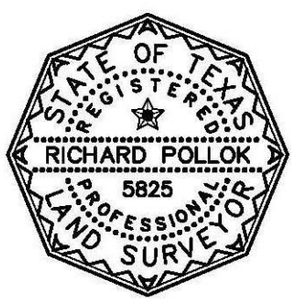
Thence South 00° 29’ 41” East, 907.75 feet, along the East line of said Tract 3, being the West line of said 10.07 acre tract of land, and a 6.587 acre tract of land, described in an instrument, recorded in Volume 321, Page 615, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of Tract 2, being the Northeast corner of said Tract 4, said point being an angle point of this tract of land;

Thence South 00° 16’ 27” East, 934.20 feet, along the East line of said Tract 4, being the West line of said 6.587 acre tract of land, a 0.925 acre tract of land, described in an instrument, recorded in Volume 403, Page 139, Deed Records, Medina County, Texas, and said 36.1 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 254.69 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated April 25, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.





Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

Exhibit C

FORM OF COMPLETION AGREEMENT

Prepared by and return to:
Clay Binford
112 E. Pecan, Suite 1310
San Antonio, Texas 78205

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

COMPLETION AGREEMENT

THIS COMPLETION AGREEMENT (herein, this *Agreement*) is made effective as of _____, 202__, by and among [DEVELOPER], a Texas [limited liability company] (together with its affiliates, successors, and assigns, the *Developer*), the City of Castroville, Texas (the *City*), and _____, a national banking association (the *Trustee*), solely in its capacity as trustee for the City of Castroville, Texas, Special Assessment Revenue Bonds, Series 202__ ([NAME] Public Improvement District No. [__]) (the *Bonds*).

RECITALS

WHEREAS, by action on _____, 202__, the City Council of the City (the *Council*) created and established the boundaries of [NAME] Public Improvement District No. [__] (the *District*); and

WHEREAS, in connection with its creation of the District, the City determined that it is in the best interests of the present and future landowners of and is of special benefit to the lands within the District (such lands, as more particularly described in Exhibit A attached hereto and incorporated by referenced herein, the *Property*) to finance, construct and deliver certain public improvements, as more specifically described in *[NAME] Public Improvement District Service and Assessment Plan*, adopted by the Council on _____, 202__ (as such plan may be updated and amended from time to time, the *Service and Assessment Plan*); and

WHEREAS, the Developer is the sole owner and developer of the Property; and

WHEREAS, the City and the Developer have entered into the *Development Agreement*, dated as [_____, 202__] (the *Development Agreement*), and *[NAME] Public Improvement District Construction, Funding, and Acquisition Agreement* (the *Financing Agreement*), dated as of [_____, 202__], pursuant to which the Developer has made commitments, including financial commitments, regarding the Property's development as therein described and as described and contemplated in the Service and Assessment Plan; and

WHEREAS, the Service and Assessment Plan identifies the various financial sources the City anticipates it and the Developer accessing to finance the Actual Costs of the Authorized Improvements, which includes proceeds of Bonds and the hereinafter-defined Developer Financial Commitment; and

WHEREAS, the Developer acknowledges and agrees that completion of the Authorized Improvements is essential in assuring that Special Assessments levied by the City as described in the Service and Assessment Plan are properly allocated across the benefited Property; and

WHEREAS, to ensure completion of the Authorized Improvements as described in the Service and Assessment Plan by identifying the source and manner of the Developer's satisfaction of the Developer Financial Commitment, as well as to assure a successful marketing and sale of the Bonds by providing directly to the Trustee (on behalf of the owners of the Bonds; such owners, the *Bondholders*), the Developer's representations, warranties and covenants herein made, the parties hereto now desire to enter into this Agreement; and

NOW, THEREFORE, based upon the above recitals and other good and valuable consideration, the receipt of which and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **INCORPORATION OF RECITALS; DEFINED TERMS**. The recitals stated above are true and correct and are incorporated by reference as a material part of this Agreement. Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Service and Assessment Plan.

2. **PROJECT DEVELOPMENT; DEVELOPER FINANCIAL COMMITMENT**. In accordance with the Financing Agreement and the Development Agreement, and as described in the Service and Assessment Plan, the Developer will cause the Property's development. With respect to the foregoing, the Developer hereby covenants and obligates itself to timely pay Authorized Improvements Costs that are not directly funded from, as provided in the Development Agreement and the Financing Agreement, proceeds of Bonds or excess Assessment Revenues (such Developer financial commitment, the *Developer Financial Commitment*).

3. **SOURCE OF FUNDING DEVELOPER FINANCIAL COMMITMENT; QUARTERLY REPORTING REQUIREMENTS**. To provide a source to fund the Developer Financial Commitment, the Developer has obtained a private loan from [NAME OF LENDER] (the *Lender*), in the amount of $_____, all of which is available for draw to fund the Developer Financial Commitment (the *Loan*). The Developer has provided to the City written evidence of the Loan's effectiveness as of the date of this Agreement, as well as authorization to expend Loan proceeds to pay Authorized Improvement Costs. The Developer hereby covenants and agrees that it shall maintain the Loan (i) until each of the Authorized Improvements for which the Developer is responsible for constructing have been completed and accepted by the applicable public entity (as identified in the Service and Assessment Plan) and (ii) in sufficient amount to pay the then-remaining costs of the Developer Financial Commitment.

The Developer shall include as a part of the quarterly reports required under the continuing disclosure agreements, entered into in connection with the issuance of the Bonds for purposes of compliance with Rule 15c2-12, evidence that sufficient Loan capacity remains to fund the then-remaining Developer Financial Commitment and a timeline for completion of any Authorized Improvements for which the Developer is responsible for constructing that at such time remain incomplete.

4. **FUNDING SOURCES SUBJECT TO FINANCING AGREEMENT**. The Developer's commitment to fund the Developer Financial Commitment hereunder specified, anticipated to be satisfied with Loan proceeds, shall constitute one of the Available Sources of Payment defined in and identified under Section 2.02(a) of the Financing Agreement. Accordingly, the parties hereto agree that accessing the Loan proceeds to pay Authorized Improvement Costs shall be subject to, in addition to any conditions to accessing Loan proceeds pursuant to the provisions of the Loan documents between the Lender and the Developer, the provisions of Section 4.03 of the Financing Agreement and shall be done only to the extent of the unavailability of other Available Sources of Payment.

5. **REIMBURSEMENT TO DEVELOPER**. The Developer hereby acknowledges and agrees that its obligations hereunder are obligations and liabilities of the Developer alone and neither the City nor the Trustee shall have any responsibility for payment or repayment of the same (including repayment of the Loan), except as hereafter specified. Notwithstanding the foregoing, the Developer Financial Commitment shall, pursuant to the terms of the Reimbursement Agreement and the Financing Agreement, be subject to reimbursement to the Developer from Assessment Revenues available for such purpose (as provided in the Development Agreement) on a cash-flow basis and in the order of priority specified in the Indenture authorizing the issuance of the Bonds or from proceeds of Additional Bonds.

6. **OTHER CONDITIONS AND ACKNOWLEDGEMENTS**. The Developer acknowledges that the location, size, configuration and composition of the Authorized Improvements may change from that described in the Service and Assessment Plan, depending upon final design, permitting or other regulatory requirements over time, or other factors. The Developer agrees not to (i) request an amendment to the Development Agreement or the Financing Agreement that would result in the substantial impairment of or (ii) make material changes to the Authorized Improvements that substantially impairs the marketability of the homes or lots within the District without first obtaining the written consent of the Trustee, which consent shall be given solely in accordance with the terms of the applicable Indenture; provided, however, such consent will not be necessary, and the Developer must meet its completion obligations, when the scope, configuration, size and/or composition of the Authorized Improvements for which the Developer is responsible for constructing is materially changed in response to a requirement imposed by law or by a regulatory agency (to be understood as including any governmental action or requirement, including (but not limited to) Council action). The consent of the Bondholders, as evidenced by the written consent of the Trustee delivered pursuant to the applicable terms of the applicable Indenture, is not and will not constitute a representation or warranty with regard to any Authorized Improvement or the adequacy, marketability or compliance of the same, but is and will be merely the consent of the Bondholders to any such change.

7. **DEVELOPER DEFAULT; PROTECTION AGAINST THIRD PARTY INTERFERENCE.**

(a) *Notice of Default under Certain Agreements*. The Developer shall provide to the Trustee, within fifteen days of such occurrence, written notice of default under either the Development Agreement or the Financing Agreement.

(b) *Developer Default.* In the event the Developer does not comply with the terms of this Agreement, the Trustee or its designee shall have the right to seek specific

performance from a court of competent jurisdiction in order to ensure the Authorized Improvements are completed as soon thereafter as possible; provided that the Trustee shall seek such relief solely at the written direction and at the sole cost and expense of the Bondholders, which direction shall be provided in accordance with the provisions of the applicable Indenture.

(c) *Protection Against Third Party Interference.* Subject to any lienholder's rights to cure (including those of the Lender), the Trustee shall be solely responsible for enforcing its rights under this Agreement against any interfering third party. Nothing contained in this Agreement shall limit or impair the Trustee's right to protect its rights from interference by a third party to this Agreement. Notwithstanding anything contained herein, any action of the Trustee to enforce its rights under this Agreement shall be taken solely for the benefit of the Bondholders and in accordance with the provisions of the applicable Indentures and at the Bondholders' sole cost and expense.

8. **BONDHOLDERS' BENEFIT**. The Developer acknowledges and agrees that, in addition to the benefit derived hereunder by the City, (i) it is entering into this Agreement for the benefit of the Bondholders and the Trustee acting on behalf of such Bondholders and (ii) such Bondholders have reasonably relied upon this Agreement in purchasing the Bonds.

9. **AMENDMENTS.** Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by each party hereto, provided that the Trustee shall execute such amendment or waiver solely upon the consent of a majority of the Bondholders (which consent shall be provided in accordance with the provisions of the applicable Indenture).

10. **AUTHORIZATION; CONSENT**. The execution of this Agreement has been duly authorized by the Trustee, the City, and the Developer, and each of the Trustee, the City, and the Developer have full power and authority to comply with the terms and provisions of this instrument. The Lender's consent to the Developer's entering into and executing this Agreement is attached hereto as Exhibit B hereto.

11. **NOTICES.** All notices, requests, consents and other communications required or permitted under this Agreement shall be in writing and shall be (as elected by the person giving such notice) hand-delivered by prepaid express overnight courier or messenger service, telecommunicated, mailed (airmail if international) by registered or certified (postage prepaid), return receipt requested, or emailed to the following addresses:

The City:

City of Castroville, Texas
1209 Fiorella Street
Castroville, Texas 78009
Attention: City Administrator
Email: scott.dixon@castrovilletx.gov

With a copy to:

McCall, Parkhurst & Horton L.L.P.
112 E. Pecan, Suite 1310
San Antonio, Texas 78205
Attention: Clay Binford
Email: cbinford@mphlegal.com

Trustee:

_____
_____
_____, Texas 78____
Attention: _____
Email: _____

Developer:

[CONTACT INFORMATION]

With a copy to:

[CONTACT INFORMATION]

Except as otherwise provided in this Agreement, any mailed notice sent in the manner provided above shall be deemed received three business days after delivery or mailing. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day shall be deemed received the next business day. If any time for giving notice contained in this Agreement would otherwise expire on a non-business day, the notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Any party or other person to whom notices are to be sent or copied may notify the other parties and addressees of any changes in name or address to which notices shall be sent by providing the same on five days written notice to the parties and addressees set forth herein.

12. **THIRD PARTY BENEFICIARIES**. This Agreement is solely for the benefit of the Trustee, in its capacity as the trustee for the Bonds, the City, and the Developer, and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement (except as noted below with respect to the Bondholders). Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation, other than the Trustee, the City, and the Developer, any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the Trustee, the City, and the Developer and their respective representatives, successors, and assigns. Notwithstanding the foregoing or anything in this Agreement to the contrary, the Bondholders shall be direct third-party beneficiaries of the terms and conditions of this Agreement and shall, individually or collectively, be entitled to enforce or cause the Trustee or the City to enforce the Developer's obligations hereunder.

13. **SUCCESSORS.** The rights and obligations created by this Agreement shall be binding upon and inure to the benefit of Developer, the City, and the Trustee, and their respective receivers, trustees, successors and assigns.

14. **ASSIGNMENT**.

(a) Subject to paragraph (b) below, Developer may, in its sole and absolute discretion, assign this Completion Agreement to its Designated Successors and Assigns in connection with a corresponding assignment of the rights and obligations in and to the Financing Agreement to such Designated Successors and Assigns so long as the assigned rights and obligations are assumed by such Designated Successors and Assigns without modifications to this Completion Agreement or the Financing Agreement. Developer shall provide the City with 30 days prior written notice of any such assignment. Upon such assignment, Developer shall be fully released from any and all obligations under this Completion Agreement and shall have no further liability with respect to this Completion Agreement.

(b) Any sale of a portion of the Property or attempted assignment of any right hereunder shall not be deemed a sale or assignment to Designated Successors and Assigns unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is to Designated Successors and Assigns.

(c) Any transfer to Designed Successors and Assigns shall specify that the limitations on the ability to make a transfer as described in paragraph (a) shall also apply to subsequent transfers by Designated Successors and Assigns.

15. **CONSTRUCTION AND DEFINITION OF TERMS; CONFLICT WITH DEVELOPMENT AGREEMENT OR FINANCING AGREEMENT**. Whenever used the singular number shall include the plural, the plural the singular; the use of any gender shall include all genders, as the context requires; and the disjunctive shall be construed as the conjunctive, the conjunctive as the disjunctive, as the context requires. Capitalized terms used herein without definition shall have the respective meanings ascribed thereto in the Financing Agreement. To the extent there is a conflict between the terms of this Agreement and the Development Agreement or the Financing Agreement, the Development Agreement or the Financing Agreement, as applicable, shall control. The Trustee shall not be responsible for any consequences of a conflict between provisions of this Agreement and the Development Agreement or the Financing Agreement.

16. **CONTROLLING LAW**. This Agreement and the provisions herein contained shall be construed, interpreted, and controlled according to the laws of the State of Texas.

17. **SEVERABILITY**. The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

18. **HEADINGS FOR CONVENIENCE ONLY**. The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.

19. **COUNTERPARTS**. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute, but one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

20. **COVENANT AND RECORDATION**. The Developer, as the primary developer and the owner of the Property at the time of the execution of this Agreement, agrees that the obligations imposed upon it by this Agreement are valid and enforceable and shall be covenants running with the Property, creating an obligation and one which is binding upon successor owners and assigns. The Developer shall record this Agreement in the Public Records of Medina County, Texas, against the Property. Once the Developer has completed all the Authorized Improvements pursuant to the terms of this Agreement, the Development Agreement, and the Financing Agreement, the Developer shall notify the City and the Trustee and, upon the written consent of the City and the Trustee, it shall record, in the public records, a release and satisfaction of its obligations under this Agreement (the *Completion Agreement Release*). The City and the Trustee shall provide their respective consents as soon as reasonably practicable after verification by the City (deliverable via electronic communication) that the Authorized Improvements for which the Developer is responsible for constructing are complete in accordance with the provisions of the Development Agreement and the Financing Agreement. The form of the Completion Agreement Release is attached hereto as Exhibit C. This Agreement, when recorded, shall be binding upon the Developer, the City, and the Trustee and their successors and assigns as permitted by this Agreement and upon the Property; however, this Agreement shall not be binding upon, and shall not constitute any encumbrance to title as to, any end-user (including homeowner), builder, or homebuilder except for land use and development regulations that apply to such lots.

21. **ANTI-BOYCOTT VERIFICATION, NO BUSINESS WITH SANCTIONED COUNTRIES**. Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable State or federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with Developer and exists to make a profit.

Developer represents that neither it nor any of its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or

https://comptroller.texas.gov/purchasing/docs/fto-list.pdf.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable State or federal law and excludes Developer and any of its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with Developer and exists to make a profit.

22. **SENATE BILLS 13 AND 19 COMPLIANCE**. To the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section, to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Developer verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law.

As used in the foregoing verification and the following definitions,

(a) 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association,

or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

(b) 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

(c) 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

* * *

IN WITNESS WHEREOF, the parties hereto execute this Agreement and further agree that it shall take effect as of the date first above written.

CITY OF CASTROVILLE, TEXAS

By:_____
Name:_____
Title:_____

STATE OF TEXAS §
§
COUNTY OF MEDINA §

The foregoing instrument was acknowledged before me this _____, 202__, by _____, as _____.

[SEAL]

_____
Notary Public
Commission Expires: _____

_____, solely in its capacity as trustee for the Bonds

By:_____
Name: _____
Title: _____

STATE OF TEXAS §
§
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____, 202__, by _____, as _____ on behalf of the Trustee.

[SEAL]

_____
Notary Public
Commission Expires: _____

[DEVELOPER]
a Texas [limited liability company]

By:_____
Name: _____
Title: _____

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 202__ by _____, _____ of _____, a Texas limited liability company, on behalf of said company.

[SEAL]

_____
Notary Public, State of Texas

EXHIBIT A

METES AND BOUNDS DESCRIPTION OF THE PROPERTY

EXHIBIT B

CONSENT OF LIENHOLDER

_____ (*Lienholder*), being a lienholder on the Property, hereby consents to this Completion Agreement (the *Completion Agreement*) and accepts and agrees to the terms and provisions of this Completion Agreement.

_____

By: _____

Name: _____

Title: _____

THE STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 202__, by _____, the _____ of _____, on behalf of said Lienholder.

_____
Notary Public, State of Texas

EXHIBIT C

COMPLETION AGREEMENT RELEASE

_____, a national banking association (the *Trustee*), solely in its capacity as trustee for the City of Castroville, Texas, Special Assessment Revenue Bonds, Series 202__ ([NAME]Public Improvement District No. [__]) (the *Bonds*), hereby acknowledges receipt of notification of the completion of the Authorized Improvements in accordance with Section 20 of the Completion Agreement (the *Completion Agreement*) by and among the Trustee, City of Castroville, Texas, and _____, a Texas [limited liability company] (the *Developer*).

The Completion Agreement was recorded in the Public Records of Medina County, Texas under Instrument No. _____ against the real property within [NAME] Public Improvement District more particularly described in Exhibit A attached hereto and incorporated by referenced herein (the *Property*).

Developer and its successors and assigns shall have no further obligations, duties or liabilities under the Completion Agreement, and the Trustee hereby releases, waives and forever discharges the Developer from all obligations, duties or liabilities of whatever nature arising under or in connection with the Completion Agreement.

[SIGNATURE PAGE FOLLOWS]

_____, solely in its capacity as trustee for the Bonds

By:_____

Name:_____

Title:_____

STATE OF _____ §
§
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____, 202__, by _____, as _____ on behalf of the Trustee.

[SEAL]

_____
Notary Public
Commission Expires: _____

Exhibit D

LAND PLAN

DEVELOPMENT SUMMARY						
AREA/PHASE	LAND USE	AREA (Ac.)	DENSITY (DU/Ac.)	UNITS/LOTS	OPEN SPACE REQ. (Ac.)	OPEN SPACE PROVIDED (Ac.)
AM	AMENITY CENTER	10.70				10.70
OS	OPEN SPACE AREAS	6.29				6.29
FLP	FLOODPLAIN	15.01				15.01
LDA	LOCAL DRAIN AREAS	4.49				-
DET	DETENTION AREAS	9.21				-
RES-1	SINGLE-FAMILY RESIDENTIAL	16.99	4.24	72	3.40	0.17
RES-2	SINGLE-FAMILY RESIDENTIAL	16.14	3.66	59	3.23	0.16
RES-3	SINGLE-FAMILY RESIDENTIAL	15.94	4.77	76	3.19	0.16
RES-4	SINGLE-FAMILY RESIDENTIAL	64.41	3.66	236	12.88	0.64
RES-5	SINGLE-FAMILY RESIDENTIAL	76.92	2.94	226	15.38	0.77
ROW	ARTERIAL RIGHT OF WAY	14.24				
CS	CITY SERVICES-WATERTOWER SITE	4.35				4.35
	TOTAL	254.69		669	38.08	38.25

1.6 AC
1.5 AC
10.7 AC
0.6 AC
1.4 AC
1.2 AC
0.9 AC
0.94 AC
1.0 AC
Roadway by Others
US HIGHWAY 90

KINGFISH
REAL ESTATE | DEVELOPMENT | CONSULTING

FLAT CREEK SUBDIVISION CONCEPTUAL LAND USE SITE PLAN

CITY OF CASTROVILLE - MEDINA COUNTY - TEXAS

August 15, 2023 - Ver M

Exhibit E

FORM OF LANDOWNER AGREEMENT

LANDOWNER AGREEMENT

This LANDOWNER AGREEMENT (this "Agreement") is entered into as of _____ 202__, among the City of Castroville, Texas (the "City"), a Type A general law municipality of the State of Texas (the "State"), and _____ (the "Landowner").

RECITALS

WHEREAS, Landowner owns the Assessed Parcels described by a metes and bounds description attached hereto as Exhibit A and which is incorporated herein for all purposes, comprising all of the non-exempt, privately-owned land described in Exhibit A (the "Landowner Parcel") which is coterminous with the [NAME] Public Improvement District (the "District") in the City; and

WHEREAS, the City Council has adopted an assessment ordinance for the Authorized Improvements (including all exhibits and attachments thereto, the "Assessment Ordinance") and the Service and Assessment Plan and Assessment Roll included as an exhibit to the Assessment Ordinance (together, the "Service and Assessment Plan") and which is incorporated herein for all purposes, and has levied an assessment on each Assessed Parcel in the District (as identified in the Service and Assessment Plan) [PART OF WHICH] that will be pledged as the security for the payment of bonds or other obligations (the "Bonds") to be issued by the City for the purpose of paying the costs of constructing certain of the Authorized Improvements that will benefit the Assessed Property (as defined in the Service and Assessment Plan); and

WHEREAS, the Covenants, Conditions and Restrictions attached to this Agreement as Exhibit B and which are incorporated herein for all purposes, include the statutory notification required by Section 5.014, as amended, Texas Property Code, to be provided by the seller of real property that is located in a public improvement district established under Chapter 372, as amended, Texas Local Government Code (the "PID Act"), to the purchaser.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, obligations and benefits hereinafter set forth, the City and the Landowner hereby contract, covenant and agree as follows:

ARTICLE I. DEFINITIONS; APPROVAL OF AGREEMENTS

A. Definitions. Capitalized terms used but not defined herein (including each exhibit hereto) shall have the meanings ascribed to them in the Service and Assessment Plan.

B. Affirmation of Recitals. The findings set forth in the Recitals of this Agreement are hereby incorporated as the official findings of the City Council.

Article I. AGREEMENTS OF LANDOWNER

A. Affirmation and Acceptance of Agreements and Findings of Benefit. Landowner hereby ratifies, confirms, accepts, agrees to, and approves:

(i) the creation and boundaries of the District and the boundaries of the Landowner's Parcel which are coterminous with the District, all as shown on Exhibit A, and the location and

development of the Authorized Improvements on the Landowner Parcel and on the property within the District;

(ii) the determinations and findings as to the benefits to the Landowners Parcel by the City Council in the Service and Assessment Plan and the Assessment Ordinance;

(iii) the Assessment Ordinance and the Service and Assessment Plan.

B. Acceptance and Approval of Assessments and Lien on Property. The Landowner consents to, agrees to, acknowledges and accepts the following:

(i) each Assessment levied by the City on the Landowner's Parcel within the District, as shown on the assessment roll attached as Appendix __ to the Service and Assessment Plan (the "Assessment Roll");

(ii) the Authorized Improvements specially benefit the District and the Landowner's Parcel in an amount in excess of the Assessment levied on the Landowner's Parcel within the District, as such Assessment is shown on the Assessment Roll;

(iii) each Assessment is final, conclusive and binding upon Landowner and any subsequent owner of the Landowner's Parcel, regardless of whether such Landowner may be required to prepay a portion of, or the entirety of, such Assessment upon the occurrence of any mandatory prepayment event as may be provided in the Service and Assessment Plan;

(iv) the obligation to pay the Assessment levied on the Landowner's Parcel owned by it when due and in the amount required by and stated in the Service and Assessment Plan and the Assessment Ordinance;

(v) each Assessment or reassessment, with interest, the expense of collection, and reasonable attorney's fees, if incurred, is a first and prior lien against the Landowner's Parcel, superior to all other liens and monetary claims except liens or monetary claims for state, county, school district, or municipal ad valorem taxes, and is a personal liability of and charge against the owner of the Landowner's Parcel regardless of whether such owner is named;

(vi) the Assessment lien on the Landowner's Parcel is a lien and covenant that runs with the land and is effective from the date of the Assessment Ordinance and continues until the Assessment is paid and may be enforced by the governing body of the City in the same manner that an ad valorem tax lien against real property may be enforced by the City;

(vii) delinquent installments of the Assessment shall incur and accrue interest, penalties, and attorney's fees as provided in the PID Act;

(viii) the owner of a Landowner's Parcel may pay at any time the entire Assessment, with interest that has accrued on the Assessment, on any parcel in the Landowner's Parcel;

(ix) the Annual Installments of the Assessments (as defined in the Service and Assessment Plan and Assessment Roll) may be adjusted, decreased, and extended; and, the assessed parties shall be obligated to pay their respective revised amounts of the Annual Installments, when due, and without the necessity of further action, assessments or reassessments by the City, the same as though they were expressly set forth herein; and

(x) Landowner has received, or hereby waives, all notices required to be provided to it under State law, including the PID Act, prior to the Effective Date (defined herein).

C. Mandatory Prepayment of Assessments. The Landowner agrees and acknowledges that Landowner or subsequent landowners may have an obligation to prepay an Assessment upon the occurrence of a mandatory prepayment event, at the sole discretion of the City and as provided in the Service and Assessment Plan, as amended or updated.

D. Notice of Assessments. Landowner further agrees as follows:

(i) the Covenants, Conditions and Restrictions attached hereto as Exhibit B shall be terms, conditions and provisions running with the Landowner's Parcel and shall be recorded (the contents of which shall be consistent with the Assessment Ordinance and the Service and Assessment Plan as reasonably determined by the City), in the records of the County Clerk of Medina County, as a lien and encumbrance against such Landowner's Parcel, and Landowner hereby authorizes the City to so record such documents against the Landowner's Parcel owned by Landowner;

(ii) reference to the Covenants, Conditions and Restrictions attached hereto as Exhibit B shall be included on all recordable subdivision plats and such plats shall be recorded in the real property records of Medina County, Texas;

(iii) in the event of any subdivision, sale, transfer or other conveyance by the Landowner of the right, title or interest of the Landowner in the Landowner's Parcel or any part thereof, the Landowner's Parcel, or any such part thereof, shall continue to be bound by all of the terms, conditions and provisions of such Covenants, Conditions and Restrictions and any purchaser, transferee or other subsequent owner shall take such Landowner's Parcel subject to all of the terms, conditions and provisions of such Covenants, Conditions and Restrictions; and

(iv) Landowner shall comply with and shall contractually obligate (and promptly provide written evidence of such contractual provisions to the City) any party who purchases any Landowner's Parcel owned by Landowner, or any portion thereof, for the purpose of constructing residential properties that are eligible for "homestead" designations under State law, to comply with, the Homebuyer Education Program described on Exhibit C to this Agreement. Such compliance obligation shall terminate as to each Lot (as defined in the Service and Assessment Plan) if, and when, (i) a final certificate of occupancy for a residential unit on such Lot is issued by the City, and (ii) there is a sale of a Lot to an individual homebuyer, it being the intent of the undersigned that the Homebuyer Education Program shall apply only to a commercial builder who is in the business of constructing and/or selling residences to individual home buyers (a "Builder") but not to subsequent sales of such residence and Lot by an individual home buyer after the initial sale by a Builder.

Notwithstanding the provisions of this Section, upon the Landowner's request and the City's consent, in the City's sole and absolute discretion, the Covenants, Conditions and Restrictions may be included with other written restrictions running with the land on property within the District, provided they contain all the material provisions and provide the same material notice to prospective property owners as does the document attached as Exhibit B.

Article II. OWNERSHIP AND CONSTRUCTION OF AUTHORIZED IMPROVEMENTS

A. Ownership and Transfer of Authorized Improvements. The Landowner acknowledges that all of the Authorized Improvements and the land (or easements, as applicable) needed therefor shall be owned by the City as constructed and/or conveyed to the City and The Landowner will execute such conveyances and/or dedications of public rights of way and easements as may be reasonably required to evidence such ownership, as generally described on the current plats of the property within the District.

B. Grant of Easement and License, Construction of Authorized Improvements.

(i) Any subsequent owner of the Landowner's Parcel shall, upon the request of the City or the Developer, grant and convey to the City or the Developer and its contractors, materialmen and workmen a temporary license and/or easement, as appropriate, to construct the Authorized Improvements on the property within the District, to stage on the property within the District construction trailers, building materials and equipment to be used in connection with such construction of the Authorized Improvements and for passage and use over and across parts of the property within the District as shall be reasonably necessary during the construction of the Authorized Improvements. Any subsequent owner of the Landowner's Parcel may require that each contractor constructing the Authorized Improvements cause such owner of the Landowner's Parcel to be indemnified and/or named as an additional insured under liability insurance reasonably acceptable to such owner of the Landowner's Parcel. The right to use and enjoy any easement and license provided above shall continue until the construction of the Authorized Improvements is complete; provided, however, any such license or easement shall automatically terminate upon the recording of the final plat for the Landowner's Parcel in the real property records of Medina County, Texas.

(ii) Landowner hereby agrees that any right or condition imposed by the Development Agreement (as defined in the Service and Assessment Plan), or other agreement, with respect to the Assessment has been satisfied, and that Landowner shall not have any rights or remedies against the City under the Development Agreement, or under any law or principles of equity concerning the Assessments, with respect to the formation of the District, approval of the Service and Assessment Plan and the City's levy and collection of the Assessments.

Article III. COVENANTS AND WARRANTIES; MISCELLANEOUS

A. Special Covenants and Warranties of Landowner. The Landowner represents and warrants to the City as follows:

(i) The Landowner is duly organized, validly existing and, as applicable, in good standing under the laws of the state of its organization and has the full right, power and authority to enter into this Agreement, and to perform all the obligations required to be performed by Landowner hereunder.

(ii) This Agreement has been duly and validly executed and delivered by, and on behalf of, the Landowner and, assuming the due authorization, execution and delivery thereof by and on behalf of the City and the Landowner, constitutes a valid, binding and enforceable obligation of such party enforceable in accordance with its terms. This representation and warranty is qualified to the extent the enforceability of this Agreement may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws of general application affecting the rights of creditors in general.

(iii) Neither the execution and delivery hereof, nor the taking of any actions contemplated hereby, will conflict with or result in a breach of any of the provisions of, or constitute a default, event of default or event creating a right of acceleration, termination or cancellation of any obligation under, any instrument, note, mortgage, contract, judgment, order, award, decree or other agreement or restriction to which the Landowner is a party, or by which the Landowner or the Landowner's Parcel is otherwise bound.

(iv) The Landowner is, subject to all matters of record in the Medina County, Texas Real Property Records, the sole owner of the Landowner's Parcel.

(v) The Landowner's Parcel owned by the Landowner is not subject to, or encumbered by, any covenant, lien, encumbrance or agreement which would prohibit (i) the creation of the District, (ii) the levy of the Assessments, or (iii) the construction of the Authorized Improvements on those portions of the property within the District which are to be owned by the City, as generally described on the current plats of the property within the District (or, if subject to any such prohibition, the approval or consent of all necessary parties thereto has been obtained).

(vi) The Landowner covenants and agrees to execute any and all documents necessary, appropriate or incidental to the purposes of this Agreement, as long as such documents are consistent with this Agreement and do not create additional liability of any type to, or reduce the rights of, the Landowner by virtue of execution thereof.

B. Waiver of Claims Concerning Authorized Improvements. The Landowner, with full knowledge of the provisions, and the rights thereof pursuant to such provisions, of applicable law, waives any claims against the City and its successors, assigns and agents, pertaining to the installation of the Authorized Improvements.

C. Notices. Any notice or other communication to be given to the City or Landowner under this Agreement shall be given by delivering the same in writing to:

To the City:	Attn: City Administrator City of Castroville, Texas 1209 Fiorella Street Castroville, Texas 78387
With a copy to:	Attn: Clay Binford McCall, Parkhurst & Horton L.L.P. 112 E. Pecan, Suite 1310 San Antonio, Texas 78205
To the Developer:	[CONTACT]
With a copy to:	[CONTACT]

Any notice sent under this Agreement (except as otherwise expressly required) shall be written and mailed or sent by electronic or facsimile transmission confirmed by mailing written confirmation at substantially the same time as such electronic or facsimile transmission, or personally delivered to an officer of the recipient as the address set forth herein.

Each recipient may change its address by written notice in accordance with this Section. Any communication addressed and mailed in accordance with this provision shall be deemed to be given when

so mailed, any notice so sent by electronic or facsimile transmission shall be deemed to be given when receipt of such transmission is acknowledged, and any communication so delivered in person shall be deemed to be given when receipted for, or actually received by, the addressee.

D. Parties in Interest. This Agreement is made solely for the benefit of the City and the Landowner and is not assignable, except, in the case of Landowner, in connection with the sale or disposition of all or substantially all of the parcels which constitute the Landowner's Parcel, and any such Assignment does not void any of the findings made in this Agreement. However, the parties expressly agree and acknowledge that the City, the Landowner, each current owner of any parcel which constitutes the Landowner's Parcel, and the holders of bonds issued by the City to finance the costs of the Authorized Improvements and which are secured by a pledge of the Assessments or any part thereof, are express beneficiaries of this Agreement and shall be entitled to pursue any and all remedies at law or in equity to enforce the obligations of the parties hereto. This Agreement shall be recorded in the real property records of Medina County, Texas.

E. Amendments. This Agreement may be amended only by written instrument executed by the City and the Landowner. No termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the then-current owners of the property within the District and recorded in the Real Property Records of Medina County, Texas.

F. Effective Date. This Agreement shall become and be effective (the "Effective Date") upon the date of final execution by the later of the City and the Landowner and shall be valid and enforceable on said date and thereafter.

G. Estoppels. Within 10 days after written request from a party hereto, the other party shall provide a written certification, indicating whether this Agreement remains in effect as to the Landowner's Parcel, and whether any party is then in default hereunder.

H. Termination. This Agreement shall terminate and be of no further force and effect as to the Landowner's Parcel upon payment in full of the Assessment(s) against such Landowner's Parcel.

[Signature pages to follow]

EXECUTED by the City and Landowner on the respective dates stated below.

Date: _____

CITY OF CASTROVILLE, TEXAS

By: _____
Mayor

ATTEST:

By: _____
City Secretary

LANDOWNER

_____
a Texas _____,

By: _____

_____,
its manager

STATE OF TEXAS)

)

COUNTY OF _____)

This instrument was acknowledged before me on the __ day of _____, 20___, by _____ in his capacity as Manager of _____, known to be the person whose name is subscribed to the foregoing instrument, and that he executed the same on behalf of and as the act of Manager of _____.

_____
Notary Public, State of Texas

My Commission Expires:

_____

LANDOWNER AGREEMENT – EXHIBIT A

METES AND BOUNDS DESCRIPTION OF LANDOWNER'S PARCEL

LANDOWNER AGREEMENT – EXHIBIT B

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (as it may be amended from time to time, this "Declaration") is made as of _____ by _____ a Texas _____ (the "Landowner").

RECITALS:

A. The Landowner holds record title to that portion of the real property located in Medina County, Texas, which is described in the attached Exhibit A (the "Landowner's Parcel").

B. The City Council (the "City Council") of the City of Castroville, Texas (the "City") upon a petition requesting the establishment of a public improvement district covering the property within the District to be known as the [NAME] Public Improvement District (the "District") by the then current owners of 100% of the appraised value of the taxable real property and 100% of the area of all taxable real property within the area requested to be included in the District created such District, in accordance with the Public Improvement District Assessment Act, codified at Chapter 372, as amended, Texas Local Government Code (the "PID Act").

C. The City Council has adopted an assessment ordinance to levy assessments for certain public improvements (including all exhibits and attachments thereto, the "Assessment Ordinance") and the Service and Assessment Plan and Assessment Roll included as an exhibit to the Assessment Ordinance (as amended from time to time, the "Service and Assessment Plan"), and has levied the assessments (as amended from time to time, the "Assessments") on property in the District.

D. The statutory notification required by Texas Property Code, Section 5.014, as amended, to be provided by the seller of real property that is located in a public improvement district established under Chapter 372 of the Texas Local Government Code, as amended, to the purchaser, is incorporated into these Covenants, Conditions and Restrictions.

DECLARATIONS:

NOW, THEREFORE, the Landowner hereby declares that the Landowner's Parcel is and shall be subject to, and hereby imposes on the Landowner's Parcel, the following covenants, conditions and restrictions:

1. Acceptance and Approval of Assessments and Lien on Property:

(a) The Landowner accepts each Assessment levied on the Landowner's Parcel owned by such Landowner.

(b) The Assessment (including any reassessment, the expense of collection, and reasonable attorney's fees, if incurred) is (1) a first and prior lien (the "Assessment Lien") against the property assessed, superior to all other liens or claims except for liens or claims for state, county, school district or municipality ad valorem property taxes whether now or hereafter payable, and (2) a personal liability of and charge against the owners of the property to the extent of their ownership regardless of whether the owners are named. The Assessment Lien is effective from the date of the Assessment Ordinance until the Assessments are paid and may be enforced by the City in the same manner as an ad valorem property tax levied against real property that may be enforced by the City.

The owner of any assessed property may pay, at any time, the entire Assessment levied against any such property. Foreclosure of an ad valorem property tax lien on property within the District will not extinguish the Assessment or any unpaid but not yet due annual installments of the Assessment and will not accelerate the due date for any unpaid and not yet due annual installments of the Assessment.

It is the clear intention of all parties to these Declarations of Covenants, Conditions and Restrictions, that the Assessments, including any annual installments of the Assessments (as such annual installments may be adjusted, decreased or extended), are covenants that run with the Landowner's Parcel and specifically binds the Landowner, its successors and assigns.

In the event of delinquency in the payment of any annual installment of the Assessment, the City is empowered to order institution of an action in district court to foreclose the related Assessment Lien, to enforce personal liability against the owner of the real property for the Assessment, or both. In such action the real property subject to the delinquent Assessment may be sold at judicial foreclosure sale for the amount of such delinquent property taxes and Assessment, plus penalties, interest and costs of collection.

2. The Landowner or any subsequent owner of the Landowner's Parcel waives:

(a) any and all defects, irregularities, illegalities or deficiencies in the proceedings establishing the District and levying and collecting the Assessments or the annual installments of the Assessments;

(b) any and all notices and time periods provided by the PID Act including, but not limited to, notice of the establishment of the District and notice of public hearings regarding the levy of Assessments by the City Council concerning the Assessments;

(c) any and all defects, irregularities, illegalities or deficiencies in, or in the adoption of, the Assessment Ordinance by the City Council;

(d) any and all actions and defenses against the adoption or amendment of the Service and Assessment Plan, the City's finding of a 'special benefit' pursuant to the PID Act and the Service and Assessment Plan, and the levy of the Assessments; and

(e) any right to object to the legality of any of the Assessments or the Service and Assessment Plan or to any of the previous proceedings connected therewith which occurred prior to, or upon, the City Council's levy of the Assessments.

3. Amendments: This Declaration may be terminated or amended only by a document duly executed and acknowledged by the then-current owner(s) of the Landowner's Parcel and the City. No such termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the parties by whom approval is required as set forth above and recorded in the real Property Records of Medina County, Texas.

4. Third Party Beneficiary: The City is a third-party beneficiary to this Declaration and may enforce the terms hereof.

5. Notice to Subsequent Purchasers: Upon the sale of a dwelling unit within the District, the purchaser of such property shall be provided a written notice that reads substantially similar to the following:

TEXAS PROPERTY CODE SECTION 5.014

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO THE CITY OF CASTROVILLE, MEDINA COUNTY, TEXAS CONCERNING THE PROPERTY AT

[Street Address]

As the purchaser of this parcel of real property, you are obligated to pay an assessment to the City of Castroville, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within [NAME] Public Improvement District (the "District") created under Subchapter A of Chapter 372, as amended, Texas Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment against your property may be obtained from the City of Castroville, Texas. The exact amount of each annual installment will be approved each year by the City Council of the City of Castroville, Texas in the annual service plan update for the District. More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the City of Castroville, 1209 Fiorella Street, Castroville, Texas 78009.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Signature of Purchaser(s) _____ Date: _____

The seller shall deliver this notice to the purchaser before the effective date of an executory contract binding the purchaser to purchase the property. The notice may be given separately, as part of the contract during negotiations, or as part of any other notice the seller delivers to the purchaser. If the notice is included as part of the executory contract or another notice, the title of the notice prescribed by this section, the references to the street address and date in the notice, and the purchaser's signature on the notice may be omitted.

EXECUTED by the undersigned on the date set forth below to be effective as of the date first above written.

LANDOWNER

_____
a Texas _____,

By: _____

_____,
its manager

STATE OF TEXAS)

)

COUNTY OF _____)

This instrument was acknowledged before me on the __ day of _____, 20___, by _____ in his capacity as Manager of _____, known to be the person whose name is subscribed to the foregoing instrument, and that he executed the same on behalf of and as the act of Manager of _____.

_____
Notary Public, State of Texas

My Commission Expires:

_____

LANDOWNER AGREEMENT - EXHIBIT C

HOMEBUYER EDUCATION PROGRAM

As used in this Exhibit C, the recorded Notice of the Authorization and Establishment of the [NAME] Public Improvement District and the Covenants, Conditions and Restrictions in Exhibit B of this Agreement are referred to as the "Recorded Notices."

1. Any Landowner who is a Builder shall attach the Recorded Notices and the final Assessment Roll for such Assessed Parcel (or if the Assessment Roll is not available for such Assessed Parcel, then a schedule showing the maximum 30-year payment for such Assessed Parcel) as an addendum to any residential homebuyer's contract.

2. Any Landowner who is a Builder shall provide evidence of compliance with 1 above, signed by such residential homebuyer, to the City.

3. Any Landowner who is a Builder shall prominently display signage in its model homes, if any, substantially in the form of the Recorded Notices.

4. If prepared and provided by the City, any Landowner who is a Builder shall distribute informational brochures about the existence and effect of the District in prospective homebuyer sales packets.

5. Any Landowner who is a Builder shall include Assessments in estimated property taxes, if such Builder estimates monthly ownership costs for prospective homebuyers.

Exhibit F

FORM OF MAINTENANCE AGREEMENT

PUBLIC IMPROVEMENT MAINTENANCE AGREEMENT

This Public Improvement Maintenance Agreement (this *Agreement*) is made and entered into on this the [___] day of [_____], 202__, by and between City of Castroville, Texas (the *City*), a Type A general law municipality, and [NAME] (the *Association*), a Texas property owners association organized and existing under laws of the State of Texas and having the powers and limitations provided under Title 11 of the Texas Property Code, for the purpose for providing the terms for the Association's maintenance of public parkland and storm drainage improvements within the hereinafter-defined District. The City and the Association are herein referred to individually as a *Party* and, together, as the *Parties.*

W I T N E S S E T H

WHEREAS, the City has, pursuant to applicable law, created the [NAME] Public Improvement (the *District*) on approximately [___] acres of land located [within] the City (such land, as more particularly described on Exhibit "A" attached hereto and made a part hereof, the *Land*) to facilitate its development for use as mixed use residential and commercial master planned community (the such development, the *Project*); and

WHEREAS, through the District, the City will provide, by revenues resultant from assessments levied and imposed on certain property within the District, a mechanism for payment of a portion of the costs of certain public improvements within the District that are necessary and incidental to Project development; and

WHEREAS, as a condition to its creation of the District and provision of the aforementioned mechanism to finance a portion of the costs of public improvements within the District, the City requires that the ongoing maintenance obligations of the hereinafter-defined Public Improvements be assumed by a non-City entity associated with the Project or the related costs be paid by or from District-associated resources to prevent these costs resultant from Project development, which the City has facilitated, from becoming a burden on the general revenues of the City and its residents and property owners that do not reside within or directly enjoy the benefits resultant from the District; and

WHEREAS, the Developer has created the Association to provide services related to the developed Project as specified in its bylaws, including the ongoing maintenance of the Public Improvements in accordance with the provisions of this Agreement and payment of the associated costs from its fees collected from property owners within the District and subject to the Association's jurisdiction; and

WHEREAS, entry into this Agreement satisfies the City's condition to the District creation and utilization of its available powers to provide a mechanism for financing a portion of the costs of certain public improvements within the District, as described above; and

WHEREAS, the Parties, for the mutual consideration hereinafter stated, desire to enter into this Agreement, pursuant to which the Association assumes responsibility for maintaining the Public Improvements (which includes payment of the associated costs of such maintenance); and

NOW, THEREFORE, THE PARTIES AGREE TO THE FOLLOWING:

SECTION 1. Definition of Certain Terms. For purposes of this Agreement, the following terms shall have the ascribed meanings:

a. *Consultant's Plan* has the meaning ascribed thereto in the Development Agreement, dated as [DATE], between the City and the Developer pertaining to the Project.

b. *Developer* shall mean [NAME], a Texas [limited liability company].

c. *Engineer* shall mean [NAME].

d. *Parkland* shall mean common areas and other land within the District dedicated to the City by the Developer and established as property available to the general public for recreational use (to specifically include promenades, plazas, and bridges over permanent water features).

e. *Public Improvements* shall mean, collectively, the Parkland and the Storm Drainage Improvements.

f. *Storm Drainage Improvements* shall mean trench excavation and embedment, trench safety, concrete box culverts, reinforced concrete pipe, manholes, junction boxes, drainage inlets, headwall and wingwall structures, related earthwork, excavation, erosion control, detention ponds, and all other necessary appurtenances required to capture storm water runoff generated within the District.

SECTION 2. Association Agreement to Maintain Public Improvements.

a. *General*. The Association hereby exclusively agrees, at its sole cost and expense, to maintain the Public Improvements.

b. *Storm Drainage Improvements*. Maintaining Storm Drainage Improvements shall mean keeping in good structural condition all Storm Drainage Improvements and repairing and addressing any defects in or to the Storm Drainage Improvements that, if left unrepaired or unaddressed, might impair their hydraulic capacity or structural soundness, to include:

i. Maintaining access to the Storm Drainage Improvements for maintenance and inspection;

ii. Repairing defects in the storm drainage piping system, including leaking pipe joints, deflection of flexible pipe diameter in excess of 5%, pipe structural failure, or other defects;

iii. Removing obstructions from any inlet and outlet structures;

iv. Repairing concrete channel lining, pilot channels, rock rip-rap (including replacement, as needed, to maintain rock layer thickness, as designed), gabions or any other channel lining material and to repair any defects in the channel lining material including undermining, excessive cracking and settlement, structural failure, or other defects;

v. Repairing channels, ditches and detention or retention ponds and to repair erosion in same by backfilling the eroded area and re-establishing protective vegetation or by armoring the eroded area with gabions, rock rip-rap, concrete or other material approved by the Engineer;

vi. At least annually, removing willows, cottonwoods or other "woody" vegetation from channels, ditches, detention ponds and retention ponds;

vii. As frequently as required to prevent grassy vegetation from exceeding a height of more than one foot, mowing ditches, earthen channels and detention or retention ponds;

viii. Removing, as needed, accumulated debris, trash or sediment (with sediment accumulations in detention ponds not to exceed 18-inches before removal is required); and

ix. Maintaining minimum water levels in Storm Drainage Improvements intended upon construction to permanently hold water (as indicated in the Consultant's Plan).

The Association shall periodically (as needed based on weather conditions, but no less frequently than every 90 days) inspect or cause the inspection of all Storm Drainage Improvements to determine the necessity of action to address needed maintenance or repair. Remedial action shall be taken within 30 days of the Association's awareness of an issue (meaning that the Association shall commence necessary maintenance or repairs within 30 days of such awareness and diligently work toward their completion). At least annually, the Association shall commission the Engineer to complete a written inspection report concerning the condition and functionality of the Storm Drainage Improvements, deliver a copy of such report to the City, and take action, as described above, within 30 days of delivery of such report to address any identified deficiencies in, or recommendations concerning functionality or performance of, the Storm Drainage Improvements.

c. Parkland. Maintaining the Parkland shall mean at all times keeping and maintaining, or causing to be kept and maintained, the Parkland (including any improvements thereon and all other buildings and improvements erected therein) in a good state of appearance and repair (except for reasonable wear and tear), to include:

i. Maintening grass height according to species and variety of grass;

ii. Regularly mowing, aerating, fertilizing, seeding or reseeding, resodding and controlling weeds in areas that are seeded or sodded;

iii. Pruning all trees and shrubs, as needed;

iv. Maintaining an adequate number of trash cans (based on frequency of use and in plentiful quantity to hold all trash usually generated between servicing without overflowing) and emptying the same on at least a daily basis;

v. Sweeping the area on daily basis to remove and keep the area free of trash;

vi. Removing graffiti on any surface withing 24 hours of the incident;

vii. Remediating, upon discovery, insect, rodent, and invasive species infestations;

viii. Cleaning sidewalks and pavilions so that at no time is there an accumulation of sand, dirt, or leaves;

ix. Maintaining playground equipment, play areas, fields, sports courts, lighting systems, and flagpoles to ensure the equipment and spaces are in safe, clean, operating condition and free and clear of hazards and hazardous conditions;

x. Cleaning and sanitizing all restrooms and drinking fountains on a daily basis or more frequently, as and when required;

xi. Stocking all restrooms at a minimum of once per day or more frequently as needs arise;

xii. Providing and maintaining adequate security lighting and signage (to include wayfinding and mile markers on trail systems) free of loose rivets, missing text, graffiti, and other conditions that makes interpretation difficult or impossible;

xiii. Maintaining in good repair any trail system, to include elimination of all trip hazards, remediating impacts of erosion, periodic resurfacing, elimination of buildup of soil or debris that prevents water flow, and maintenance of an 8' vertical clearance; and

xiv. Upon discovery, eliminating user created "trails".

The Association shall, as frequently as necessary to maintain a safe and sanitary environment, inspect or cause the inspection of all Parkland to determine the necessity of action to

address needed maintenance or repair. Remedial action shall be taken as and when needed and shall be diligently continued through satisfactory conclusion to address matters requiring attention with respect to Parkland maintenance.

SECTION 3. Annual Budget. The Association shall annually budget for the anticipated costs of maintaining the Public Improvements, which shall include (i) the costs of any necessary repair plan herein described coming due in the reporting period covered by such annual budget and (ii) adequate annual reserves to provide sufficient available sources of periodic major maintenance and capital repair and replacement of Public Improvements. Until such time as the Association has obtained sufficient experience to formulate the anticipated Public Improvements maintenance costs unassisted (herein determined to mean preparation of at least three annual budgets after the warranties for dedicated Public Improvements have expired), the Association shall enlist the Engineer's assistance in preparing the Public Improvements maintenance cost component of its annual budget.

SECTION 4. Payment of Public Improvements Maintenance Costs. To pay the costs of maintaining the Public Improvements, the Association shall either (i) charge an annual fee to its property owners or (ii) collect funds from the Developer in an amount at least equal to such budgeted annual maintenance costs. In determining the annual fee, the Association may take into account other funds then-available to the Association to pay such annual Public Improvements maintenance costs including funds collected from the Developer. In the event that unforeseen circumstances shall arise during the course of a financial reporting that necessitate additional funding to pay the costs of maintaining Public Improvements (including reimbursement of the City for costs of emergency repairs made pursuant to Section 5 below), the Association shall either (i) impose upon its property owners a special assessment (which is a charge on such property owners separate and distinct from any assessment thereon levied by the City pursuant to Chapter 372, as amended, Texas Local Government Code) or (ii) collect funds from the Developer in an aggregate amount sufficient to pay such unanticipated and unbudgeted Public Improvements maintenance costs.

SECTION 5. City Inspection of Public Improvements; Emergency Repairs. The City may, from time to time, but not more frequently than every 12 months, review the state of repair, condition, and cleanliness of the Public Improvements and provide a written report of its findings to the Association. If the City, in its review, finds the condition of the Public Improvements to not meet its standards for other similar public improvements owned and maintained by the City or in accordance with their original specifications applicable at the time of their respective construction , then the City shall detail and deliver in writing to the Association the specific instances of failure. The Association shall have 30 days from receipt of this written notice to address or object to the specific failures in Public Improvements maintenance identified by the City.

If the City is made aware of emergency safety conditions relative to a Public Improvement, the City will notify the Association and request that the necessary repairs to mitigate the identified safety condition(s) be completed. Upon notification, the Association shall have 3 days to mitigate the identified safety condition(s). If, however the Association is unable to or fails to begin addressing the identified safety condition(s) within a reasonable time after notification, then the City may make repairs to Public Improvements as needed and without further notification to the Association or the owners of property within the District to address the conditions of emergency or safety. Within 30 days of completion of emergency repairs to Public Improvements, the City shall notify the Association of the reasons for its making the repairs and the costs thereof.

SECTION 6. City Funding of Public Improvements Maintenance Costs. The Parties intend that Association revenues realized in accordance with Section 4 hereof shall be sufficient to cover the costs of

maintaining the Public Improvements. The Parties acknowledge, however, that the City may include as a component of its "maintenance assessment" levied and imposed on assessable property within the District pursuant to the District's Service and Assessment Plan, prepared and updated from time to time by the City Council of the City in accordance with applicable Texas law, the costs of maintaining the Public Improvements in the event the Association is unable or unwilling to fulfill its duties and obligations pursuant to the terms of this Agreement.

SECTION 7. Power and Authority. Each Party represents to the other that it has full power and authority to execute, deliver and perform its obligations hereunder and that the respective governing body of each Party has taken all necessary action on its part required to authorize the execution and delivery hereof and its performance hereunder.

SECTION 8. Notices. Except as otherwise provided herein, it shall be sufficient service of any notice, request, demand, authorization, direction, consent, waiver or other paper required or permitted by this Agreement to be made, given or furnished to or filed with the following persons, if the same shall be delivered in person or duly mailed by first-class mail, postage prepaid or duly transmitted by electronic mail, at the following physical or email addresses:

(a) To Association at:
NAME
ADDRESS
PHONE
EMAIL
With a copy to:
NAME
ADDRESS
PHONE
EMAIL

(b) To City at:
City of Castroville, Texas
Attn: City Administrator
1209 Fiorella Street
Castroville, Texas 78009
With a copy to:
Clay Binford
McCall, Parkhurst & Horton L.L.P.
112 E. Pecan Street, Suite 1310
San Antonio, Texas 78205
Phone: 210-225-2819
Email: cbinford@mphlegal.com

If, because of the temporary or permanent suspension of mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such delivery of notice in lieu thereof as shall be made with the approval of the City shall constitute a sufficient notice.

SECTION 9. Severability. If any terms or provisions of this Agreement or the application of any terms or provisions of this Agreement to a particular situation, are held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this Agreement or the application of such terms or provisions of this Agreement to other situations, will remain in full force and effect unless amended or modified by mutual consent of the Parties; provided that, if the invalidation, voiding or unenforceability would deprive either Party of material benefits derived from this Agreement, or make performance under

this Agreement unreasonably difficult, then the Parties will meet and confer and will make good faith efforts to amend or modify this Agreement in a manner that is mutually acceptable to the Parties.

SECTION 10. Amendment. No amendment, modification, or alteration of the terms of this Agreement will be binding unless it is in writing, dated subsequent to the date of this Agreement, and duly executed by the Parties.

SECTION 11. Binding Agreement; Successors and Assigns. This Agreement will be binding upon and inure to the benefit of each of the Parties and their respective successors and permitted assigns.

SECTION 12. Correction of Technical Errors. If, by reason of inadvertence, and contrary to the intention of the Parties, errors are herein made in the legal descriptions or the references thereto or within any exhibit with respect to the legal descriptions, in the boundaries of any parcel in any map or drawing which is an exhibit, or in the typing of this Agreement or any of its exhibits or any other similar matters, the Parties by mutual agreement may correct such error by memorandum executed by them without the necessity of amendment of this Agreement.

SECTION 13. Governing Law and Venue. The laws of the State and the rules and regulations issued pursuant thereto shall govern the validity, construction, enforcement, and interpretation of this Agreement, without regard to conflict of law provisions. All claims, disputes and other matters in question arising out of or relating to this Agreement, or the breach thereof, shall be decided by proceedings instituted and litigated in a State court of competent jurisdiction sitting in Medina County, Texas, and the Parties hereto expressly consent to the venue and jurisdiction of such court. Any provision included or incorporated herein by reference that conflicts with said laws, rules and regulations shall be null and void and shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise.

SECTION 14. No Waiver of Sovereign Immunity. NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED TO WAIVE THE SOVEREIGN IMMUNITY OF THE CITY. THE CITY IS ENTERING INTO THIS AGREEMENT IN ITS GOVERNMENTAL FUNCTION AND CAPACITY AND THIS AGREEMENT DOES NOT CONSTITUTE AN EXERCISE OF THE CITY'S REGULATORY POWERS (E.G., REGULATORY APPROVALS OR IN ANY OTHER REGULATORY CAPACITY). THE ASSOCIATION ACKNOWLEDGES THAT THE CITY CANNOT CONTRACT IN ANY MANNER REGARDING THE EXERCISE, AND NOTHING CONTAINED HEREIN CONSTITUTES THE CITY'S EXERCISE, OF ITS REGULATORY POWERS OR A WAIVER OF ITS SOVEREIGN IMMUNITY PROTECTIONS.

SECTION 15. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed original and all of which, when taken together, shall constitute one and the same document.

SECTION 16. No Personal Liability. None of the members of the City Council, the Association's governing body, or any officer, agent, or employee of either Party shall be charged personally by the other Party with any liability, or be held liable to the other Party under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach, of this Agreement.

SECTION 17. Recordation. This Agreement, upon execution by both Parties, shall be recorded in the real property records maintained by the City Clerk of Medina County.

SECTION 18. Effective Term. This Agreement shall be effective as of its date, shall be perpetual and shall encumber and run with the Land.

* * *

EXECUTED by the Parties hereto to be effective as of [DATE], 202__.

ADDRESSES OF PARTIES:

1209 Fiorella Street
Castroville, Texas 78009

CITY OF CASTROVILLE, TEXAS

By: _____
Name: _____
Title: _____

[ASSOCIATION]

[ADDRESS]

By:_____
Name:
Title:

THE STATE OF TEXAS §
§
CITY OF MEDINA §

This instrument was acknowledged before me on the _____ day of _____, 202__, by _____, _____ of Castroville, Texas, a Type A general law municipality and a political subdivision of the State of Texas, on behalf of Castroville, Texas.

_____
Notary Public in and for
the State of Texas

_____
(Printed Name of Notary)

My Commission Expires:_____

THE STATE OF TEXAS §
§
CITY OF MEDINA §

This instrument was acknowledged before me on the ___ day of _____, 202__, by _____, _____ of [ASSOCIATION].

_____
Notary Public in and for
the State of Texas

_____
(Printed Name of Notary)

My Commission Expires:_____

EXHIBIT A

LAND DESCRIPTION

(Metes and Bounds)

Exhibit G

OWNER DISCLOSURE PROGRAM

The Administrator (as defined in the Service and Assessment Plan) for the [NAME] Public Improvement District (the PID) shall facilitate Notice to prospective property buyers in accordance with the following minimum requirements:

(a) Record notice of the PID in the appropriate land records for the Property.

(b) Require builders to attach the Recorded Notice of the Authorization and Establishment of the PID and the final Assessment Roll for such Assessed Parcel (or if the Assessment Roll is not available for such Assessed Parcel, then a schedule showing the maximum 30-year payment for such Assessed Parcel) in an addendum to each residential homebuyer's contract on brightly colored paper.

(c) Collect a copy of the addendum signed by each buyer from builders and provide to the City.

(d) Require signage indicating that the Property for sale is located in a special assessment district and require that such signage be located in conspicuous places in all model homes.

(e) Prepare and provide to builders an overview of the existence and effect of the PID for those builders to include in each sales packet of information that it provides to prospective homebuyers.

(f) Notify builders who estimate monthly ownership costs of the requirement that they must include special assessments in estimated Property taxes.

(g) Notify Settlement Companies through the builders that they are required to include special taxes on HUD 1 forms and include in total estimated taxes for the purpose of setting up tax escrows.

(h) Include notice of the PID in the homeowner association documents in conspicuous bold font.

(i) The City will include announcements of the PID on the City's web site.

The Developer and the Administrator shall regularly monitor the implementation of this disclosure program and shall take appropriate action to require these Notices be provided when one of them discovers that any requirement is not being complied with.

EXHIBIT H

FORM OF REIMBURSEMENT AGREEMENT

[NAME] PUBLIC IMPROVEMENT DISTRICT
REIMBURSEMENT AGREEMENT

This [NAME] Public Improvement District Reimbursement Agreement (this *Reimbursement Agreement*) is executed between the City of Castroville, Texas (the *City*) and _____, a Texas [limited liability company] (the *Developer*; the City and the Developer individually referred to as a *Party* and collectively as the *Parties*), effective _____, 202__. Unless specified otherwise, capitalized terms not defined herein shall have the meaning ascribed to them in the hereinafter-defined Service and Assessment Plan or the Development Agreement.

RECITALS

WHEREAS, by resolution adopted on [DATE], 202__ (the *Creation Resolution*), the City Council of the City (the *Council*) created and established the boundaries of [NAME] Public Improvement District (the *District*), covering approximately [___] acres of land described in the Creation Resolution (the *District Property*) to be developed by the Developer in phases as a mixed use, master-planned residential and commercial development; and

WHEREAS, the purpose of the District is to finance certain Authorized Improvements authorized by Chapter 372, as amended, Texas Local Government Code (the *PID Act*) that promote the interests of the City and confer a special benefit on the Assessed Property within the District; and

WHEREAS, in connection with its creation of the District, the City determined that it is in the best interests of the present and future landowners of, and is of special benefit to, the District Property to finance, construct and deliver certain Authorized Improvements, as more specifically described in the [NAME] Public Improvement District Service and Assessment Plan, adopted by the Council on [DATE], 202__ (as such plan may be updated and amended from time to time, the *Service and Assessment Plan*); and

WHEREAS, the Service and Assessment Plan describes the development of the District Property and related construction and acquisition of Authorized Improvements; and

WHEREAS, the City and the Developer have heretofore entered into that certain "Development Agreement", dated as of [DATE], 202__, and contemporaneously herewith, the Council approved the City's entering into that certain" Construction, Funding, and Acquisition Agreement" with the Developer (as amended from time to time, the *Financing Agreement*), which agreements, together, provide certain terms and provisions concerning the Developer's development of the Authorized Improvements and payment of the costs thereof; and

WHEREAS, in the Development Agreement and the Financing Agreement, the City and the Developer identify multiple sources of funds, including proceeds of PID Bonds to be issued pursuant to that certain Indenture of Trust, dated of even date herewith (the *Indenture*), by and between the City and _____ (the *Bond Trustee*), and the Developer's separate resources available and thereby committed pursuant to the terms of the "Completion Agreement" entered into contemporaneously herewith by and among the Developer, the City, and Trustee; and

WHEREAS, the Completion Agreement provides that the Developer's financial commitment thereunder to pay the Authorized Improvements Costs (plus interest thereon accruing at a rate of ____%

(calculated on the basis of a 360-day year, comprised of twelve 30-day months) from the date of initial delivery of the initial series of PID Bonds) shall be reimbursable thereto pursuant to the terms of this Reimbursement Agreement (such commitment to reimburse, the *Reimbursement Obligation*); and

WHEREAS, contemporaneously herewith, the Council adopted an assessment ordinance determining the estimated costs of the Authorized Improvements and levying Special Assessments against the assessable property within District to generate revenues (such Special Assessments, the *Assessments*; revenues therefrom, the *Assessment Revenues*) to pay Authorized Improvements Costs (or repay obligations incurred in satisfaction thereof, including the PID Bonds and the Reimbursement Obligation); and

WHEREAS, under the Indenture, the City has covenanted to deliver to the Trustee upon receipt, and has pledged as security for the repayment of the PID Bonds, certain of the Assessment Revenues (though it is the intent and expectation of the Parties that a portion of the pledged Assessment Revenues, on a subordinate basis and subject to availability after payment of debt service and other financial obligations relative to the PID Bonds and amounts owed to the City in satisfaction of the Allocated Water Capacity Cost (as defined in the Development Agreement), will be used to repay the Developer for the Reimbursement Obligation, as described in the following recital and elsewhere herein); and

WHEREAS, the Financing Agreement provides that the Reimbursement Obligation shall be repaid solely from (i) excess Assessment Revenues deposited to and from time to time held in the Reimbursement Fund (as defined in the Indenture) on a cash-flow basis and (ii) proceeds realized from the issuance of future series of PID Bonds; and

WHEREAS, the Parties now desire to enter into this Reimbursement Agreement for the purpose of establishing terms and conditions relating to the Reimbursement Obligation; and

NOW THEREFORE, FOR VALUABLE CONSIDERATION THE RECEIPT AND ADEQUACY OF WHICH ARE ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. Recitals. The recitals to this Reimbursement Agreement are true and correct and are incorporated as part of this Reimbursement Agreement for all purposes.

2. City Deposit of Revenue. The City shall cause the Assessment Revenues to be deposited as provided in the Development Agreement and the Indenture.

3. Payment of Authorized Improvement Costs. The City shall cause payment of the Authorized Improvements Costs, pursuant to executed and approved Certifications for Payment in and from the Available Sources of Payment (as defined in Section 2.02(a) of the Financing Agreement), all in accordance with the Financing Agreement and, as applicable, the Development.

4. Reimbursement Obligation. Subject to and in accordance with the terms, conditions, and requirements contained herein, the City agrees to reimburse Developer, and Developer shall be entitled to receive from the City, the Reimbursement Obligation. The effectiveness of the City's agreement to reimburse commences on the date of initial delivery of the initial series of PID Bonds and continues until the earlier of (i) the Reimbursement Obligation is fully satisfied and (ii) [DATE], 20__ (the *Maturity Date*).

The City's payment of the Reimbursement Obligation from available Assessment Revenues is authorized by the PID Act, and was approved by the City pursuant to the Council's adoption of an ordinance on [DATE], 202__. The Reimbursement Obligation shall be payable to Developer solely from (i) amounts from time to time on deposit in the Reimbursement Fund, on a cash-flow basis and pursuant to the payment terms specified in the Indenture and the Development Agreement and (ii) the proceeds of any future series

of PID Bonds. The Parties acknowledge and agree that the City is not responsible for any portion of the Reimbursement Obligation that remains unsatisfied beyond the latest possible Maturity Date.

The Reimbursement Obligation is payable to Developer solely as described herein. No other City funds, revenue, taxes, income, or property shall be used, even if the Reimbursement Obligation is not paid in full by the latest possible Maturity Date. The Reimbursement Obligation is not a City debt within the meaning of Article XI, Section 5, of the Constitution of the State of Texas. Notwithstanding the foregoing, the City acknowledges and agrees that until the Reimbursement Obligation is paid in full, the obligation of the City to cause the use of amounts on deposit in the Reimbursement Fund to pay the Reimbursement Obligation, or the use of proceeds of future series of PID Bonds issued (in whole or in part) to satisfy any portion of the Reimbursement Obligation is absolute and unconditional. The City does not have, and will not assert, any defenses to such obligation.

5. City Collection Efforts. The City will use all reasonable efforts to receive and collect, or cause to be received and collected by the Medina County Appraisal District, Assessments (including the foreclosure of liens resulting from the nonpayment of Assessments), and other charges due and owing under the Service and Assessment Plan, in the manner described and required in Section 2.03 of the Financing Agreement.

6. Process for Payment for the Reimbursement Obligation. The Developer may submit to the City a written request for payment (a *Payment Request*) of any funds at such time available in the Reimbursement Fund following February 1st of each year. Upon receipt of the Payment Request, and its determination of the accuracy, adequacy, and sufficiency thereof, the City shall cause funds within the Reimbursement Fund to be disbursed to Developer within 30 days of such determination (subject and pursuant, however, to the applicable Indenture and project plan and financing plan provisions concerning disbursement funds on deposit in the Reimbursement Fund). This process will continue until the Maturity Date. Under no circumstances will payments made under this Reimbursement Agreement, whether by periodic reimbursement from amounts from time to time held in the Reimbursement Fund, from the proceeds of any future series of PID Bonds, or a combination of each of the foregoing equal more than the Reimbursement Obligation.

7. Termination. At the Maturity Date, this Reimbursement Agreement shall terminate. If the Maturity Date occurs on [DATE], 20__ and at such time any portion of the Reimbursement Obligation remains unsatisfied (the *Unsatisfied Reimbursement Obligation*), such Unsatisfied Reimbursement Obligation shall be canceled and for all purposes of this Reimbursement Agreement shall be deemed to have been conclusively and irrevocably PAID IN FULL; provided, however, that if any Assessments for such tax year remain due and payable and are uncollected on such Maturity Date, the resultant Assessment Revenues, when, as, and if collected after such Maturity Date, (1) if any series of PID Bonds at such time remain outstanding or Allocated Water Capacity Cost remains unsatisfied, shall be deposited with the Trustee for disposition in the manner specified in the Indenture and (2) if no PID Bonds at such time remain outstanding, all or a portion thereof not in excess of the Unsatisfied Reimbursement Obligation shall be paid directly to Developer and applied against the Unsatisfied Reimbursement Obligation.

8. Mandatory Prepayments. Notwithstanding any provision of this Reimbursement Agreement to the contrary, the Parties hereby acknowledge and agree that to the extent a prepayment of an Assessment is required pursuant to the provisions of Section VI.F.1 of the Service and Assessment Plan in effect as of the date of this Reimbursement Agreement and remains unpaid for 90 days after such notice, the City, upon providing prior written notice to Developer, may reduce the amount of the Reimbursement Obligation by a corresponding amount; provided, however, that any such reduction shall never cause a reduction in the amount of the Reimbursement Obligation to less than zero.

9. No Waiver. Nothing in this Reimbursement Agreement is intended to constitute a waiver by the City of any remedy the City may otherwise have outside this Reimbursement Agreement against any person or entity involved in the design, construction, or installation of the Authorized Improvements.

10. Governing Law, Venue. This Reimbursement Agreement is being executed and delivered, and is intended to be performed in, the State of Texas. Except to the extent that the laws of the United States may apply to the terms hereof, the substantive laws of the State of Texas shall govern the validity, construction, enforcement, and interpretation of this Reimbursement Agreement. In the event of a dispute involving this Reimbursement Agreement, venue for such dispute shall lie in any court of competent jurisdiction in Medina County, Texas.

11. Notice. Any notice required or contemplated by this Reimbursement Agreement shall be deemed given at the addresses shown below: (i) one business day after deposit with a reputable overnight courier service for overnight delivery such as FedEx or UPS; or (ii) one business day after deposit with the United States Postal Service, Certified Mail, Return Receipt Requested. Any Party may change its address by delivering written notice of such change in accordance with this section.

To the City: Attn: City Administrator
City of Castroville
1209 Fiorella Street
Castroville, Texas 78009

With a copy to: Attn: Clay Binford
McCall, Parkhurst & Horton L.L.P.
112 E. Pecan Street, Suite 1310
San Antonio, Texas 78205

To the Developer: [ADD CONTACT]

With a copy to: [ADD CONTACT]

12. Invalid Provisions; Severability. If any provision of this Reimbursement Agreement is held invalid by any court, such holding shall not affect the validity of the remaining provisions, and the remainder of this Reimbursement Agreement shall remain in full force and effect. If any provision of this Reimbursement Agreement directly conflicts with the terms of the Indenture, the Indenture shall control regarding such conflicting provision.

13. Exclusive Rights of Developer. Developer's right, title and interest in and to the payments of Reimbursement Obligation, as described herein, shall be the sole and exclusive property of Developer (or its Transferee (defined herein)) and no other third party shall have any claim or right to such funds unless Developer transfers its rights to the Reimbursement Obligation to a Transferee in writing and otherwise in accordance with the requirements set forth herein and any applicable provisions of the Financing Agreement. Subject to the provisions of Section 10.01 of the Development Agreement, Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part, all or any portion of Developer's right, title, or interest under this Reimbursement Agreement including (but not limited to) any right, title or interest of Developer in and to payment of the Reimbursement Obligation (a *Transfer*; the party or entity to whom the transfer is made, a *Transferee*). Notwithstanding the foregoing, no Transfer shall be effective until written notice of the Transfer, that includes the following, is provided to the City: (A) the name and address of the Transferee and (B) a representation by Developer that the Transfer does not and will not result in the issuance of municipal securities by any other state of the United States or political subdivision thereof. Developer agrees that the

City may rely conclusively on any written notice of a Transfer provided by Developer without any obligation to investigate or confirm the accuracy or sufficiency of the notice of the Transfer. Any sale of a portion of the Property or assignment of any right hereunder shall not be deemed a Transfer unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is deemed to be a Transfer.

14. Failure; Default; Remedies.

a. If either Party fails to perform an obligation imposed on such Party by this Reimbursement Agreement (a *Failure*) and such Failure is not cured after written notice and the expiration of the cure periods provided in this section, then such Failure shall constitute a *Default.* Upon the occurrence of a Failure by a non-performing Party, the other Party shall notify the non-performing Party in writing specifying in reasonable detail the nature of the Failure. The non-performing Party to whom notice of a Failure is given shall have at least 30 days from receipt of the notice within which to cure the Failure; however, if the Failure cannot reasonably be cured within 30 days and the non-performing Party has diligently pursued a cure within such 30-day period and has provided written notice to the other Party that additional time is needed, then the cure period shall be extended for an additional period (not to exceed 90 days) so long as the non-performing Party is diligently pursuing a cure.

b. If Developer is in Default, the City's sole and exclusive remedy shall be to seek specific performance of Developer's obligations under this Reimbursement Agreement. No Default by Developer, however, shall: (i) affect the obligations of the City to reimburse Developer from amounts from time to time on deposit in the Reimbursement Fund as provided in Section 6 of this Reimbursement Agreement; or (ii) entitle the City to terminate this Reimbursement Agreement. In addition to specific performance, the City shall be entitled to attorney's fees, court costs, and other costs incurred by the City in obtaining such remedy.

c. If the City is in Default, Developer's sole and exclusive remedies shall be to: (i) seek a writ of mandamus to compel the City's performance hereunder; or (ii) seek specific performance of the City's obligation hereunder.

15. No Personal Liability. None of the City, any of its elected or appointed officials, or any of its employees shall incur any liability hereunder to Developer or any other party in their individual capacities by reason of this Reimbursement Agreement or their acts or omission under this Reimbursement Agreement.

16. Estoppel Certificate. Within 30 days after the receipt of a written request by Developer or any Transferee, the City will certify in a written instrument duly executed and acknowledged to any person, firm or corporation specified in such request as to (i) the validity and force and effect of this Reimbursement Agreement in accordance with its terms, (ii) modifications or amendments to this Reimbursement Agreement and the substance of such modification or amendments; (iii) the existence, to the best of the City's knowledge, of any Default hereunder; and (iv) such other factual matters that may be reasonably requested (which may, at the City's discretion, be qualified with necessary and appropriate knowledge qualifications).

17. Anti-Boycott Verification, No business with Sanctioned Countries. Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Reimbursement Agreement is a contract for goods or services, will not boycott Israel during the term of this Reimbursement Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section

does not contravene applicable State or federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with Developer and exists to make a profit.

Developer represents that neither it nor any of its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

https://comptrolier.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or
https://comptroller.texas.gov/purchasing/docs/fto-list.pdf.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable State or federal law and excludes Developer and any of its respective parent companies, wholly- or majority owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with Developer and exists to make a profit.

18. Form 1295. Submitted herewith is a completed Form 1295 in connection with Developer's participation in the execution of this Reimbursement Agreement generated by the Texas Ethics Commission's (the *TEC*) electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the *Form 1295*). Developer and the City understand and agree that, with the exception of information identifying the City and the contract identification number, none of the City or its officials, employees, or consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by Developer; and none of the City or its officials, employees, or consultants have verified such information.

19. Senate Bills 13 and 19 Compliance To the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section, to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

To the extent this Agreement constitutes a contract for goods or services for which a written

verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Developer verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law.

As used in the foregoing verification and the following definitions,

a. 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

b. 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

c. 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

20. Miscellaneous.

a. The failure by a Party to insist upon the strict performance of any provision of this Reimbursement Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Reimbursement Agreement.

b. The City does not waive or surrender any of its governmental powers, immunities, or rights except to the extent permitted by law and as necessary to allow Developer to enforce its remedies under this Reimbursement Agreement.

c. Nothing in this Reimbursement Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and Developer any rights, remedies, or claims under or by reason of this Reimbursement Agreement, and all covenants, conditions, promises, and agreements in this Reimbursement Agreement shall be for the sole and exclusive benefit of the City and Developer.

d. This Reimbursement Agreement may be amended only by written agreement of the Parties.

e. This Reimbursement Agreement may be executed in counterparts, each of which shall be deemed an original.

* * *

EXECUTED by the Parties hereto to be effective as of _____, 202__.

ADDRESSES OF PARTIES:

CITY OF CASTROVILLE, TEXAS

1209 Fiorella Street
Castroville, Texas 78009

By:_____
Name: _____
Title: _____

[DEVELOPER]

[ADDRESS]

By:_____
Name: _____
Title: _____

THE STATE OF TEXAS §
§
COUNTY OF MEDINA §

This instrument was acknowledged before me on the _____ day of _____, 202__, by _____, _____ of City of Castroville, Texas, a home rule city, body corporate and a political subdivision of the State of Texas, on behalf of the City of Castroville, Texas.

_____
Notary Public in and for
the State of Texas

_____
(Printed Name of Notary)

My Commission Expires:_____

THE STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the ___ day of _____, 202__, by _____, _____ of [DEVELOPER].

_____
Notary Public in and for
the State of Texas

_____
(Printed Name of Notary)

My Commission Expires:_____

Exhibit I

RESIDENTIAL CONSTRUCTION STANDARDS

As and if applicable, the specifications hereinafter provided may be modified to the extent contrary specifications are included in the Consultant's Plan and identified as having direct application to the Residential Project. Except as specifically provided in the Development Agreement, all development of the Residential Project shall be governed by the Code (including the City Subdivision Ordinance). The Residential Plan shall minimally incorporate the elements hereafter described.

- Centralized location of the amenity center.
- Developer will meet or exceed the area requirement set for total pond and open space inclusive of amenity center site.
- No single-family residential lot within the Residential Project shall be smaller than 6,000 square feet.
- Maximum Density: Overall single-family density will not exceed 5 units per acre.
- Minimum Building Setbacks:
  - Front Setback Line: twenty feet (20') and fifteen feet (15') on irregular shaped lots;
  - Side Setback Line: five feet (5'); and
  - Rear Setback Line: twenty feet (20').

- Residential Street and Walkway Construction:
  - Cul-de-sacs shall have a minimum diameter of 80' of pavement and 100' of Right of Way.
  - Residential areas will be connected by walkable trails and sidewalks.

- Prohibited Elements applicable to single-family residences:
  - Flat roofs;
  - Stove pipe chimneys;
  - Random roof penetrations or skylights facing the street;
  - White skylights;
  - Mirrored glass or any reflective film or windows;
  - Wood siding; however, cedar wood siding accents may be permitted as defined below;
  - Stone which appears glued on (cultured stone accents may be permitted);
  - Vivid, strong, bright colors; and/or
  - More than three (3) materials on front elevation.

- Minimum House Size; Slab and Exterior Construction Standards
  - All single-family houses shall consist of a minimum of 1,400 square feet in gross floor area.
  - Site-built on engineered, concrete slabs.

- Design Elements:
  - Variation to roof or building lines are required.
  - Decorative window shutters are encouraged.
  - Functional dormers are encouraged.
  - A minimum of two (2) of the following are required:
    - Windows and/or entries recessed into the façade by a minimum of one inch (1");
    - Pillar posts;
    - Balconies, porches or patios;
    - Window hoods/screens; and/or
    - Use of varying building materials; however, the use of more than three (3) building materials is prohibited.

- Heights and Views:
  - No building or residential structure may exceed thirty-five feet (35') in height as measured from the elevation of the finished slab, exclusive of chimneys and ventilators.

- Masonry:
  - Defined as Stone, Stucco, Stucco Board, or Brick
  - Masonry accents are masonry materials to create diversity in the façade or emphasis of architectural features.
  - 75% Masonry on the front elevation.
  - All Lots that back up to a street or thoroughfare, or an open space shall be 100% Masonry to the first-floor plate on the rear elevation that faces such street, thoroughfare, or open space.
  - Side elevations shall be 100% Masonry to the first-floor plate.
  - Masonite sheet or other sheet siding is not allowed.
  - Siding: Any siding shall be vertical board and batten or horizontal lap.
  - Decorative Shakes or Decorative Siding such as shakes, scallops or other decorative siding facades shall be no more than 20% of the front elevation, 20% of each side, or 20% of the rear of the home.
  - Decorative Cedar shakes are allowed in the shapes of (Fish-scale, Diamond, Half Cove, Hexagon, Octagonal, Round, Arrow or Bell).

- Driveways:
  - Developer shall provide for two (2) parking spaces on the driveway (which are in addition to the two (2) garage spaces identified and described below).

- Roofing:
  - 30-year dimensional shingles, standing seam metal, tile or similar are allowable roofing materials.
  - Roof pitches shall be no less than 4:12 to 8:12 with City Administration approval, such approval to not be unreasonably withheld if the home elevation fulfills a majority of the Residential Construction Standards.
  - Accent or decorative roof pitches shall be no less than 2:12.
  - Accent or Decorative Roofs include porches, dormers, shed roofs over windows, box or bay windows, etc.

- Architectural Features:
  - Porches, patios, and/or courtyards may protrude into the front or rear setback by no more than five feet (5').
  - Eaves and roof extensions may protrude into setbacks by no more than two feet (2').
  - Windowsills, belt courses, cornices, and other architectural features may protrude into setbacks by no more than twelve inches (12").

- Front Doors:
  - Front doors shall be a solid core door not less than six foot eight inches (6'8") in height.
  - Clear leaded glass or eight (8) panel distinguished by mullions are encouraged.
  - The use of double doors, enhanced by side lights or transoms is encouraged.

- Floorplan Restriction:
  - Homes with identical elevations shall be restricted from being built on adjacent lots or on lots directly across from each other on the same street and shall have two full lots separation between them on the i) same or ii) opposite side of the street.

- Garage Doors:

- Two (2) single garage doors, divided by an 8”-12” column, are encouraged.
- Garage doors shall be of a non-warping, non-peeling material, design and color complimentary of the adjacent elevation of the residence and consistent with the overall architectural style of the residence.
- Windows along the top of the garage doors are permitted.
- Must not extend beyond the front of the home or front porch, J-drive and side entry garages shall be exempt from this requirement. The garage may extend up to five (5’) feet in front of the body of the home or front porch with City Administration approval, such approval to not be unreasonably withheld if the home elevation fulfills a majority of the Residential Construction Standards.
- Detached, J-swing, side entry, carports, and recessed garages are encouraged.

- Accessory Buildings:
  - Accessory buildings, if permitted, including pool cabanas, detached garages and guesthouses, shall be constructed of the same materials and with the same quality of construction as the principal residence.

- Address Markers
  - Address markers shall be centrally located on the residence and well-lit, so as to be visible from the street.

- Enclosures:
  - Air conditioning compressors and pool equipment shall be enclosed by a structural screening element constructed of the same masonry materials as the principal residence, lot fencing, or non-deciduous landscaping.
  - In the event non-deciduous landscaping is used to screen any air conditioning compressor, at the time of installation, the non-deciduous landscaping shall screen one-half (1/2) of the vertical height of the air conditioning compressor.

- Landscaping Requirements for 50’ Lots:
  - Minimum of 100 square foot mulched landscape bed in the front yard.
  - Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
  - Minimum of ten (10) one (1) gallon plants in the front yard.
  - Minimum of six (6) three (3) gallon plants in the front yard.
  - Minimum of one (1) two-inch (2”) caliper hardwood tree shall be planted within the rear yard inside of any fencing.
  - Minimum of one (1) two-inch (2”) caliper hardwood tree shall be planted within the front yard or side yard in front of any fencing.
  - Landscape irrigation system for entire front and rear yard shall be installed.
  - Any Lots which are corner lots or side open space lots shall include the following:
    - Minimum of 100 square foot mulched landscape bed in the front yard.
    - Minimum of 100 square foot mulched landscape bed in the side yard.
    - Front yard and rear yard shall be fully sodded, except for landscape bed(s).
    - Minimum of fifteen (15) one (1) gallon plants in the front yard.
    - Minimum of ten (10) five (5) gallon plants in the front yard.
    - Minimum of three (3) two-inch (2”) caliper hardwood trees, planted not less than twelve feet (12’) apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
    - Minimum of six (6) one (1) gallon plants in the side yard.
    - Minimum of five (5) five (5) gallon plants in the side yard.
    - Landscape irrigation system for entire front yard, side yard and rear yard shall be

installed.

- Landscaping Requirements for 60’ Lots:
  - Minimum of 125 square foot mulched landscape bed in the front yard.
  - Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
  - Minimum of twelve (12) one (1) gallon plants in the front yard.
  - Minimum of eight (8) three (3) gallon plants in the front yard.
  - Minimum of one (1) two-inch (2”) caliper hardwood tree shall be planted within the rear yard inside of any fencing.
  - Minimum of two (2) two-inch (2”) caliper hardwood trees shall be planted within the front yard or side yard in front of any fencing.
  - Landscape irrigation system for entire front and rear yard shall be installed.
  - Any Lots which are corner lots or side open space lots shall include the following:
    - Minimum of 125 square foot mulched landscape bed in the front yard.
    - Minimum of 125 square foot mulched landscape bed in the side yard.
    - Front yard and rear yard shall be fully sodded, except for landscape bed(s).
    - Minimum of eighteen (18) one (1) gallon plants in the front yard.
    - Minimum of twelve (12) five (5) gallon plants in the front yard.
    - Minimum of three (3) two-inch (2”) caliper hardwood trees, planted not less than twelve feet (12’) apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
    - Minimum of eight (8) one (1) gallon plants in the side yard.
    - Minimum of seven (7) five (5) gallon plants in the side yard.
    - Landscape irrigation system for entire front yard, side yard and rear yard shall be installed.

- Landscaping Requirements for 70’ Lots:
  - Minimum of 150 square foot mulched landscape bed in the front yard.
  - Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
  - Minimum of fifteen (15) one (1) gallon plants in the front yard.
  - Minimum of ten (10) three (3) gallon plants in the front yard.
  - Minimum of one (1) two-inch (2”) caliper hardwood tree shall be planted within the rear yard inside of any fencing.
  - Minimum of two (2) two-inch (2”) caliper hardwood trees shall be planted within the front yard or side yard in front of any fencing.
  - Landscape irrigation system for entire front and rear yard shall be installed.
  - Any Lots which are corner lots or side open space lots shall include the following:
    - Minimum of 150 square foot mulched landscape bed in the front yard.
    - Minimum of 150 square foot mulched landscape bed in the side yard.
    - Front yard and rear yard shall be fully sodded, except for landscape bed(s).
    - Minimum of twenty (20) one (1) gallon plants in the front yard.
    - Minimum of fourteen (14) five (5) gallon plants in the front yard.
    - Minimum of three (3) two-inch (2”) caliper hardwood trees, planted not less than twelve feet (12’) apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
    - Minimum of eight (8) one (1) gallon plants in the side yard.
    - Minimum of seven (7) five (5) gallon plants in the side yard.
    - Landscape irrigation system for entire front yard, side yard and rear yard shall be installed.

- Fencing:
  - Fences are not required, but, if they are built facing adjacent to a street, all fencing shall be six-foot (6') cedar fencing, black decorative metal, or other with City Approval, including rustic Cedar posts and rails with or without wire fencing. Chain link fencing is prohibited.
  - Fencing shall have a total of three (3) 2x4 stringers for support.
  - Fencing on corner lots can be installed no closer than 7.5' to the Property Line on corner lots siding a street.

- Street Sign Examples

Ball on

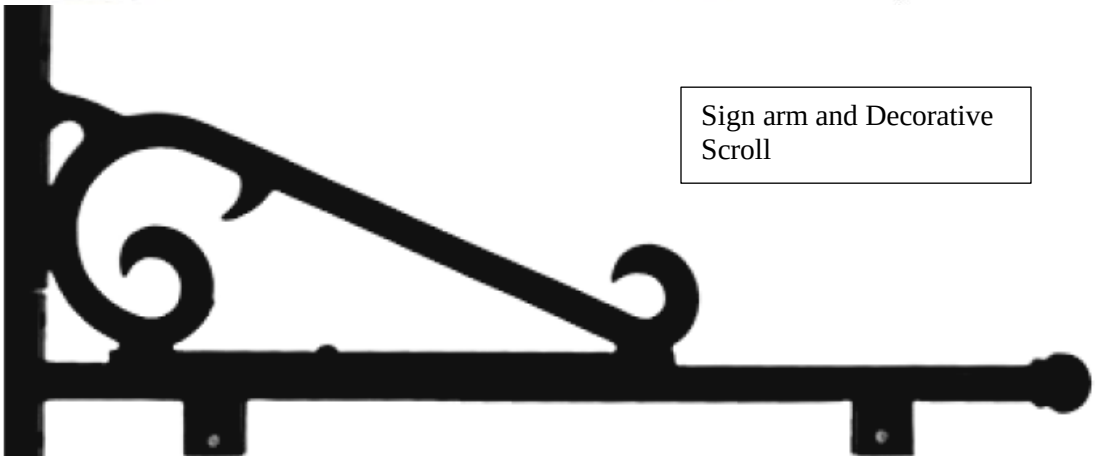


Fluted



Logo

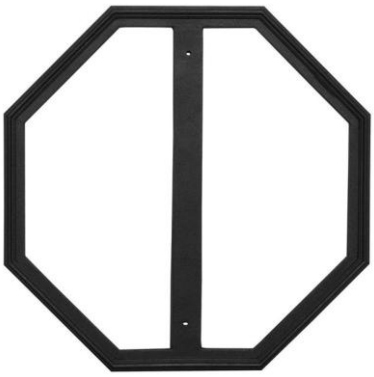




Sign arm and Decorative Scroll



Base



Traffic Sign

Exhibit J

FORM OF UTILITY SERVICE AGREEMENT

UTILITY SERVICE AGREEMENT

STATE OF TEXAS	**§**
	§
COUNTY OF MEDINA	**§**
	§
CITY OF CASTROVILLE	**§**

This Utility Service Agreement (including the General Conditions, the Special Conditions, and the Attachments hereto, this *Agreement*) is entered into by and between the CITY OF CASTROVILLE, TEXAS (the *City*) and [DEVELOPER] (the *Developer*). The City and the Developer are herein referred to generally as a *Party* and, together, the *Parties*. Terms capitalized but not otherwise defined herein shall have the meanings ascribed to them in the hereinafter-defined Development Agreement, a copy of which is attached hereto as Attachment IV.

W I T N E S S E T H

WHEREAS, the City and the Developer have entered into that certain Development Agreement (as the same is amended from time to time, the *Development Agreement*), pursuant to which the City and the Developer are obligated to undertake specified actions relative to the development that is the subject of the Development Agreement (such development, the *Development*; the property that is the subject of the Development Agreement and the location of the Development, the *Property*); and

WHEREAS, the Development Agreement contemplates the need for improvements to the City's water and wastewater utility systems (respectively, the *Water System* and the *Wastewater System* and, together, the *Systems*) that are outside the boundaries of the Property to extend Systems infrastructure to the Property's border for connection to necessary water and wastewater infrastructure improvements within the Property (such offsite improvements, as further defined and described herein (but specifically excluding the Water System improvements that are the subject of the Multi-Party Agreement, dated as August 9, 2022, among the City and various parties, including the Developer), the *Offsite Improvements*; such onsite improvements, as further defined and described herein, the *Onsite Improvements*; the Offsite Improvements and the Onsite Improvements, together, the *Improvements*); and

WHEREAS, the Development Agreement requires the Developer to design, construct, and finance all requisite Improvements, which includes all Improvements within and beyond the boundaries of the Property that are necessary for connection to the Systems to provide retail water and wastewater utility service (*Water Service* and *Wastewater Service*, respectively; together, *Service*) to the Development, and upon completion thereof, dedicate the same to the City; and

WHEREAS, the completion of the Offsite Improvements will allow for the Developer's connection of the Onsite Improvements to the Systems; and

WHEREAS, the Parties now desire to enter into this Agreement to memorialize the terms and conditions by which (i) the Improvements will be designed, constructed, financed and dedicated to the City and made a part of the Systems and (ii) Systems capacity is reserved for the purpose of providing Service to the Development; and

NOW, THEREFORE, in consideration of the foregoing Recitals, the covenants contained herein, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Developer and the City hereby agree as follows.

1. Interpretation of Agreement.

   a. The Parties acknowledge that the Service contemplated by this Agreement shall be provided in accordance with the applicable Governing Regulations identified in Section 3.01(b) of the Development Agreement. In the event the specific terms of this Agreement conflict with the Governing Regulations, the specific terms of this Agreement shall apply. The above notwithstanding, for the specific conflicting terms to prevail, the conflict must be expressly noted in this Agreement. The Parties further acknowledge that this Agreement is subject to future acts of the City Council with respect to the adoption or amendment of Impact Fees and City ordinances or resolutions specifying rates for Service.

   b. The Parties agree that a purpose of this Agreement is the City's reservation and dedication of [NUMBER] of Water Service living unit equivalents (*LUEs*) and [NUMBER] of Wastewater Service LUEs (such dedicated capacity, *Water Capacity* and *Wastewater Capacity*, respectively, and *Guaranteed Capacity*, collectively) from available Systems capacity (whether currently existing or to result from ongoing Systems expansion) for provision of Service to the Development.

   c. Any rights that the Developer claims arise under Chapter 245, as amended, Texas Local Government (*Chapter 245*) or Chapter 43, as amended, Texas Local Government Code, that are related to this Agreement shall be governed by the applicable provisions of the Development Agreement, particularly being Section 3.01(b) thereof.

2. Obligation Conditioned. The City's obligation to provide Service to the Property is conditioned upon present rules, regulations and statutes of the United States of America and the State of Texas and any court order that directly affects the City or its ownership and operation of the Systems. The Developer acknowledges that if the rules, regulations and statutes of the United States of America and/or the State of Texas that are in effect upon the Effective Date are repealed, revised or amended to such an extent that the City becomes incapable of, or is prevented from, providing the Service, then no liability of any nature is to be imposed upon the City as a result of the City's compliance with such legal or regulatory mandates. The City agrees that it will use its best efforts to prevent the enactment or to mitigate the impact of such legal or regulatory mandates.

3. Term.

   a. The term of this Agreement shall be twenty (20) years from the Effective Date, subject to extension in the same manner as extension of the Developer's obligations under the Development Agreement (which provisions are incorporated by reference as though herein reproduced), unless extended by mutual agreement, evidenced in writing, by the City and the Developer. Certain City obligations (described in Section 3.c below) may survive the expiration of the term of this Agreement if (i) all Impact Fees applicable to the Development have been paid and (ii) the Developer has complied with all requirements concerning the Improvements as are described, as applicable, in this Agreement and the Development Agreement.

   b. To the extent that the City's obligations do not survive the expiration of this Agreement, the Developer understands and agrees that a new utility service agreement must be entered into with the City to receive Service to the Development.

c. Provided compliance with clauses (i) and (ii) of Section 3.a above has occurred, the following obligations shall survive expiration of this Agreement:

i. The City's recognition of the Guaranteed Capacity to be provided by the Systems to the Development in the form of Service, as specified in S.C. 1.00 hereof.

ii. The City's continued provision of Service to retail customers located in the Property, so long as such customers pay for the Service and comply with the regulations applicable to individual customers (including payment of rates for Service, as from time to time specified by City ordinance or resolution).

4. Entire Agreement. The following documents attached hereto and incorporated herein are as fully a part of this Agreement as if herein repeated in full and, together, comprise this Agreement in its entirety:

Attachment I:	General Conditions
Attachment II:	Special Conditions
Attachment III:	Engineering Report Regarding Improvements
Attachment IV:	Development Agreement

Any of the above attachments that are created and submitted by the Developer as an attachment to this Agreement shall be limited to providing relevant engineering, planning, or managing information for the purposes of setting aside or reserving the Guaranteed Capacity as specified in the body of this Agreement, the General Conditions, and the Special Conditions. The Developer agrees that it will not attempt to rely, and the City does not authorize reliance, on any of the contents of any attachments created and submitted by the Developer as a basis for claiming rights under Chapter 245, except as specifically provided by Section 1.c hereof.

The Developer understands that this Agreement, including the Attachments, is subject to the Texas Public Information Act. The Developer, therefore, agrees that it will not claim that any of the information contained herein is subject to any third-party exception under that Act.

5. The Developer's Obligations. The Developer acknowledges and agrees that the Guaranteed Capacity runs with the land and shall be an appurtenance to the Property. The Developer agrees to record this Agreement in the Real Property Records of Medina County, Texas as quickly as practicable (but not more than fifteen (15) days from the Effective Date); otherwise, this Agreement will automatically terminate. Delivery to the City of a recorded copy of this Agreement shall serve as a condition precedent to any transfer of any portion of the Property or any portion of the Guaranteed Capacity in accordance with G.C.14.00. To the extent not reflected in the Plats from time to time submitted by the Developer to and accepted by the City pursuant to the terms of the Development Agreement, the Developer shall maintain records of allocated and unallocated Water Capacity and Wastewater Capacity (by LUE) for use by the Development by developers thereof and therein and provide the City with copies of such records upon receipt of the City's written request for the same.

6. **INDEMNITY**. **TO THE EXTENT ALLOWED BY APPLICABLE LAW, THE DEVELOPER FURTHER AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS THE CITY AND ITS SUCCESSOR AND ASSIGNS FROM THE CLAIMS OF THIRD PARTIES ARISING OUT OF THE CITY'S RECOGNITION RESERVATION AND TRANSFER OF THE GUARANTEED CAPACITY UNDER THIS AGREEMENT TO THE DEVELOPER'S SUBSEQUENT PURCHASERS, SUCCESSORS AND ASSIGNS.**

7. Notices. Any notice, request, demand, report, certificate, or other instrument which may

be required or permitted to be furnished to or served upon the parties shall be delivered in accordance with the provisions for notice specified in Section 8.05 of the Development Agreement.

8. Severability. If for any reason any one or more paragraphs of this Agreement are held legally invalid, such judgment shall not prejudice, affect impair or invalidate the remaining paragraphs of the Agreement as a whole, but shall be confined to the specific sections, clauses, or paragraphs of this Agreement held legally invalid.

9. Effective Date. The Effective Date of this Agreement shall be the date signed by the later of an authorized City representative and an authorized Developer representative.

10. Ownership**.** By signing this Agreement, the Developer represents and warrants that it is the owner of the Property or has the authority of the Property owner to develop the Property. Any misrepresentation of authority or ownership by the Developer shall make this Agreement voidable by the City. If the Developer does not own the Property, then the Developer must provide documentation from the owner of the Property to show that the Developer has the proper authority to develop the Property.

* * *

ACCEPTED AND AGREED TO IN ALL THINGS:

CITY OF CASTROVILLE, TEXAS	[DEVELOPER]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Address: 1209 Fiorella Street **Castroville, Texas 78009**	Address: _____ _____
Date: _____	**Date:** _____

ACKNOWLEDGEMENTS

STATE OF TEXAS, COUNTY OF MEDINA §

BEFORE ME, the undersigned Notary Public, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing instrument and that he has executed the same as _____ for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this_____day of_____, 2022.

(seal)

_____
Notary Public

STATE OF TEXAS, COUNTY OF _____ §

BEFORE ME, the undersigned Notary Public, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing instrument and that he has executed the same as _____ for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this_____day of_____, 2022.

(seal)

_____
Notary Public

ATTACHEMENT I

GENERAL CONDITIONS OF THE UTILITY SERVICE AGREEMENT

G.C.1.00 Definition of Terms.

Unless defined in the Agreement, the terms used in this General Conditions of the Utility Service Agreement (the *General Conditions*) shall have the same definitions and meaning as those set out in the Development Agreement. In the event a term is specifically defined in the General Conditions, and the definition is in conflict with that found in the Development Agreement or the Code, and such conflict is acknowledged in the General Conditions, the definition set out in the General Conditions shall apply.

G.C.2.00 Required Submittals.

Plans and specifications for Improvements.

G.C.3.00 Developer Development and Dedication of Improvements.

Subject to the provisions of Section G.C.4.00 and G.C.5.00 below, the Improvements shall be designed and constructed by the Developer and, upon completion, dedicated to the City, who shall thereafter own, operate, and maintain the same as a part of the Systems. Offsite Improvements shall be constructed within easements and rights-of-way provided or identified by the City (who shall, to the extent necessary and legally able, assist the Developer in obtaining, at the Developer's cost and expense, such necessary easements or rights-of-way). With respect to Onsite Improvements, the Developer shall acquire all necessary easements and rights-of-way to accommodate the development of Onsite Improvements. The Developer recognizes that the approval of easement or right-of-way adequacy, location, size, grade, and invert elevation for construction of Improvements is reserved to the City

Upon respective completion of the Offsite Improvements and Onsite Improvements, the Developer shall dedicate, grant, and convey to the City, and the City (subject to Section G.C.6.00) shall accept the dedication, grant, and conveyance of, such Improvements, accompanied by all construction warranties and associated easements and rights-of-way, without lien or other encumbrance. As and after the City's acceptance of the same, the Improvements shall be made a part of the Systems and be owned, operated, and maintained by the City.

The responsibility for payment of the costs of the development and dedication of the Improvements as herein specified, unless specifically otherwise herein provided, shall be the sole and absolute responsibility of the Developer. Except as may otherwise be specified herein, the City shall have no payment obligation for the Improvements and the Developer shall have no right or claim for City financial contribution to the costs of the Improvements. The foregoing limitation does not impact the anticipated use of assessments levied on the property pursuant to Chapter 372, as amended, Texas Local Government Code to pay for certain public improvements (including Improvements), as contemplated under the Development Agreement.

G.C.4.00 Design and Construction Requirements.

The design and construction of all Improvements shall minimally comply with all applicable Governing Regulations, applicable rules and regulations of Medina County, Texas, the State of Texas, and any agency thereof with jurisdiction thereon (including, but not limited to, the Texas Commission on Environmental Quality, the Public Utility Commission of Texas, and the Texas Department of Health). In addition, and

except as specifically provided otherwise herein, design and construction of the Improvements shall comply with the provisions of Article VIII, Chapter 100 of the Code.

The Developer shall involve the City, as and to the extent requested or required by the City, with the Improvements' design. Prior to solicitating any bid or letting any contract for construction of any of the Improvements, the City shall have approved the final plans and specifications for such Improvements. Modifications to plans and specifications to accommodate change orders shall also be subject to City approval.

Notwithstanding any provision herein to the contrary, and unless during the design process the City approves a variance to the foregoing requirement, Improvements shall be designed to provide for the same diameter, pressure, and volume capacity as the component of the Systems to which the Improvements connect. In addition, Onsite Improvements shall be extended to one or more boundaries of the Property, as determined by the City during the design process, to allow for connection to the Systems by adjoining property owners.

G.C. 5.00 Oversizing.

The City, during the design process, may require the installation of oversized Improvements or components thereof. If such oversizing requirement results in incremental cost increases attributable to the oversized Improvements component when compared to the cost of the size or capacity of such Improvements component that is required to only provide Service to the Property (such increased cost, the *Incremental Cost*), then such City oversizing requirement shall be conditioned on the City's providing to the Developer (i) compensation equal to the Increased Cost or (ii) a method of Increased Cost recovery acceptable to the Developer. Any requisite oversizing component of Improvements shall be considered Improvements, with no distinction from any other component of the Improvements, for all other purposes of this Agreement.

G.C.6.00 City Inspection; Acceptance.

The City, or any consultant acting on its behalf, shall have the right to inspect Improvements during their construction for any reasonable and legitimate City purpose, including assurance of conformity to approved designs, the terms of the construction contracts, this Agreement, and any Governing Regulations and satisfaction of warranty requirements associated with such construction. The Developer shall be solely responsible for any necessary corrections or remedial actions required by the City that result from its findings during such inspections.

The City's acceptance of the Developer's dedication of completed Improvements shall be subject to the City's prior determination that the Improvements were constructed in accordance with approved plans and specifications, that associated construction warranties remain valid and in effect (and that the Developer has taken no action that would or could compromise such validity and effectiveness) without reduction in duration or scope, and that no liens or encumbrances associated with such Improvements shall transfer to the City as a result of the subject dedication.

G.C.7.00 Joint Venture Agreements.

In the event the Developer enters into a Joint Venture Agreement covering the costs of the Improvements, the Developer shall send a copy of such agreement to the City.

G.C.8.00 Assignment.

This Agreement may be assigned only in conjunction with an assignment of the Development Agreement; provided, however, the Developer may assign, convey, or transfer some or all of the Guaranteed Capacity to buyers of portions of the Property in accordance with the terms specified in G.C.14.00.

G.C.9.00 Event of Foreclosure.

In the event the Developer's interest in the Property is extinguished by an act of foreclosure, and the foreclosing party has supplied sufficient evidence to the City that it is the successor in interest to the Property as a result of such foreclosure, and that there are no lawsuits pending concerning the Property, the City shall consider the foreclosing party a Developer successor in interest if the foreclosing party executes a utility service agreement with the City (after the City Council determines that the execution of such an agreement will not be adverse to the City's interest).

G.C.10.00 Payment for Provision of Utility Service.

Customers within the Development receiving Service shall be charged the applicable rates for Service from time to time specified by ordinance or resolution adopted by the City Council. Billing and collection for charges for Service shall be the responsibility of the City.

G.C.11.00 Impact Fee Payment.

For the Wastewater Capacity, the Developer shall pay to the City the Impact Fees in the amounts from time to time and at the times specified in the Governing Regulations. In addition, and to the extent the Developer's development of the Property results in the City's providing to the Developer Systems capacity, in the form of Water Service LUEs, in excess of the Water Capacity, the Developer agrees to pay all applicable Impact Fees as provided and in accordance with the applicable provisions of the Code and implementing City ordinances or resolutions relating to such Systems capacity in excess of the Water Capacity. Any conveyance of any portion of the Property shall include a written statement to the transferee of such portion of the Property concerning the requirement to pay Impact Fees as previously described as a result of the development of such Property pursuant to and in accordance with the applicable provisions of the Code. Notwithstanding the foregoing, the City makes no representations or guarantees concerning the availability of Systems capacity in excess of the Guaranteed Capacity.

The Developer agrees that this Agreement does not constitute an assessment of Impact Fees on the Property or the Development regarding Water Capacity; however, because fees owed to the City hereunder by the Developer for Water Capacity are used by the City to pays costs of Systems expansion to make available the Water Capacity, such payment shall supersede and replace any Impact Fees that would otherwise be due and owing to the City for the Developer's accessing the Water Capacity. This provision shall control in case of any conflict with any other provision of this Agreement or any other provision of the Development Agreement.

G.C.12.00 City's Obligation to Provide Service.

Provision of Service to the Property shall not commence until (i) completion of (a) the Offsite Improvements, (b) the Onsite Improvements necessary to provide Service to the portion of the Property for which Service is requested, and (c) the Systems improvements being undertaken by the City to expand Systems capacity in order to enable its provision of the Guaranteed Capacity, and (ii) the City has approved and accepted the Offsite Improvements and Onsite Improvements identified in Clause (i)(b) of this Section G.C.12.00.

To the extent that all applicable Impact Fees and capacity charges (including, specifically, the capacity charges relating to the Water Capacity) have been paid and all Offsite Improvements and the Onsite Improvements necessary to provide Service to the Property pursuant to an approved Plat have been completed and made a part of the Systems in accordance with the terms of this Agreement and the Development Agreement, such portion of the Property that is the subject of such approved Plat shall be entitled to Service by permanent use and benefit of Water Capacity and Wastewater Capacity from and up to the Guaranteed Capacity.

G.C.13.00 Conformance of Plans.

All water and wastewater facilities serving the Property other than and in addition to the Improvements shall be designed and constructed in conformance with this Agreement, the Development Agreement, and the Governing Regulations. Once initially approved by the City, changes in the water and wastewater system design shall be resubmitted to the City for written approval.

G.C.14.00 LUE Transfers.

The transfer of Guaranteed Capacity for use outside the boundaries of the Property shall not be allowed.

The City considers this Agreement to run with the Property; however, LUE transfers from Water Capacity and Wastewater Capacity, respectively, to subdivided tracts within the Property are the responsibility of the Developer and approval of such transfers is not required by the City. The Developer shall maintain a separate accounting of the Water Service LUEs and Wastewater Service LUEs derived from the Guaranteed Capacity that are used by the Developer and/or transferred after the Effective Date to portions of the Property. If the Developer sells a portion of the Property and transfers part of the Guaranteed Capacity that is provided under this Agreement, then that Guaranteed Capacity transfer must be included in the deed, bill of sale or instrument conveying the land and the Developer must require the buyer of the land who receives the allocated Water Service LUEs and Wastewater Service LUEs from Guaranteed Capacity to record the instrument effectuating the transfer.

If and as applicable, the City will recognize the LUE allocations within the Property site plan delivered to the City so long as those allocations are compliant and consistent with the provisions of this Agreement and do not, in the aggregate, exceed the Guaranteed Capacity. For portions of the Property that have areas of unplanned use, the demand will be calculated at four (4) Water Service LUEs and Wastewater Service LUEs per acre unless the engineering report specifies otherwise or there is not enough Guaranteed Capacity remaining for the Property to allocate four (4) LUEs per acre.

In no event will the City be responsible to third parties for providing Service beyond the total Guaranteed Capacity identified in this Agreement for the Property. The Developer expressly disclaims, releases, and holds harmless the City from any liability, damages, costs, or fees, and agrees to indemnify the City for any liability, including, costs and attorney's fees, associated with any dispute related to the transfer of all or a portion of Guaranteed Capacity approved for the Property in this Agreement.

* * *

ATTACHMENT II

SPECIAL CONDITIONS OF THE UTILITY SERVICE AGREEMENT

S.C.1.00 Tract Location; Ultimate Demand; and Cost.

The Property is described in the Development Agreement. The Property is not located over the Edwards Aquifer Recharge or Contributing Zone. The Property is located inside the City's water certificate for convenience and necessity (*CCN*), inside the City's wastewater CCN, and does not require the City's financial participation in the development of infrastructure.

Water Capacity. The Water Capacity shall not exceed [NUMBER] (__) Water Service LUEs. The Parties agree that the Developer shall pay the City an amount equal to $[_____] per Water Service LUE, for a total of $[_____], for the Water Capacity, which amount shall be payable to the City from Assessment Revenues in accordance with the Service and Assessment Plan (each of such terms as defined in the Development Agreement).

Wastewater Capacity. The Wastewater Capacity shall not exceed [NUMBER] (__) Wastewater Service LUEs. The Parties agree that the Wastewater Capacity shall be subject to Impact Fees and that the timing and amount of payment shall be in accordance with the Code or City ordinance or resolution (as the same exists as the date hereof and may be updated, supplemented, or amended from time to time).

S.C.2.00 Requirement for Utilization of Guaranteed Capacity.

The City's dedication of the Guaranteed Capacity to the Developer represents an allocation by the City of a scarce City resource. By entering into this Agreement, the Developer represents to the City that the Developer has a present intent to utilize the Guaranteed Capacity for the purpose of making Service available to the Property. If all of the Guaranteed Capacity has not been utilized by the fifteenth (15^{th}) anniversary of the Effective Date, the City shall have the ability, exercisable at its discretion upon prior delivery of written notice to the Developer, to reallocate to another user such unutilized portion the Guaranteed Capacity. Any such reallocation shall be conditioned on the City's reimbursement to the Developer of any amounts paid by the Developer to the City for such reallocated portion of the Guaranteed Capacity pursuant to this S.C.2.00.

S.C.3.00 Time for Impact Fee Assessment and Payment.

Impact Fees owed pursuant to G.C.11.00, S.C.1.00, the Code, and applicable City ordinance or resolution, if any, will be assessed at the rates, and be payable at the times, as specified in the Code and ordinances or resolutions from time to time adopted by the City implementing or modifying the same.

* * *

ATTACHMENT III

ENGINEERING REPORT REGARDING IMPROVEMENTS

To be delivered to the City by the Developer with adequate time for the City's review, comment, and approval, pursuant to the terms of this Agreement. The Parties hereby agree that adequate time means sixty (60) days from the initial date of submission. Upon the City's approval, the Engineering Report (which includes Improvements plans and specifications) shall be appended to and become a part of this Agreement as Attachment III.

ATTACHMENT IV

DEVELOPMENT AGREEMENT

Exhibit K

PETITION FOR ANNEXATION OF LAND INTO
THE CITY OF CASTROVILLE EXTRATERRITORIAL JURISDICTION

TO THE HONORABLE CITY COUNCIL, CITY OF CASTROVILLE, TEXAS:

I or we, , owner(s) of the land described below by metes and bounds and, being contiguous and adjacent land and territory to the present corporate limits of the City of Castroville, Texas, hereby request annexation of the described land into the City of Castroville Extraterritorial Jurisdiction. I (we) understand that the request does not necessarily mean that the land will be annexed into the Extraterritorial Jurisdiction, but that the City will consider the request based upon requests received from other Developers and an evaluation of services to be provided.

Name: Address: City/State/Zip:
{INSERT LEGAL DESCRIPTION AND/OR ATTACH PLAT & METES AND BOUNDS DESCRIPTION}

Wherefore, petitioners respectfully request that the hereinabove described land be forthwith incorporated into and become a part of the territory of the municipal corporation of the City of Castroville, Medina County, Texas.

Respectfully Submitted, [NAME OF LANDOWNER]

By: [NAME, TITLE]

STATE OF TEXAS COUNTY OF MEDINA

BEFORE ME, the undersigned authority, on this day personally appeared as of petitioner , who having knowledge of the facts contained herein acknowledged to me that he executed the same for the purposes and consideration therein expressed, on this day of , 2023.

_____
Notary Public

Exhibit L

PETITION FOR ANNEXATION OF LAND INTO THE CITY OF CASTROVILLE

TO THE HONORABLE CITY COUNCIL, CITY OF CASTROVILLE, TEXAS:

I or we, , owner(s) of the land described below by metes and bounds and, being contiguous and adjacent land and territory to the present corporate limits of the City of Castroville, Texas, hereby request annexation of the described land into the City of Castroville. I (we) understand that the request does not necessarily mean that the land will be annexed, but that the City will consider the request based upon requests received from other Developers and an evaluation of services to be provided.

Name: Address: City/State/Zip:
{INSERT LEGAL DESCRIPTION AND/OR ATTACH PLAT & METES AND BOUNDS DESCRIPTION}

Wherefore, petitioners respectfully request that the hereinabove described land be forthwith incorporated into and become a part of the territory of the municipal corporation of the City of Castroville, Medina County, Texas.

Respectfully Submitted, [NAME OF LANDOWNER]

By: [NAME, TITLE]

STATE OF TEXAS COUNTY OF MEDINA

BEFORE ME, the undersigned authority, on this day personally appeared as of petitioner , who having knowledge of the facts contained herein acknowledged to me that he executed the same for the purposes and consideration therein expressed, on this day of , 2023.

_____
Notary Public

Exhibit M

MULTI-PARTY AGREEMENT

MULTI-PARTY AGREEMENT TO PAY DESIGN COSTS ASSOCIATED WITH PLANNED CITY UTILITY SYSTEM EXPANSION

STATE OF TEXAS	§
	§
COUNTY OF MEDINA	§
	§
CITY OF CASTROVILLE	§

THIS MULTI-PARTY PARTY AGREEMENT (this *Agreement*) is made effective this 9th day of August, 2022 (the *Effective Date*), by and among the City of Castroville, Texas (the *City*) and the parties initially and from time to time identified in Schedule I hereto (collectively, the *Private Parties*; the City and the Private Parties, together, the *Parties*).

W I T N E S S E T H

WHEREAS, the City has been approached by the Private Parties concerning development of currently vacant land in and around the northeastern and southeastern quadrants of the City and within its water certificate of convenience and necessity; and

WHEREAS, to accommodate and serve the complete development of these parcels as represented to the City, the City's water system (the *System*) will require significant capacity upgrades and expansion; and

WHEREAS, the City desires that System expansion be undertaken in a comprehensive manner, taking into consideration efficient operation and provision of service to all planned developments in the general, geographic region (as opposed to accommodating individual tracts of land or development as and when requested); and

WHEREAS, the Parties have previously collaborated to determine the necessary size, scope, and location of System improvements to accommodate communicated and projected development growth in the manner heretofore described (together, and as further described in the hereinafter-defined Report attached hereto Exhibit A, the *Improvements*); and

WHEREAS, the City has communicated to the Private Parties a comprehensive plan to design, finance, construct, and make available for connection to the Improvements (together, the *Plan*), generally to include each of the Parties paying their pro-rated cost therefor (on the basis of allocated System capacity as a percentage of all System capacity resultant from the Improvements), either (with respect to the City) directly or (with respect to the Private Parties) through a financing mechanism resultant from the establishment of separate public improvement districts (*PIDs*), each unique to the respective Private Parties' developments; and

WHEREAS, the City seeks from the Private Parties evidence of their commitment to participate in the Plan; and

WHEREAS, the Private Parties have expressed to the City their respective desire to accelerate the timeframe for commencement of construction of the Improvements, which will require the City's

engagement of its engineers, RESPEC Company, LLC (the *Engineer*), prior to implementation, but during development, of the Plan; and

WHEREAS, the Parties have determined that entering into this Agreement to memorialize commitment to Plan participation and to facilitate initiation of Improvements design is in their respective best interest; and

NOW, THEREFORE, in consideration of the foregoing Recitals, the covenants contained herein, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties agree as follows:

1. System Capacity Increase Resultant from Improvements; Allocation of Capacity. Based on the report of the Engineer attached hereto as Exhibit A (the *Report*), the findings and conclusions of which the Parties hereby agree and concur, the Improvements will result in increased System capacity equal to 5,000 living unit equivalents or *LUEs* (the *Capacity*). The City's Comprehensive Development Ordinance (Chapter 100 of the City's Code of Ordinances) defines an LUE to mean "the typical flow that would be produced by a single-family residence", which definition is hereby incorporated into and made part of this Agreement.

Utilizing information heretofore provided to the City, acting by and through the Engineer, by the respective Private Party (or representative thereof), with respect to which information the City and the Engineer disclaim any and all responsibility for completeness or accuracy, the Parties agree to the allocation of the Capacity and the corresponding percentage as the applicable allocation of all Improvements costs to the Parties (the *Allocation Percentage*), as evidenced in the following table.

Party	Allocated LUEs	Allocated Percentage (%)
City of Castroville, Texas	1,936	38.72
Cobblestone (Gutierrez)	1,300	26.00
Alsatian Oaks Phase II	789	15.78
Jagge Ranch	800	16.00
Victory Lane	175	3.50
Total	**5,000**	**100.00**

2. Reallocation of Capacity. Subject to LUE availability and written approval by the City Administrator (upon approval of the City Council), a Private Party may request an increase or decrease in the amount of initially Allocated LUEs (as evidenced in the table appearing in Section 1 above). If approved, the City shall adjust the Allocated LUEs, Allocated Percentage and Allocated Cost and make corresponding financial arrangements to reconcile the economic impact of such adjustment.

3. Engineer's Performance of Improvements Design; Scope and Ownership of Designs. The Engineer will design the Improvements, the scope and estimated cost of which are as evidenced in Exhibit B attached hereto (the *Scope of Work*). The Engineer shall be engaged by the City to design the Improvements in accordance with the findings of the Report. The responsibility for enforcement of the terms of the contract under which the Engineer is engaged shall belong to the City. The designs shall be subject to approval solely by the City. All Improvements designs prepared by the Engineer shall be owned solely and exclusively by the City.

4. Payment of Costs of Improvements Design. Each of the Parties shall be responsible for the costs of the Scope of Work in an amount equal to the total of such costs multiplied by each Parties' respective Allocation Percentage. The Engineer has provided an initial estimated cost of the Scope of Work of $1,096,540 (the *Initial Cost*), to which amount all Parties agree. During the course of the Improvements' design, the City is authorized to agree to increase the Initial Cost by up to 33 1/3% without seeking the consent of the Private Parties, with such increase allocable to the Parties on the basis of their respective Allocation Percentage (such increased cost, plus the Initial Cost, the *Cost*). The City shall notify each of the other Private Parties within seven business days of its agreement to an increase in the Initial Cost of the Scope of Work, as well as within seven business days of any subsequent increase in Cost.

At execution of this Agreement, each of the Private Parties agree to pay to the City an amount equal to 40% of the Initial Cost allocated to such Private Party, as evidenced in the table below. This initial amount is anticipated, when added to the City's own contributed amounts, to satisfy periodic Scope of Work billings by the Engineer through Plan implementation, when the unpaid balance of the allocated Cost is due and owing from each of the Private Parties (through financial resources anticipated to result from implementation of the Plan, to include proceeds resultant from the issuance of individual series of PID bonds).

Party	Allocated Percentage (%)	Allocation of Estimated Cost of Scope of Work ($)	% of Allocated Cost Due at Execution	Allocated Cost Due at Execution ($)
City of Castroville, Texas	38.72	429,405.29	--	--
Cobblestone (Gutierrez)	26.00	285,100.40	40.00	114,040.16
Alsatian Oaks Phase II	15.78	173,034.01	40.00	69,213.61
Jagge Ranch	16.00	175,446.40	40.00	70,178.56
Victory Lane	3.50	38,378.90	40.00	15,351.56
Total	**100.00**	**1,096,540.00**		**268,783.89**

In the event that Scope of Work billings of the Engineer exceed the amounts deposited by the Private Parties with the City at the time of execution of this Agreement or at any time thereafter, and the Plan's implementation, in the City's sole discretion, is not anticipated to occur in a manner that will permit the timely payment of these billings, the City may demand in writing from the Private Parties payment of an additional 20% of the Costs (as allocated to each of the Private Parties in accordance with the Allocation Percentage) at such time unpaid. These additional amounts shall be deliverable to the City, in available funds, within 10 calendar days of the date of demand.

Payments made by the Private Parties to the City to pay Costs shall be nonrefundable to the Private Parties. The Parties agree and acknowledge that Costs paid by the Prior Parties prior to implementation of the Plan are eligible for reimbursement to each Private Party pursuant to the relevant Plan provisions applicable such Private Party.

5. No Property Substitution. This Agreement is specific to the parcels of properties identified in the Report. As a result, no substitution of property by any Private Party is permitted. Removal of a parcel of property from the Plan will result in the applicable Private Party's removal from this Agreement (in which case Capacity shall be reallocated as specified in Section 5 hereof).

6. Termination of Agreement; Release/Expulsion of Parties. This Agreement shall remain valid and in effect until completion of the Scope of Work or superseded by Plan implementation. At its discretion, the City may, in writing, release a Private Party herefrom upon the City's receipt of written request of such Private Party that specifies its reasons for requesting release. Release of a Private Party herefrom shall result in a termination of that Party's participation in the Plan and the Capacity allocated to such Private Party pursuant to Section 1 hereof to be reallocated to the City.

The City is engaging the Engineer and authorizing commencement of the Scope of the Work in advance of the Plan's effectiveness at the request of the Private Parties. Further, execution of the Plan requires coordinated, timely performance by all Parties and their consultants. Accordingly, the City expressly reserves the unilateral right to terminate a Private Party's continued participation under this Agreement for nonperformance, which termination shall be conditioned on at least five days' prior written or verbal notice of such nonperformance to the nonperforming Private Party. Termination of a Private Party herefrom shall result in a termination of that Party's participation in the Plan and the Capacity allocated to such Private Party pursuant to Section 1 hereof to be reallocated to the City.

7. Covenants. The Parties covenant that each will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Agreement. Each of the Parties covenants that it is duly authorized under the laws of the State of Texas to execute and deliver this Agreement and to perform its respective duties and obligations hereunder.

8. Covenants Evidencing Qualifications to Contract with a Texas Political Subdivision. Each of the Private Parties represent that neither it nor any of its parent company, any wholly- or majority-owned subsidiaries, or other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on any of the following pages of such officer's Internet website:

https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or
https://comptroller.texas.gov/purchasing/docs/fto-list.pdf.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, as amended, and to the extent such Section does not contravene applicable Texas or federal law and excludes one of the Private Parties and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. Each of the Parties understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with such Party and exists to make a profit.

To the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, each of the Private Parties hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section, to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate

Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, each Private Party verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law.

As used in the foregoing verification and the following definitions,

(i) 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

(ii) 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or

propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

(iii) 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code

9. Notice. Any notice required or permitted to be delivered hereunder shall be in writing and shall be deemed received on the earlier of (i) actual receipt by mail, Federal Express or other delivery service, fax, email or hand delivery; or (ii) three (3) business days after being sent by United States mail, postage prepaid, certified mail, return receipt requested, addressed to a Party, as the case may be, at the address stated on the applicable signature page hereto.

10. No Oral Modification; Amendments in Writing. This Agreement may not be modified, amended or altered except by an agreement in writing signed by the City and the Private Parties that at such time are parties hereto; provided, however, that Schedule I hereto may be modified to accommodate the City's addition or removal from time to time of any Private Parties hereto (any of which additions or removals shall not be considered an amendment or modification hereto and may be undertaken by the City at its sole discretion and without necessary consent from any of the other Private Parties that are at such time a party hereto); provided further, however, that no modification to Schedule I by the City shall result in an increase to a then-participating Private Party's Allocated Capacity unless agreed to in writing by that Private Party.

11. Governing Law. This Agreement has been prepared, is being executed and delivered, and is intended to be performed in the State of Texas, County of Medina, City of Castroville, and the substantive laws of such state and county shall govern the validity, construction, enforcement and interpretation of this Agreement.

12. Severability. If any covenant, provision, or agreement of this Agreement shall be held illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement, then and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and that this Agreement shall otherwise continue in full force and effect.

13. Entirety This Agreement embodies the entire agreement between the Parties, and supersedes all prior agreements and understandings, if any, relating to the subject matter hereof.

14. Binding Effect and Assignment. The terms of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives; provided, however, that none of the Private Parties may, without the prior written consent of the City and evidence that all Costs at such time and owing by the assigning Private Party have been paid, assign any rights, powers, duties, or obligations hereunder; provided further, however, that

this Agreement shall not inure to the benefit of any party other than the Parties. Notwithstanding the foregoing, assignment by a Private Party to a parent, subsidiary, affiliate entity or newly-created entity resulting from a merger, acquisition or other corporate restructure or reorganization of the Private Party, or to any entity owned or controlled, or under common control, directly or indirectly by Private Party, or to a designated assignee thereof (as identified on such Private Party's signature page hereto) shall not require the City's consent, so long as no Costs are owed by the assigning Private Party at the time of assignment. The assigning Private Party shall notify the City in writing as of the effectiveness of any such assignment.

15. Headings. Section headings are for convenience of reference only and shall in no way affect the interpretation of this Agreement.

16. Counterparts. This Agreement may be executed in any number of counterparts, all of which taken shall constitute one and the same agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart.

17. Time of the Essence. Time is of the essence of this Agreement and undertaking and implementing the objectives hereof.

18. Construction. The parties hereto acknowledge that such parties and their respective counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

* * *

EXECUTED this 9th day of August, 2022.

CITY OF CASTROVILLE, TEXAS

By: _____

Name: DARRIN Schroeder

Title: MAYOR

Address: 1209 Fiorella Street
Castroville, Texas 78009

EXECUTED this 5th day of August, 2022.

HWY 90 CASTROVILLE PARTNERS, LTD

By: J.W. Collins Jr

Name: Will Collins

Title: Managing Member

Address: 4040 Broadway, Suite 508
San Antonio, Texas 78209

EXECUTED this 5th day of August, 2022.

VICTORY LANE PARTNERS, LTD

By: _____

Name: Greg Gibson

Title: Co-Manager

Address: 9311 San Pedro Ave., Suite 850
San Antonio, Texas 78216

EXECUTED this 3 day of August, 2022.

DICKERSON TAUSCH PROPERTIES, LLC

By: _____

Name: Terry Dickerson

Title: Mgr.

Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

CROWN MONEY, LLC

By: _____

Name: Terry Dickerson

Title: _____ Mgr

Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

MKT 179, LLC

By: _____

Name: Terry Dickerson

Title: _____ Mgr

Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

EXECUTED this 9th day of August, 2022.

CASTROVILLE HOLDINGS CO. LTD.

By: _____

Name: Hugo A. Gutierrez, Jr.

Title: Managing Partner

Address: 19230 Stone Oak Parkway, Suite 30
San Antonio, Texas 78258

McCOY-JONES VENTURES, LLC

By: _____
4CD47D77CB10489...

Name: Odis Jones

Title: Manager

Address: 77 Sugar Creek Center Blvd, Suite 405
Sugarland, Texas 77478

SCHEDULE I

Parties to Agreement

- HWY 90 Castroville Partners, LTD
- Victory Lane Partners, LTD
- Dickerson Tausch Properties, LLC
  Crown Money, LLC
  MKT 179, LLC
- Castroville Holdings Co. Ltd.
  McCoy Jones Ventures, LLC

EXHIBIT A

REPORT ON RECOMMENDED WATER IMPROVEMENTS FOR ALSATIAN OAKS DEVELOPMENT PHASE II AND FOUR ADDITIONAL SUBDIVISIONS

EXHIBIT B

SCOPE OF WORK AND ESTIMATE COST

MASTER SERVICES AGREEMENT – TASK ORDER 16

THIS CONTRACT effective this 28th day of June, 2022, by and between City of Castroville (hereinafter referred to as the "Client"), and RESPEC Company, LLC, a company authorized to do business under the laws of the State of Texas with an office at 407 Paris St, Suite 1, Castroville, TX 78009 (hereinafter referred to as the "Consultant").

WITNESSETH:

The Client is a State of Texas Municipality. This Master Services Agreement is agreed such that the Consultant can provide engineering and consulting services in support of the Client.

WHEREAS, the Client desires to retain the Consultant to perform certain services as hereinafter set forth, and the Consultant wishes to perform such services, upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, the parties hereby agree to amend the agreement as follows:

EXHIBIT A - Scope of Services

Add:
Base Services

This project is proposed to develop a new groundwater source, treatment, a new pressure zone, and water storage. The site is expected to be in the northeastern corner of the development known as Alsatian Oaks. The facilities are expected to include;

- new well and planning for future well location onsite;
- chlorination;
- disinfection contact facilities;
- connecting pipelines;
- site power requirements and backup power;
- security fencing and facility access;
- pumping;
- interface with existing pressure zone; and
- either an elevated tank or ground storage and elevated combination of roughly 1.5 MGD to serve approximately 5,000 living unit equivalents (LUEs).

Consultant will complete the following scope:

- Task 1 – Finalize Conceptual Design and Planning
  - Finalize exact site location and size of facilities.
  - Prepare draft easement for sanitary control – coordinate with property developer's engineer for legal description, and potential plat of proposed well site.
  - Determine final facilities configuration and sizes.
  - Develop a process flow diagram complete with sizes of all facilities.
  - Review permitting requirements and begin process.
  - Review FAA standards for height restrictions and/or lighting requirements for elevated structures

- Review specific design requirements for water demand and verify approach for balancing elevated capacity needs and/or ground storage capacity.
- Establish proposed water system model based on new pressure zone and how that new zone interfaces with the existing City pressure zone.
- Define facilities necessary to treat the water (assumes disinfection through chlorine and contact time);
- Prepare treatment scheme.
- Prepare facilities layout plan, preliminary site plans, opinion of probable construction costs, and process flow diagrams; and
- Present facilities layout and sizing to City for feedback.

- Task 2 – Preliminary Engineering
  - Develop more detailed site plan and layout of facilities including yard piping;
  - Develop plan views of facilities, including location and nature of pressure zone interface with current pressure zone;
  - Develop plan views of connection piping and yard piping
  - Prepare ultimate water main sizing for distribution from the new water source to the overall water system;
  - Develop hydraulic profile of facilities making up new source of supply
  - Develop and layout plan for treatment, equipment, and contact time requirements
  - Prepare a preliminary control narrative outline
  - Prepare initial plan and profile of tank requirements
  - Prepare Opinion of Probable Construction Costs; and
  - Present preliminary plans to City for feedback.
- Task 3 – Final Design and Permitting
  - Develop construction documents for new well, storage and associated improvements.
  - Develop full plans including all sections, profiles, and plan views, as well as necessary details.
  - Prepare technical specifications for all materials, equipment and construction. Note specifications will be in CSI format and consistent with any Castroville adopted
  - Submit plans and application for approval to Texas Commission on Environmental Quality. Provide follow-up with TCEQ for approvals of new source of supply system.
  - Establish new water system ID for the new production facility.
  - Obtain final approval for electrical upgrades to the facility and work with City to have CPS Energy scheduled.
  - Achieve final permit requirements for well construction from the Edwards Aquifer Authority.
  - Submit any portions of the work that require building permits for required permitting
  - Prepare Final Opinion of Probable Construction Costs based on final design plans; and
  - Finalize construction documents for bidding purposes.
- Task 4 – Bidding
  - Issue Construction documents and specifications for solicitation.
  - Respond to Requests for Information (RFIs);
  - Issue addenda as necessary; and
  - Provide feedback on responsive contractors for construction of new well production facility.

- Task 5 – Construction Phase services
  - Attend construction progress meetings.
  - Review submittals.
  - Respond to RFI's as necessary; and
  - Construction administration services and oversight.
- Task 6 – Close Out
  - Coordinate with Contractor and Subconsultants for record drawings

Assumptions:

- Purpose of this effort is to develop construction documents for the creation of a new source of supply and pressure zone which would include new water plant site to include a new well, storage capacity, water main extension to connect to the existing water system and associated improvements.
- Based on feedback from the Alsatian Oaks Feasibility, the site at the northeast corner of the Alsatian Oaks Master Plan area will be utilized for these improvements.
- City has adequate water rights to support the proposed water plant capacity.
- Cursory review request via the FAA system will be submitted for the elevated tank. It is assumed additional studies for FAA compliance are not required.
- Construction phase services assumes a 12-month construction schedule.

Exclusions:

- Fees
- Materials Testing
- Land Acquisition

EXHIBIT B – Compensation

Add:
The base contract is amended to include a not-to-exceed lump sum amount of $1,096,540 and work will commence on June 28, 2022.

IN WITNESS WHEREOF, the parties hereto have signed their respective names on the date first above written.

City of Castroville	**RESPEC Company, LLC**
By _____	By _____
Title City Administrator	Title Sr. Vice President
Date JUN. 30, 2022	Date 06/28/2022

Exhibit N

AIRPORT PROXIMITY CONSENT

Instructions for the Airport Zone Disclosure Form

(1) Written notice that the residential property to be sold or leased is within an established Airport Zone shall be disclosed to the buyer/lessee as soon as possible after the start of the transaction. All advertising materials for the property should include the pertinent Airport Zone information, including all applicable zones, the name of the public airport, and references to where the buyer/lessee can find more information in relation to Airport Zones. Information about disclosure requirements in relation the Airport Zones, as well as other pertinent Airport Zone requirements, may be found in the Castroville Zoning & Development Code which is available on the City of Castroville web page at www.castrovilletx.gov.

(2) The determination as to whether the property lies within an Airport Zone or any other applicable zone may be made by using the Castroville Interactive GIS Mapping System. The GIS portal can check if any of the Airport Zones apply to a particular parcel of land through by comparing the embedded Medina CAD parcel data with the airport zoning layer.

Alternatively, the Castroville Department of Planning, Zoning, and Development may make the determination upon the written request of the property owner or agent. The request must include the street address of the subject property as well as the parcel identification number (tax identification number) for the property. Requests may be submitted via e-mail (Permits@castrovilletx.gov).

(3) For sales transactions, a copy of the fully executed Airport Zone Disclosure Form shall be attached to the contract for sale. For lease transactions, a copy of the fully executed Airport Zone Disclosure Form must be attached to the lease agreement. For both sale and lease transactions, the Seller or Lessor is responsible for providing a copy of the fully executed Airport Zone Disclosure Form after closing of the sale or commencement of the lease to the Castroville Department of Planning, Zoning, and Development at 1209 Fiorella St. Castroville, TX 78009. The completed form may also be e-mailed to Permits@castrovilletx.gov.

(4) Failure to complete this form and follow the provisions of the Castroville Zoning & Development Code could subject a property owner and/or sales agent to penalties or fines as set forth in the laws and ordinances of the City of Castroville. For more information regarding the designated areas listed above, the possible impacts due to the proximity of public airports, and the zoning requirements, please contact the Castroville Department of Planning, Zoning, and Development at 830-931-4070 or visit the website at www.castrovilletx.gov/2215/Community-Development.

DRAFT

STATE OF TEXAS

COUNTY OF

MEDINA

Airport Zone Disclosure Form

ATTENTION: Pursuant to City of Castroville Ordinance XXXX, any owner of residential property who sells or leases that property is required to disclose to buyers or lessees (for leases that run for more than seven (7) months) if the property is located, in whole or in part, within a Public Airport Notification Zone, and any other designated areas, as defined by the Castroville Comprehensive Plan and Land Development Code, and that said property may be subject to varying degrees of accident potential, noise, and other impacts from operations conducted at or above public airports. **This disclosure must be attached to the contract of sale or the lease agreement. The Seller or Lessor must provide a completed copy of this disclosure after closing of the sale or commencement of the lease to the Castroville Department of Planning, Zoning, and Development at 1209 Fiorella St. Castroville, TX 78009. The completed form may also be e-mailed to Permits@castrovilletx.gov).**

****

To be completed by Sellor/Lessor

Street Address of Property:

Parcel Identification Number of Property:

Public Airfield:_____

This property also lies, in whole or in part, within an area(s) designated as a(n):

Public Airport Zone	_____	Castroville Airport Zone 1	_____
Clear Zone/Runway Protection Zone	_____	Castroville Airport Zone 2	_____
Noise Zone 55 decibels or greater	_____	Public Airport Influence Area	_____
Castroville Airport Notification Zone	_____	Public Airport Influence Area	_____

****

**** CERTIFICATION**

As to Seller/Lessor:

Seller/Lessor:_____Printed Name:_____Date:_____

Seller/Lessor:_____Printed Name:_____Date:_____ Sales Agent:_____

_____License Number:_____

(Sales Agent/Realtor must sign if involved in the transaction)

As to Buyer/Lessee:

Buyer/Lessee:_____Printed Name:_____Date:_____

Buyer/Lessee:_____Printed Name:_____

_____Date:_____ Sales Agent:_____

_____License Number:_____

(Sales Agent/Realtor must sign if involved in the transaction)

This form must be affixed to the contract of sale or lease agreement.
Failure to complete this form and follow the provisions of Ordinance XXXX and the Castroville Land Development Code could subject a property owner and/or sales agent to penalties or fines as set forth in the laws and ordinances of Castroville County. For more information regarding the designated areas listed above, the possible impacts due to the proximity of public airports, and the requirements of Ordinance XXXX, contact the Castroville Department of Planning, Zoning, and Development at 830-931-4070 or visit the website at www.castrovilletx.gov/2215/Community-Development.

DRAFT

City of Castroville Aircraft and Airport Noise Disclosure Statement

The buyer hereby acknowledges that they are aware of the proximity of Castroville Municipal Airport. The buyer is also aware of flight paths that aircraft use to ingress and egress the airport and the proximity of the same to the lot and property that they have offered to purchase. The buyer also understands that existing and future noise levels at this location, associated with future airport operations, may have an adverse effect on the property. The buyer also understands that local airports have been at their present location for many years and that future demand and airport operations may increase significantly. For further information, please contact the Castroville City Administrator or the Airport Manager at1209 Fiorella St. Castroville, Texas 78009.

The Buyer acknowledge receipt of this disclosure.

Buyer's Signature	Buyer's Signature

DRAFT

CITY COUNCIL COMMISSION AGENDA REPORT

AGENDA OF: January 27, 2026

DEPARTMENT: Community Development

SUBJECT: Final Plat – Flat Creek Unit 2

RECOMMENDATION:

City Staff recommends approval of the final plat of Flat Creek Subdivision – Unit 2.

BACKGROUND:

Engineer: KCI Technologies, Inc. – Lance Elling, P.E.

Surveyor: Gary B. Neill, RPLS #3964

Property Owner: KF Flat Creek, LP

Description: Approximately 123.23 acres

Location: 17758 US Highway 90 West, Castroville, Texas

Development Type: Single-Family Residential

Type of Subdivision Plat: Major Subdivision – Final Plat

Number of Lots: 73

The attached application is a request for approval of the Final Plat for Flat Creek Subdivision – Unit 2, consisting of approximately 123.23 acres and proposing the development of 73 single-family residential lots. Unit 2 is part of the larger Flat Creek subdivision and is governed by the approved Development Agreement and applicable subdivision regulations.

The Final Plat establishes residential lots, public right-of-way, and utility and drainage easements necessary to support development of this phase.

The Planning and Zoning Commission recommended approval at the January 14, 2026 meeting.

DISCUSSION:

A review of the submitted Final Plat and supporting documentation has been conducted by City staff and the City's consulting engineer. K Friese + Associates reviewed the Unit 2 submittal and, in a letter dated August 12, 2025, confirmed that all prior review comments have been cleared and that the proposed development is in general conformance with the City of Castroville's ordinances. The City Engineer recommends approval of the Final Plat

Staff finds that the Final Plat complies with the requirements of Chapter 100 (Subdivision Ordinance) and is consistent with the approved Development Agreement for the Flat Creek project.

Public notice is not required for final plat approval.

ATTACHMENTS / ADDITIONAL INFORMATION:

- Planning and Zoning Commission Action
- Final Plat – Flat Creek Subdivision, Unit 1
- Approved PUD Plan
- Approved Site Plan – Per Development Agreement
- Subdivision Plat Application – Flat Creek Unit 1
- Performance Bond
- Pay Application
- Water Rights Transfer Letter
- Engineer Review Letter – K Friese + Associates
- TxDOT Email – Approving Drainage
- HOA Documents
- Maintenance Agreement
- Build Out Budget
- Approved Development Agreement

CITY OF CASTROVILLE

PLANNING AND ZONING COMMISSION ACTION

January 14, 2026

The City of Castroville Planning and Zoning Commission is considering the following:

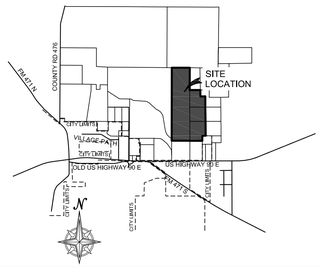
Discussion and possible action on Flat Creek Unit 2 - Final Plat.

RECOMMENDATION:

Approved.

Chairperson
Planning and Zoning Commission

14 Jan 26
Date



LOCATION MAP
N.T.S.

PARK DATA

BASED ON THE 254.69 ACRE TRACT THE REQUIRED PARK DEDICATION FOR THIS DEVELOPMENT IS 50.94 ACRES (20% OF TOTAL GROSS AREA BEING PLATTED).

THIS DEVELOPMENT IS PROPOSED IN PHASES AND HAS RESERVED 46.21 ACRES FOR PARK OR OPEN SPACE DEDICATION. THE REQUIRED DEDICATION WILL OCCUR AT A MINIMUM WITH SECTION 100-76 WHICH DEFINES TIMETABLE FOR TIMING OF IMPROVEMENTS AND DEDICATION.

PRIVATE PARK FACILITIES AND/OR OPEN SPACE RECREATIONAL IMPROVEMENTS WILL MEET THE REQUIREMENTS AND SHALL CONFORM TO THE ELEMENTS OF SECTION 100-76. THE HOMEOWNER ASSOCIATION WILL BE RESPONSIBLE FOR OPERATION AND MAINTENANCE OF THE DEDICATED PARKS.

ADDITIONAL PARKLAND REQUIREMENT HAS BEEN ADDRESSED IN THE DEVELOPERS AGREEMENT, EXHIBIT D AND WITHIN SECTION 3.12.

MINIMUM BUILDING SETBACKS

	REGULAR LOTS	IRREGULAR LOTS
FRONT SETBACK	20'	15
SIDE SETBACK	5'	
REAR SETBACK	20'	

*SEE "EXHIBIT I" IN DEVELOPERS AGREEMENT

NOTES

1. THIS PUD FOLLOWS THE DEVELOPMENT AGREEMENT BY AND AMONG THE CITY OF CASTROVILLE, TEXAS AND MKT 179 INVESTMENTS, LLC (FORMERLY DICKERSON TAUSCH PROPERTIES, LLC) AND CROWN MONEY, LLC AND MKT 179, LLC AND KF FLAT CREEK, LP.
2. ALL LAND USE IS DETACHED SINGLE FAMILY RESIDENTIAL UNLESS OTHERWISE NOTED.
3. INDIVIDUAL LOT DIMENSION WILL BE SHOWN ON SUBDIVISION PLATS.
4. ALL INTERNAL STREETS WITHIN THE P.U.D. LIMITS ARE LOCAL TYPE "A" WITH A 50' R.O.W, 30' PAVEMENT, AND 9' PARKWAYS UNLESS OTHERWISE NOTED. ALL STREET TO BE PUBLIC UNLESS OTHERWISE NOTED.
5. LOCAL "A" STREETS ARE SHOWN FOR INFORMATIONAL PURPOSE AND MAY CHANGE AT THE TIME OF PLATTING.
6. SIDEWALKS WILL BE INSTALLED IN THE PUBLIC RIGHT-OF-WAY PER UDC SECTION 100-120. THE MINIMUM WIDTH OF SIDEWALKS ADJOINING A PLANTING STRIP SHALL BE FIVE (5) FEET IN WIDTH. THE MINIMUM WIDTHS OF SIDEWALKS IN COLLECTOR (MINIMUM 60 FEET OF RIGHT-OF-WAY WIDTH) AND FIVE (5) FEET FOR RESIDENTIAL LOCAL TYPE A (MINIMUM 50 FEET RIGHT-OF-WAY WIDTH).
7. SEWER SERVICE TO BE PROVIDED BY CITY OF CASTROVILLE, WATER SERVICE TO BE PROVIDED BY CITY OF CASTROVILLE, & ELECTRIC AND GAS (IF AVAILABLE) SERVICE TO BE PROVIDED BY CITY PUBLIC SERVICE.
8. THIS DEVELOPMENT IS WITHIN THE MEDINA VALLEY INDEPENDENT SCHOOL DISTRICT.
9. DEVELOPER WILL COMPLY WITH SECTION 100-53 OF THE UDC REGARDING PARKS/OPEN SPACE REQUIREMENTS IN EFFECT AT THE TIME OF THE P.U.D, SUBMITTAL.
10. A VARIABLE SIGHT CLEARANCE EASEMENT WILL BE REQUIRED AT CORNER LOTS OF THE INTERSECTION DOES NOT MEET SIGHT DISTANCE REQUIREMENTS AS DEFINED IN LATEST EDITION OF AASHTO MANUAL.
11. DETAILED DRAINAGE ANALYSIS WILL BE COMPLETED WITH SUBDIVISION PLATS.
12. NO PORTION OF THIS PROPERTY IS WITHIN THE EDWARDS AQUIFER RECHARGE ZONE.
13. THE BASIS OF BEARING IS THE NORTHWEST LINE BETWEEN FOUND MONUMENTS SHOWN AND CALLED N 0° 01' 20" E AS OBTAINED BY GPS OBSERVATION BASED ON DATUM NAD83 (2011) - TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE.
14. PLATTED UNITS WILL FOLLOW THE APPROVED DEVELOPER AGREEMENT.
15. INTERNAL STREETS WILL MEET STREET INTERSECTION REQUIREMENTS PER UDC SECTION 100-113(f).
16. INTERNAL STREETS WILL MEET MAXIMUM STREET LENGTH REQUIREMENTS PER UDC SECTION 100-55(a).
17. BLOCK WILL MEET BLOCK LENGTH REQUIREMENTS PER UDC 100-55(a).

LEGEND

- UNIT BOUNDARY
- (10) UNIT NUMBER
- 1% AC EFFECTIVE FLOODPLAIN
- 975 EXISTING CONTOUR
- O.P.R. OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, BEXAR COUNTY, TEXAS.
- D.P.R. DEED AND PLAT RECORDS, BEXAR COUNTY, TEXAS.
- VOL VOLUME
- PG PAGE
- ROW RIGHT OF WAY
- AC ACRE
- PARK/OPEN SPACE (OWNED AND MAINTAINED BY HOA)
- DRAINAGE / OPEN SPACE AREA (TO BE DEDICATED WITH EACH SUBDIVISION PHASE)
- OPEN SPACE/ GREENSCAPE BUFFER (OWNED AND MAINTAINED BY HOA)
- WATER TOWER

N

0 200' 400'

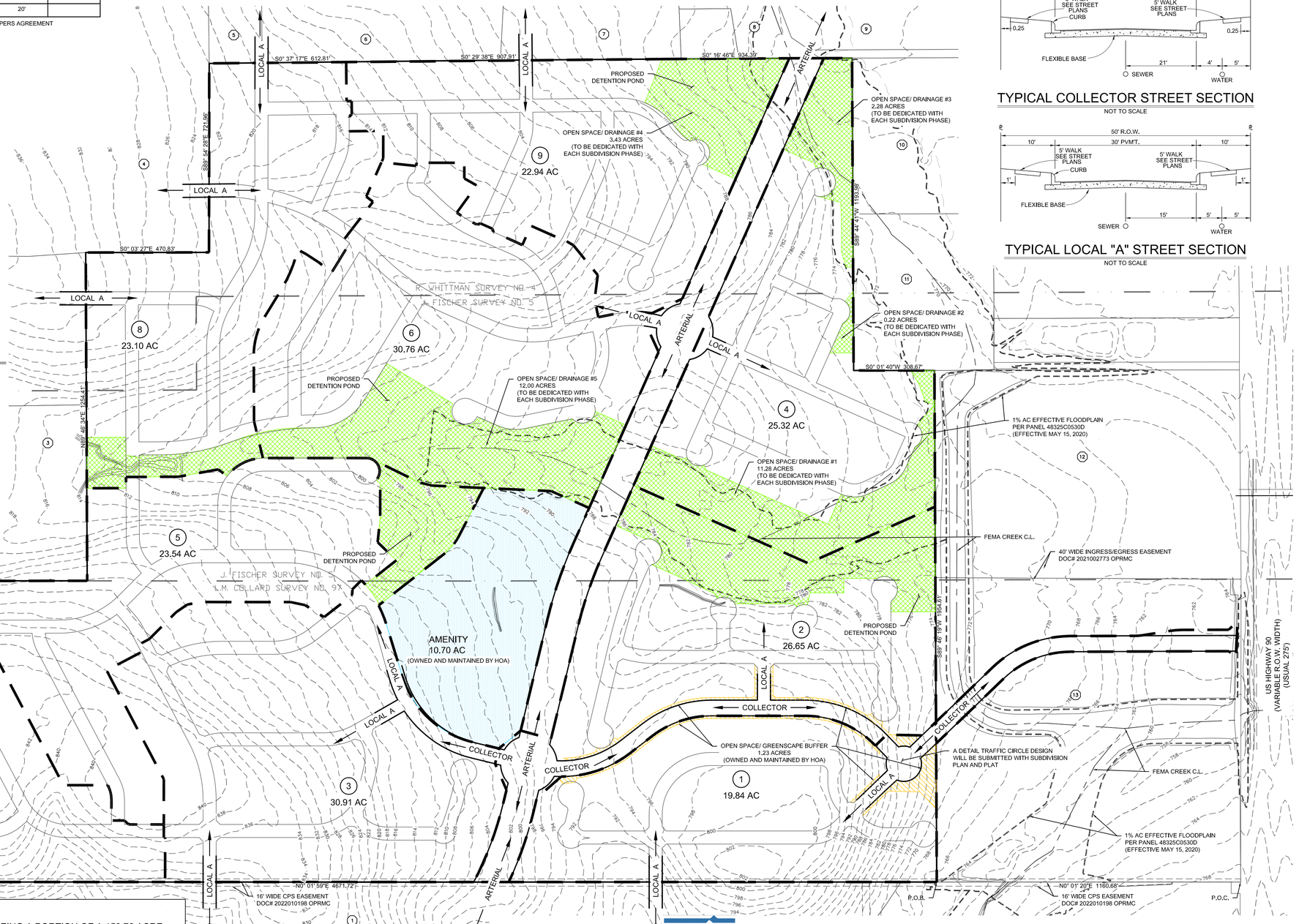
1" = 200'

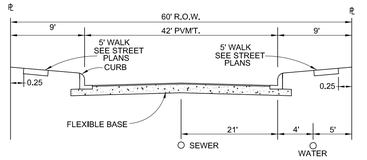
LAND USE AND DENSITY TABLE

UNIT #	LAND USE	GROSS AREA (ACREAGE)	MAX # OF DWELLING UNITS	PARK/ OPEN SPACE (ACRES)	DENSITY (DU/AC)	PHASING SEQUENCE
1	SINGLE FAMILY	19.84	62	0.85	3.13	2025
2	SINGLE FAMILY	26.65	70	6.62	2.63	2025
3	SINGLE FAMILY	30.91	81	2.70	2.62	2025
4	SINGLE FAMILY	25.32	84	7.54	3.32	2027
5	SINGLE FAMILY	23.54	76		3.23	2027
6	SINGLE FAMILY	30.76	81	7.58	2.63	2027
7	SINGLE FAMILY	27.90	69		2.47	2030
8	SINGLE FAMILY	23.10	77	1.72	3.33	2029
9	SINGLE FAMILY	22.94	73	3.43	3.18	2031
	NON-SINGLE FAMILY (AMENITY)	10.70		10.70		2025
	NON-SINGLE FAMILY (ARTERIAL)	7.96				2025
	NON-SINGLE FAMILY (TOWER)	5.07		5.07		2025
TOTAL		254.69	673	46.21	2.64	LOTS PER ACRE

NAME AND ADDRESS OF ADJACENT OWNERS

1. HWY 90 CASTROVILLE PARTNERS LTD, 228.59 ACRES, PO BOX 790209, SAN ANTONIO, TX 78279
2. JZG PROPOERTIES LTD, 297.28 ACRES, PO BOX 921, HELOTES, TX 78023
3. CROWN MONEY LLC, 20.20 ACRES, PO BOX 7269, ABILENE, TX 79608
4. KELLER BURNELL R & VICKI, 50.96 ACRES, 501 PRIVATE RD 4751, CASTROVILLE, TX 78009
5. KELLER BURNELL R & VICKI, 4.17 ACRES, 501 PRIVATE RD 4751, CASTROVILLE, TX 78009, VOLUME 90, PAGE 209, O.P.R.
6. RITZ JOSEPH PAUL & DEANNA C, 10.07 ACRES, 461 PRIVATE ROAD 4749, CASTROVILLE, TX 78009
7. PERSYN HILDA AELVOET, 6.59 ACRES, 415 PRIVATE ROAD 4749, CASTROVILLE, TX 78009
8. PIPER SHANE & JOHNIE, 0.93 ACRES, 283 PRIVATE ROAD 4749, CASTROVILLE, TX 78009, VOLUME 403, PAGE 139, O.P.R.
9. PERSYN HILDA AEVOLET, 3.65 ACRES, 415 PRIVATE ROAD 4749, CASTROVILLE, TX 78009
10. CROWN MONEY LLC, 6.11 ACRES, PO BOX 7269, ABILENE, TX 79608
11. CITY OF CASTROVILLE, 8.00 ACRES, 1209 FIORELLA, CASTROVILLE, TX 78009, VOLUME 530, PAGE 663, O.P.R.
12. JBS ASSOCIATES LLC, 21.32 ACRES, 210 EL RANCHO WAY, SAN ANTONIO, TX 78209
13. DICKERSON TAUSCH PROPERTIES LLC, 22.10 ACRES, PO BOX 977, CASTROVILLE, TX 78009





TYPICAL COLLECTOR STREET SECTION
NOT TO SCALE

TYPICAL LOCAL "A" STREET SECTION
NOT TO SCALE

LEGAL DESCRIPTION

BEING A TOTAL OF 254.69 ACRES OF LAND, BEING A PORTION OF A 153.76 ACRE TRACT OF LAND, CALLED 154.17, ALL OF A 41.58 ACRE TRACT OF LAND, CALLED TRACT 2, ALL OF A 41.46 ACRE TRACT OF LAND, CALLED TRACT 3, AND ALL OF A 48.41 ACRE TRACT OF LAND, CALLED TRACT 4, OF THE JOHN FISCHER ESTATE LANDS DIVISION, LYING IN THE JOSEPH FISCHER SURVEY NO. 5, ABSTRACT NO. 1269, THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, AND THE ROMANUS WHITMAN SURVEY NO. 4, ABSTRACT NO. 1348, MEDINA COUNTY, TEXAS

OWNER/DEVELOPER:
KF FLAT CREEK, L.P.
2722 W. BITTERS, RD. SUITE 106
SAN ANTONIO, TEXAS 78259
(210) 662-0066

PREPARED BY:
KCI TECHNOLOGIES, INC.
2806 W. BITTERS, RD. SUITE 218
SAN ANTONIO, TEXAS 78248
PHONE: (210) 641-9999
FAX: (210) 641-6440
REGISTRATION #F-10573 / #101943-65

PREPARED: APRIL 2024

REV	DATE	DESCRIPTION

SEAL:
FOR REVIEW ONLY
Issued for permit purposes.
Engineer:
ENGINEER'S NAME 00000000
STATE

KCI TECHNOLOGIES, INC.
2806 W. BITTERS RD. SUITE 218
SAN ANTONIO, TEXAS 78248
PHONE: (210) 641-9999
FAX: (210) 641-6440
REGISTRATION #F-10573 / #101943-65

FLAT CREEK SUBDIVISION
PLANNED UNIT DEVELOPMENT (P.U.D.)

DRAFTING:	C.P.	CHECK:	C.P.
DESIGN:	C.P.	CHECK:	M.S.
SUBMITTAL PHASE:			MDP
DATE:			03/2024
KCI JOB #:			762308213

SHEET:
PUD

THIS DOCUMENT HAS BEEN PROVIDED FROM MATERIAL THAT HAS STORED AND/OR TRANSMITTED ELECTRONICALLY AND MAY HAVE BEEN INADVERTENTLY ALTERED. REFLY ONLY ON FINAL HARD COPY MATERIALS BEARING THE CONSULTANTS ORIGINAL SIGNATURE AND SEAL.

Plot By: 2024, 16:42pm User ID: Christopher Perez File: L:\Develop\Proj_2023_2Q\762308213_Flat_Creek_Subdivision--Phase\Layout\762308213 PUD.dwg

DEVELOPMENT SUMMARY						
AREA/PHASE	LAND USE	AREA (Ac.)	DENSITY (DU/Ac.)	UNITS/LOTS	OPEN SPACE REQ. (Ac.)	OPEN SPACE PROVIDED (Ac.)
AM	AMENITY CENTER	10.70				10.70
OS	OPEN SPACE AREAS	6.29				6.29
FLP	FLOODPLAIN	15.01				15.01
LDA	LOCAL DRAIN AREAS	4.49				-
DET	DETENTION AREAS	9.21				-
RES-1	SINGLE-FAMILY RESIDENTIAL	16.99	4.24	72	3.40	0.17
RES-2	SINGLE-FAMILY RESIDENTIAL	16.14	3.66	59	3.23	0.16
RES-3	SINGLE-FAMILY RESIDENTIAL	15.94	4.77	76	3.19	0.16
RES-4	SINGLE-FAMILY RESIDENTIAL	64.41	3.66	236	12.88	0.64
RES-5	SINGLE-FAMILY RESIDENTIAL	76.92	2.94	226	15.38	0.77
ROW	ARTERIAL RIGHT OF WAY	14.24				
CS	CITY SERVICES-WATERTOWER SITE	4.35				4.35
	TOTAL	254.69		669	38.08	38.25

1.6 AC
1.5 AC
10.7 AC
0.6 AC
1.4 AC
1.2 AC
0.9 AC
0.94 AC
1.0 AC
Roadway by Others
US HIGHWAY 90

KINGFISH
REAL ESTATE | DEVELOPMENT | CONSULTING

FLAT CREEK SUBDIVISION CONCEPTUAL LAND USE SITE PLAN

CITY OF CASTROVILLE - MEDINA COUNTY - TEXAS

August 15, 2023 - Ver M

City of Castroville Subdivision Plat Application

Permit	2024096
Submittal	Section XII, Item f.
	office use

Proposed Subdivision Name	Flat Creek Unit 2
Legal Description & Acreage *(Prior to Plat)*	A1259 L. M. COLLARD SURVEY 97; 123.23 ACRES
Current Street Address(es)	17758 HWY 90 W CASTROVILLE, TX 78009
Development Type *(Proposed Use)*	Single Family Residential
Type of Subdivision Plat *(ex. Replat, Vacate, Amending)*	Major Subdivision Plat
Number of Lots *(Created or Altered)*	73

	APPLICANT	SURVEYOR	
Business Name	KCI Technologies	Gary Neill	
Contact Name	Lance Elling / Mary Stewart	Gary Neill	RPLS# 3964
Address	2806 West Bitters Rd., Suite 218	San Antonio, Tx 78248	
Phone	210-641-9999		
E-mail	Lance.Elling@kci.com	Mary.Stewart@kci.com	

Include Property Owner(s) information on additional sheets.

- Is the property within the City Limits of Castroville? YES ■ NO ☐
- Are utilities currently available to serve each proposed lot? YES ■ NO ☐
- Does the property require a roadway, alley, or public right-of-way extension/addition? YES ■ NO ☐
- In the past five years, has this property been restricted to residential use for not more than two residential units per lot? YES ☐ NO ■
- Is this Plat associated with any Planned Unit Developments? YES ☐ NO ■

Submittal Requirements:

Form and content of plat submittal must be in accordance with the requirements found in Chapter 100 of the City Code.

I hereby certify that this application is, to the best of my knowledge, complete and accurate. I also acknowledge that the approval procedure as set out in Texas Local Government Code Chapter § 212.009 shall not begin until (1) the City Administrator or the Council's designated employee has certified in writing that the plat application is completed in accordance with the City Code of Ordinances and State law; and, (2) a formal application for review and submission has been acknowledged in writing as received by the City Administrator or the Council's designated employee.

Applicant's Signature: Mary P. Stewart Date: 3-29-2024

AFFIDAVIT: CONSULTANT AND LEGAL REVIEW FEES

PROJECT INFORMATION
Project Address: 1875 Highway 90E
Project Name: Flat Creek Subdivision

PROPERTY OWNER OR REPRESENTATIVE INFORMATION		
Name(s): KF Flat Creek LP		**Main Contact:** Shad Schmid
Mailing Address: 2722 West Bitters Road Suite 106, San Antonio, Tx 78248		
Phone: 210-882-6800	**Fax:**	**Email:** shad@kingfishtx.com

BILLING INFORMATION		
Name(s): KF Flat Creek LP		**Attn:** Shad Schmid
Billing Address: 2722 West Bitters Road Suite 106, San Antonio, Tx 78248		
Phone: 210-882-6800	**Fax:**	**Email:** shad@kingfishtx.com

In accordance with the City of Castroville's adopted Comprehensive Fee Schedule, the following Consultant and Legal fees may be applicable in addition to other project fees throughout the course of your project:

- **Consultant Review Fees** are fees charged by the City to reimburse the City for costs incurred in the review of construction plans, reports, drainage studies, TIA's, landscape plans & any other documents associated with plats, site plans, mixed use concept plans or special submittals as necessary per application submitted. Fees include professional fees billed by engineering consultants or any consultant utilized by the City to review development applications. Fees may be waived by City Manager if project is minor in nature.
- **Legal Review Fees** are fees charged by the City to reimburse the City for legal fees incurred in the review, preparation and/or amendment of any legal document associated with a development application, such as, but not limited to Development Agreement or Public Infrastructure Agreement.

Consultant Fees and Legal Fees are calculated as the actual cost billed to the City by the City's consultants or legal advisors plus a 5% administration fee for City Staff coordination related to those services.

Consultants and Legal Advisors typically bill the City monthly. When the City receives a monthly bill that contains fees applicable to your specific project, the Community Development Department will invoice the individual named in the Billing Information table above.

By signing this affidavit, I attest that I am the owner of the listed property, or their legal representative for this project. I agree that I have read the provided information and understand that these fees may be applicable throughout the entirety of my project. I further agree that, upon receipt of invoice(s) for Consultant and Legal Review Fees, that I will pay the invoiced amount in accordance with the instructions on such invoice(s).

Signature: _____ Date: 3/18/24

INSURORS INDEMNITY COMPANIES

Phone: 877 816 2800 | PO Box 32577
Waco, Texas 76703-4200

SUBDIVISION IMPROVEMENTS PERFORMANCE BOND

BOND NO. CNB-25-0006313-00

KNOW ALL MEN BY THESE PRESENTS:

THAT we, KF Flat Creek, LP, as Principal, and INSURORS INDEMNITY COMPANY, a corporation organized and doing business and under and by virtue of the laws of the State of Texas and duly licensed to conduct surety business in the State of Texas, as Surety, are held and firmly bound unto City of Castroville, as Obligee, in the sum of Three Hundred Six Thousand One Hundred Forty One Dollars Dollars($306,141.91) for which payment, well and truly to be made, we bind ourselves, our heirs, executors and successors, jointly and severally firmly by these presents.

THE CONDITION OF THE OBLIGATION IS SUCH THAT:

WHEREAS, the above named Principal, has agreed to construct in Flat Creek Subdivision Unit 2, Subdivision, in Castroville the following improvements: Street, Drainage, Sidewalks, Water & Sewer.

NOW, THEREFORE, the condition of this obligation is such, that if the above Principal shall well and truly perform said agreement or agreements during the original term thereof or of any extension of said term that may be granted by the Obligee with or without notice to the Surety, this obligation shall be void, otherwise it shall remain in full force and effect.

IN WITNESS WHEREOF, the seal and signature of said Principal is hereto affixed and the corporate seal and the name of the said Surety is hereto affixed and attested by its duly authorized Attorney-in-Fact, this 19th day of December, 2025.

KF Flat Creek, LP
Principal

BY: _____

INSURORS INDEMNITY COMPANY

BY: _____
Mark Phillips
Attorney-in-Fact

Bond verification: bonddept@insurorsindemnity.com

IIC 010 8-21

POWER OF ATTORNEY of INSURORS INDEMNITY COMPANY
Waco, Texas

KNOW ALL PERSONS BY THESE PRESENTS: **Number:** CNB-25-0006313-00

That INSURORS INDEMNITY COMPANY, Waco, Texas, organized and existing under the laws of the State of TEXAS, and authorized and licensed to do business in the State of TEXAS and the United States of America, does hereby make, constitute and appoint

Mark Phillips of the City of San Antonio, State of TEXAS

as Attorney in Fact, with full power and authority hereby conferred upon him to sign, execute, acknowledge, and deliver for and on its behalf as Surety and as its act and deed, all of the following classes of document, to -wit:

Indemnity, Surety and Undertakings that may be desired by contract, or may be given in any action or proceeding in any court of law or equity; Indemnity in all cases where indemnity may be lawfully given and with full power and authority to execute consents and waivers to modify or change or extend any bond or document executed for this Company.

INSURORS INDEMNITY COMPANY

Attest: Tammy Tieperman
Tammy Tieperman, Secretary

By: Dave E. Talbert
Dave E. Talbert, President

State of Texas
County of McLennan

On the 1st day of January, 2025, before me a Notary Public in the State of Texas, personally appeared Dave E. Talbert and Tammy Tieperman, who being by me duly sworn, acknowledged that they executed the above Power of Attorney in their capacities as President, and Corporate Secretary, respectively, of Insurors Indemnity Company, and acknowledged said Power of Attorney to be the voluntary act and deed of the Company.

Cheyenne Wasden
Notary Public, State of Texas

CHEYENNE WASDEN
Notary ID # 13397382-3
My Commission Expires
06-30-2026

Insurors Indemnity Company certifies that this Power of Attorney is granted under and by authority of the following resolutions of the Company adopted by the Board of Directors on November 11, 2014:

RESOLVED, that all bonds, undertakings, contracts or other obligations may be executed in the name of the Company by persons appointed as Attorney in Fact pursuant to a Power of Attorney issued in accordance with these Resolutions. Said Power of Attorney shall be executed in the name and on behalf of the Company either by the Chairman and CEO or the President, under their respective designation. The signature of such officer and the seal of the Company may be affixed by facsimile to any Power of Attorney, and, unless subsequently revoked and subject to any limitation set forth therein, any such Power of Attorney or certificate bearing such facsimile signature and seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signature and seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is validly attached.

RESOLVED, that Attorneys in Fact shall have the power and authority, subject to the terms and limitations of the Power of Attorney issued to them, to execute and deliver on behalf of the Company and to attach the seal of the Company to any and all bonds and undertakings, and any such instrument executed by such Attorneys in Fact shall be binding upon the Company as if signed by an Executive Officer and sealed and attested to by the Secretary or Assistant Secretary of the Company.

I, Tammy Tieperman, Secretary of Insurors Indemnity Company, do hereby certify that the foregoing is a true excerpt from the Resolutions of the said Company as adopted by its Board of Directors on November 11, 2014, and that this Resolution is in full force and effect. I certify that the foregoing Power of Attorney is in full force and effect and has not been revoked.

In Witness Whereof, I have set my hand and the seal of INSURORS INDEMNITY COMPANY on this 19th day of December 2025.

Tammy Tieperman
Tammy Tieperman, Secretary

NOTE: IF YOU HAVE ANY QUESTION REGARDING THE VALIDITY OR WORDING OF THIS POWER OF ATTORNEY, PLEASE CALL 800 933 7444 OR WRITE TO US AT P. O. BOX 32577, WACO, TEXAS 76703 OR EMAIL US AT BONDDEPT@INSURORSINDEMNITY.COM.

IIC 2-22-025

INSURORS INDEMNITY COMPANIES

Phone: 877 816 2800 | PO Box 32577
Waco, Texas 76703-4200

IMPORTANT NOTICE - AVISO IMPORTANTE

To obtain information or make a complaint:

You may call Insurors Indemnity Company's toll-free telephone number for information or to make a complaint at:

1-877-816-2800

You may also write to Insurors Indemnity Company at:

P.O. Box 32577
Waco, TX 76703-4200
Or
225 South Fifth Street
Waco, TX 76701

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at

1-800-252-3439

You may write the Texas Department of Insurance at:

Consumer Protection (111-1A)
P.O. Box 149091
Austin, TX 78714-9091
Fax: 512-490-1007

Web: http://www.tdi.texas.gov

E-mail: ConsumerProtection@tdi.texas.gov

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim, you should contact the agent or the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis de Insurors Indemnity Company's para informacion o para someter una queja al

1-877-816-2800

Usted tanbien puede escribir a Insurors Indemnity Company:

P.O. Box 32577
Waco, TX 76703-4200
O
225 South Fifth Street
Waco, TX 76701

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

Consumer Protection (111-1A)
P.O. Box 149091
Austin, TX 78714-9091
Fax: 512-490-1007

Web: http://www.tdi.texas.gov

E-mail: ConsumerProtection@tdi.texas.gov

DISPUTAS SOBRE PRIMAS O RECLAMOS:

Si tiene una disputa concemiente a su prima o a un reclamo, debe comunicarse con el agente o la compania primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA:

Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

APPLICATION AND CERTIFICATE FOR PAYMENT/ DNT Construction

TO (OWNER): 10623
KF Flat Creek, LP
c/o King Fish Development, LLC
2722 West Bitters Road, Suite 106
San Antonio, Texas 78248

PROJECT: 20-2967
Flat Creek Unit 2

ENGINEER
KCI TECHNOLOGIES, INC
2806 W. Bitters, Rd. Ste 218
San Antonio, TX 78248

DNT Construction
P O Box 6210
Round Rock, Texas 78683

APPLICATION NO: Nine (9) *Revision 3*
PERIOD TO: 11/30/2025
DNT CONSTRUCTION
INVOICE NO. 2967-9U2A3
CONTRACT DATE:

Distribution	
$	87,419.22
$	8,741.92
$	**78,677.30**

CHANGE ORDER SUMMARY			
Change orders approved in previous months by Owner		ADDITIONS	DEDUCTIONS
	TOTAL	$0.00	($106,302.00)
Approved this Month			
Number	Date Approved		
1 2 3 4	20-Nov-25		($106,302.00)
	TOTALS	$0.00	($106,302.00)
Net change by Change Orders		($106,302.00)	

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: DNT CONSTRUCTION

By: C. Trevino Date: 12.5.25
Crystal Trevino, Contract Administrator

Application is made for Payment, as shown below, in connection with the Contract.
Continuation Sheet Attached

1	**ORIGINAL CONTRACT SUM**	$ 3,374,268.87
2	**Net change by Change Orders**	$ (106,302.00)
3	**CONTRACT SUM TO DATE**	$ 3,267,966.87
4	**TOTAL COMPLETED & STORED TO DATE** (Column G on J703)	$ 3,223,677.17
5	**Retainage:**	
	a. 10 % of Cpt Wk $ 322,367.67 (Column D + E on J703)	
	b. _10_% of Stored Mtl $ - (Column F on J703)	
	Total Retainage (Line 5a + 5b or (Total in Column 1 of J703)	$ 322,367.67
6	**TOTAL EARNED LESS RETAINAGE** (Line 4 less 5 Total)	$ 2,901,309.50
7	**LESS PREVIOUS CERTIFICATES FOR PAYMENT** (Line 6 from prior Certificates)	$ 2,822,632.20
8	**CURRENT PAYMENT DUE**	**$ 78,677.30**
9	**BALANCE TO FINISH, PLUS RETAINAGE** (Line 3 less Line 6)	$ 366,657.37

State of: TEXAS County of: BEXAR
Subscribed and sworn to before me this 5 day of December, 2025
Notary Public: **Lorena Naveja**
My Commission Expires: **March 10, 2029**
Lorena Naveja

ENGINEER CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Engineer certifies to the Owner that to the best of the Engineer's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED
(Attach explanation if amount certified differs from the amount applied for.)
ENGINEER

By:_____ Date:_____

LORENA NAVEJA
Notary Public, State of Texas
Comm. Expires 03-10-2029
Notary ID 132965923

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

DNT CONSTRUCTION MONTHLY PROGRESS PAYMENT

CONTRACT: 20-2967

CONTRACTOR: **DNT CONSTRUCTION**
P O Box 6210
Round Rock, Texas 78683

PROGRESS PAYMENT NO: Nine (9)
PROGRESS PAYMENT PERIOD: 11/30/2025

SWPPP - UNIT 2					CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	Type 2 Rock Filter Dam	135.00	LF	$ 37.65	$5,082.75	0.00	135.00	135.00	$5,082.75	$0.00	$5,082.75	100%
2	Curb Inlet Gravel Filters	85.00	LF	$ 19.95	$1,695.75	0.00	85.00	85.00	$1,695.75	$0.00	$1,695.75	100%
3	Type I Construction Exit	1.00	EA	$ 1,825.50	$1,825.50	1.00	0.00	1.00	$1,825.50	$1,825.50	$0.00	100%
4	Silt Fence	2228.00	LF	$ 2.55	$5,681.40	2228.00	0.00	2228.00	$5,681.40	$5,681.40	$0.00	100%
5	Concrete Washout Pit	1.00	EA	$ 570.50	$570.50	1.00	0.00	1.00	$570.50	$570.50	$0.00	100%
					$14,855.90				**$14,855.90**	**$8,077.40**	**$6,778.50**	100%

SITEWORK - UNIT 2					CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	Site Clearing and Grubbing (See Tree Plan)	25.70	AC	$ 3,459.60	$88,911.72	25.70	0.00	25.70	$88,911.72	$88,911.72	$0.00	100%
2	Lot Excavation	6129.00	CY	$ 6.65	$40,757.85	6129.00	0.00	6129.00	$40,757.85	$40,757.85	$0.00	100%
3	Lot Embankment (79G)	25193.00	CY	$ 2.30	$57,943.90	25193.00	0.00	25193.00	$57,943.90	$57,943.90	$0.00	100%
4	Unit 3 Pond Excavation (To Balance Site)	2930.00	CY	$ 1.25	$3,662.50	2930.00	0.00	2930.00	$3,662.50	$3,662.50	$0.00	100%
5	Retaining Walls	4868.00	SF	$ 35.90	$174,761.20	4868.00	0.00	4868.00	$174,761.20	$174,761.20	$0.00	100%
					$366,037.17				**$366,037.17**	**$366,037.17**	**$0.00**	**100%**

STREET IMPROVEMENTS - UNIT 2					CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	Demo Concrete (Curb, Guard Posts, Signs)	42.00	LF	$ 2.25	$94.50	42.00	0.00	42.00	$94.50	$94.50	$0.00	100%
2	Street Excavation	13826.00	CY	$ 6.50	$89,869.00	13826.00	0.00	13826.00	$89,869.00	$89,869.00	$0.00	100%
3	Street Embankment	2524.00	CY	$ 2.25	$5,679.00	2524.00	0.00	2524.00	$5,679.00	$5,679.00	$0.00	100%
4	8" Lime Treated Subgrade	22538.00	SY	$ 3.30	$74,375.40	22538.00	0.00	22538.00	$74,375.40	$74,375.40	$0.00	100%
5	Lime (40 LB/SY)	451.00	TN	$ 357.10	$161,052.10	451.00	0.00	451.00	$161,052.10	$161,052.10	$0.00	100%
6	8.5" Flex Base - Local A	12693.00	SY	$ 11.25	$142,796.25	12693.00	0.00	12693.00	$142,796.25	$142,796.25	$0.00	100%
7	18.5" Flex Base - Collector	6454.00	SY	$ 19.95	$128,757.30	6454.00	0.00	6454.00	$128,757.30	$128,757.30	$0.00	100%
8	16" Flex Base - Arterial	3392.00	SY	$ 17.75	$60,208.00	3392.00	0.00	3392.00	$60,208.00	$60,208.00	$0.00	100%
9	Prime Coat	4508.00	GAL	$ 4.00	$18,032.00	4508.00	0.00	4508.00	$18,032.00	$18,032.00	$0.00	100%
10	Tack Coat	2368.00	GAL	$ 3.55	$8,406.40	2368.00	0.00	2368.00	$8,406.40	$8,406.40	$0.00	100%
11	2" Type D Asphalt HMAC - Local A	11531.00	SY	$ 12.10	$139,525.10	11531.00	0.00	11531.00	$139,525.10	$139,525.10	$0.00	100%
12	3" Type D Asphalt HMAC - Collector	5957.00	SY	$ 18.15	$108,119.55	5957.00	0.00	5957.00	$108,119.55	$108,119.55	$0.00	100%
13	2" Type D Asphalt HMAC - Arterial	3093.00	SY	$ 13.00	$40,209.00	3093.00	0.00	3093.00	$40,209.00	$40,209.00	$0.00	100%
14	3" Type C Asphalt HMAC - Arterial	3093.00	SY	$ 17.45	$53,972.85	3093.00	0.00	3093.00	$53,972.85	$53,972.85	$0.00	100%
15	Concrete Curb w/ Rebar	9291.00	LF	$ 13.25	$123,105.75	9291.00	0.00	9291.00	$123,105.75	$123,105.75	$0.00	100%
16	Mountable Curb - Arterial Roundabout	352.00	LF	$ 40.00	$14,080.00	352.00	0.00	352.00	$14,080.00	$14,080.00	$0.00	100%
17	Header Curb	92.00	LF	$ 19.05	$1,752.60	92.00	0.00	92.00	$1,752.60	$1,752.60	$0.00	100%
18	Concrete Sidewalk	1933.00	SY	$ 67.60	$130,670.80	193.30	1739.70	1933.00	$130,670.80	$13,067.08	$117,603.72	100%
19	COSA Sidewalk Drain	2.00	EA	$ 3,993.30	$7,986.60	2.00	0.00	2.00	$7,986.60	$7,986.60	$0.00	100%
20	Timber Guard Post	18.00	EA	$ 199.70	$3,594.60	0.00	18.00	18.00	$3,594.60	$0.00	$3,594.60	100%
21	Hydromulch (10' Private Drain)	19.00	SY	$ 1.45	$27.55	19.00	0.00	19.00	$27.55	$27.55	$0.00	100%
22	R1-1 Stop Sign (30"x30") (High Intensity)	8.00	EA	$ 285.20	$2,281.60	0.00	8.00	8.00	$2,281.60	$0.00	$2,281.60	100%
23	9" Street Name, Blocks Numbers (High Density)	14.00	EA	$ 216.80	$3,035.20	0.00	14.00	14.00	$3,035.20	$0.00	$3,035.20	100%
24	OM4-3 End of Road Markers	9.00	EA	$ 313.80	$2,824.20	0.00	9.00	9.00	$2,824.20	$0.00	$2,824.20	100%
25	R1-2 Yield (36") (High Intensity)	2.00	EA	$ 285.20	$570.40	0.00	2.00	2.00	$570.40	$0.00	$570.40	100%
26	W16-7 Diagonal Arrow Sign (24" x 12")	2.00	EA	$ 211.10	$422.20	0.00	2.00	2.00	$422.20	$0.00	$422.20	100%
27	W11A-2 PED Crossing (30" x 30")	2.00	EA	$ 325.20	$650.40	0.00	2.00	2.00	$650.40	$0.00	$650.40	100%
28	W14-1P Dead End Street Marker (36" x 9")	1.00	EA	$ 405.00	$405.00	0.00	1.00	1.00	$405.00	$0.00	$405.00	100%
29	W14-2P No Outlet Street Marker (36" x 9")	1.00	EA	$ 131.20	$131.20	0.00	1.00	1.00	$131.20	$0.00	$131.20	100%
30	4" Thermo Solid Yellow Line	220.00	LF	$ 1.65	$363.00	0.00	220.00	220.00	$363.00	$0.00	$363.00	100%
31	4" Thermo Solid Yellow Double Line	1184.00	LF	$ 3.30	$3,907.20	0.00	1184.00	1184.00	$3,907.20	$0.00	$3,907.20	100%
32	8" Thermo Solid Yellow Line	90.00	LF	$ 1.65	$148.50	0.00	90.00	90.00	$148.50	$0.00	$148.50	100%
33	8" Thermo Broken White Line	97.00	LF	$ 6.60	$640.20	0.00	97.00	97.00	$640.20	$0.00	$640.20	100%
34	24" Thermo White Line (Crosswalk Bar)	36.00	LF	$ 16.55	$595.80	0.00	36.00	36.00	$595.80	$0.00	$595.80	100%
35	Traffic Button (Type II A-A)	126.00	EA	$ 7.25	$913.50	0.00	126.00	126.00	$913.50	$0.00	$913.50	100%
36	Wheel Chair Ramp Type 3	18.00	EA	$ 2,396.00	$43,128.00	0.00	18.00	18.00	$43,128.00	$0.00	$43,128.00	100%
37	Wheel Chair Ramp Type 4	8.00	EA	$ 1,825.50	$14,604.00	0.00	8.00	8.00	$14,604.00	$0.00	$14,604.00	1(

DNT CONSTRUCTION MONTHLY PROGRESS PAYMENT

CONTRACT: 20-2967

CONTRACTOR: **DNT CONSTRUCTION**
P O Box 6210
Round Rock, Texas 78683

PROGRESS PAYMENT NO: Nine (9)
PROGRESS PAYMENT PERIOD: 11/30/2025

38	Wheel Chair Ramp Type 21	1.00	EA	$ 1,939.60	$1,939.60	0.00	1.00	1.00	$1,939.60	$0.00	$1,939.60	100%
39	Two Way Blue Reflective Marker (Fire Hydrant)	9.00	EA	$ 11.40	$102.60	0.00	9.00	9.00	$102.60	$0.00	$102.60	100%
					$1,388,976.95				**$1,388,976.95**	**$1,191,116.03**	**$197,860.92**	100%

DRAIN A												
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	CONTRACT AMOUNT	PREVIOUS QTY.	QTY THIS EST.	QTY TO DATE	COST TO DATE	PREVIOUS COST	COST THIS ESTIMATE	%
1	6" Concrete Rip Rap	26.00	SY	$ 118.90	$3,091.40	26.00	0.00	26.00	$3,091.40	$3,091.40	$0.00	100%
2	TxDOT Sidewalk Bridge	2.00	EA	$ 15,402.75	$30,805.50	2.00	0.00	2.00	$30,805.50	$30,805.50	$0.00	100%
					$33,896.90				**$33,896.90**	**$33,896.90**	**$0.00**	100%

DRAIN B												
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	CONTRACT AMOUNT	PREVIOUS QTY.	QTY THIS EST.	QTY TO DATE	COST TO DATE	PREVIOUS COST	COST THIS ESTIMATE	%
1	18' Elevated Sidewalk	15.30	CY	$ 1,711.40	$26,184.42	15.30	0.00	15.30	$26,184.42	$26,184.42	$0.00	100%
2	Pipe Railing	56.00	LF	$ 102.50	$5,740.00	56.00	0.00	56.00	$5,740.00	$5,740.00	$0.00	100%
3	Slotted Armor Curb	19.00	LF	$ 296.70	$5,637.30	19.00	0.00	19.00	$5,637.30	$5,637.30	$0.00	100%
					$37,561.72				**$37,561.72**	**$37,561.72**	**$0.00**	100%

DRAIN C IMPROVEMENTS												
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	CONTRACT AMOUNT	PREVIOUS QTY.	QTY THIS EST.	QTY TO DATE	COST TO DATE	PREVIOUS COST	COST THIS ESTIMATE	%
	Channel Excavation	3.00	CY	$ 3.35	$10.05	3.00	0.00	3.00	$10.05	$10.05	$0.00	100%
	6' Elevated Sidewalk	6.40	CY	$ 3,080.60	$19,715.84	6.40	0.00	6.40	$19,715.84	$19,715.84	$0.00	100%
	Pipe Railing	22.00	LF	$ 115.20	$2,534.40	22.00	0.00	22.00	$2,534.40	$2,534.40	$0.00	100%
	Slotted Armor Curb	6.00	LF	$ 296.70	$1,780.20	6.00	0.00	6.00	$1,780.20	$1,780.20	$0.00	100%
					$24,040.49				**$24,040.49**	**$24,040.49**	**$0.00**	100%

DRAIN D IMPROVEMENTS												
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	CONTRACT AMOUNT	PREVIOUS QTY.	QTY THIS EST.	QTY TO DATE	COST TO DATE	PREVIOUS COST	COST THIS ESTIMATE	%
	Channel Excavation	29.00	CY	$ 2.60	$75.40	29.00	0.00	29.00	$75.40	$75.40	$0.00	100%
	6' Elevated Sidewalk	6.90	CY	$ 2,966.50	$20,468.85	6.90	0.00	6.90	$20,468.85	$20,468.85	$0.00	100%
	Concrete Headwall	1.00	CY	$ 6,104.10	$6,104.10	1.00	0.00	1.00	$6,104.10	$6,104.10	$0.00	100%
	Hydromulch	58.00	SY	$ 4.05	$234.90	58.00	0.00	58.00	$234.90	$234.90	$0.00	100%
	Pipe Railing	35.00	LF	$ 103.80	$3,633.00	35.00	0.00	35.00	$3,633.00	$3,633.00	$0.00	100%
	Slotted Armor Curb	6.00	LF	$ 296.70	$1,780.20	6.00	0.00	6.00	$1,780.20	$1,780.20	$0.00	100%
					$32,296.45				**$32,296.45**	**$32,296.45**	**$0.00**	100%

DRAIN E IMPROVEMENTS												
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	CONTRACT AMOUNT	PREVIOUS QTY.	QTY THIS EST.	QTY TO DATE	COST TO DATE	PREVIOUS COST	COST THIS ESTIMATE	%
1	Channel Excavation	34.00	CY	$ 2.60	$88.40	34.00	0.00	34.00	$88.40	$88.40	$0.00	100%
2	12' Elevated Sidewalk	9.200	CY	$ 2,624.20	$24,142.64	9.20	0.00	9.20	$24,142.64	$24,142.64	$0.00	100%
3	6" Concrete Rip Rap	16.000	SY	$ 132.60	$2,121.60	16.00	0.00	16.00	$2,121.60	$2,121.60	$0.00	100%
4	Pipe Railing	48.000	LF	$ 105.60	$5,068.80	48.00	0.00	48.00	$5,068.80	$5,068.80	$0.00	100%
5	Slotted Armor Curb	12.50	LF	$ 308.50	$3,856.25	12.50	0.00	12.50	$3,856.25	$3,856.25	$0.00	100%
6	12"-18" Rock Rubble	51.00	SY	$ 85.55	$4,363.05	0.00	51.00	51.00	$4,363.05	$0.00	$4,363.05	100%
					$39,640.74				**$39,640.74**	**$35,277.69**	**$4,363.05**	100%

DRAIN F												
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	CONTRACT AMOUNT	PREVIOUS QTY.	QTY THIS EST.	QTY TO DATE	COST TO DATE	PREVIOUS COST	COST THIS ESTIMATE	%
1	Channel Excavation	2782.000	CY	$ 2.55	$7,094.10	2782.00	0.00	2782.00	$7,094.10	$7,094.10	$0.00	100%
2	Channel Embankment	40.000	CY	$ 2.50	$100.00	40.00	0.00	40.00	$100.00	$100.00	$0.00	100%
3	Hydromulch	4399.000	SY	$ 3.70	$16,276.30	4399.00	0.00	4399.00	$16,276.30	$16,276.30	$0.00	100%
					$23,470.40				**$23,470.40**	**$23,470.40**	**$0.00**	100%

DRAIN G												
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	CONTRACT AMOUNT	PREVIOUS QTY.	QTY THIS EST.	QTY TO DATE	COST TO DATE	PREVIOUS COST	COST THIS ESTIMATE	%
1	Channel Excavation	243.00	CY	$ 2.55	$619.65	243.00	0.00	243.00	$619.65	$619.65	$0.00	100%
2	Channel Embankment	6.00	CY	$ 3.45	$20.70	6.00	0.00	6.00	$20.70	$20.70	$0.00	100%
3	Hydromulch	561.00	SY	$ 4.10	$2,300.10	561.00	0.00	561.00	$2,300.10	$2,300.10	$0.00	100%
					$2,940.45				**$2,940.45**	**$2,940.45**	**$0.00**	1

DNT CONSTRUCTION MONTHLY PROGRESS PAYMENT

CONTRACT: 20-2967

CONTRACTOR: **DNT CONSTRUCTION**
P O Box 6210
Round Rock, Texas 78683

PROGRESS PAYMENT NO: Nine (9)
PROGRESS PAYMENT PERIOD: 11/30/2025

DRAIN H					CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	Channel Excavation	115.00	CY	$ 2.55	$293.25	115.00	0.00	115.00	$293.25	$293.25	$0.00	100%
2	Channel Embankment	654.00	CY	$ 2.25	$1,471.50	654.00	0.00	654.00	$1,471.50	$1,471.50	$0.00	100%
3	Hydromulch	2720.00	SY	$ 3.60	$9,792.00	2720.00	0.00	2720.00	$9,792.00	$9,792.00	$0.00	100%
					$11,556.75				**$11,556.75**	**$11,556.75**	**$0.00**	100%

POND IMPROVEMENTS					CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	Pond Excavation	2848.00	CY	$ 2.55	$7,262.40	2848.00	0.00	2848.00	$7,262.40	$7,262.40	$0.00	100%
2	Pond Embankment	522.00	CY	$ 1.85	$965.70	522.00	0.00	522.00	$965.70	$965.70	$0.00	100%
3	6' Tall Chainlink Fence	670.00	LF	$ 31.05	$20,803.50	670.00	0.00	670.00	$20,803.50	$20,803.50	$0.00	100%
4	Hydromulch	3414.00	SY	$ 3.65	$12,461.10	3414.00	0.00	3414.00	$12,461.10	$12,461.10	$0.00	100%
					$41,492.70				**$41,492.70**	**$41,492.70**	**$0.00**	100%

POND OUTFALL IMPROVEMENTS					CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
	36" RCP (Class 3)	111.00	LF	$ 146.40	$16,250.40	111.00	0.00	111.00	$16,250.40	$16,250.40	$0.00	100%
	6" Concrete Rip Rap	34.00	SY	$ 145.10	$4,933.40	34.00	0.00	34.00	$4,933.40	$4,933.40	$0.00	100%
	Trench Excavation Safety Protection	111.00	LF	$ 1.15	$127.65	111.00	0.00	111.00	$127.65	$127.65	$0.00	100%
	12"-18" Rock Rubble	75.00	SY	$ 85.55	$6,416.25	0.00	75.00	75.00	$6,416.25	$0.00	$6,416.25	100%
					$27,727.70				**$27,727.70**	**$21,311.45**	**$6,416.25**	100%

SEWER - UNIT 2					CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	Trench Protection	7666.00	LF	$ 1.15	$8,815.90	7666.00	0.00	7666.00	$8,815.90	$8,815.90	$0.00	100%
2	8" PVC SDR 26 0-6'	321.00	LF	$ 45.70	$14,669.70	321.00	0.00	321.00	$14,669.70	$14,669.70	$0.00	100%
3	8" PVC SDR 26 6-8'	1833.00	LF	$ 49.20	$90,183.60	1833.00	0.00	1833.00	$90,183.60	$90,183.60	$0.00	100%
4	8" PVC SDR 26 8-10'	1847.00	LF	$ 54.80	$101,215.60	1847.00	0.00	1847.00	$101,215.60	$101,215.60	$0.00	100%
5	8" PVC SDR 26 10-12'	430.00	LF	$ 61.90	$26,617.00	430.00	0.00	430.00	$26,617.00	$26,617.00	$0.00	100%
6	8" PVC SDR 26 12-14'	140.00	LF	$ 69.70	$9,758.00	140.00	0.00	140.00	$9,758.00	$9,758.00	$0.00	100%
7	8" PVC SDR 26 14-16'	338.00	LF	$ 86.10	$29,101.80	338.00	0.00	338.00	$29,101.80	$29,101.80	$0.00	100%
8	Manholes	19.00	EA	$ 5,137.30	$97,608.70	19.00	0.00	19.00	$97,608.70	$97,608.70	$0.00	100%
9	Drop Manhole	2.00	EA	$ 8,816.50	$17,633.00	2.00	0.00	2.00	$17,633.00	$17,633.00	$0.00	100%
10	Extra Depth Manhole	72.30	VF	$ 612.90	$44,312.67	72.30	0.00	72.30	$44,312.67	$44,312.67	$0.00	100%
11	6" Laterals	2757.00	LF	$ 60.90	$167,901.30	2757.00	0.00	2757.00	$167,901.30	$167,901.30	$0.00	100%
12	Concrete Encasement, Cradles, Saddles, Collars	30.40	CY	$ 285.20	$8,670.08	30.40	0.00	30.40	$8,670.08	$8,670.08	$0.00	100%
13	Vertical Stacks	24.60	VF	$ 91.40	$2,248.44	24.60	0.00	24.60	$2,248.44	$2,248.44	$0.00	100%
14	Sewer Main TV Inspection	4909.00	LF	$ 2.00	$9,818.00	4909.00	0.00	4909.00	$9,818.00	$9,818.00	$0.00	100%
					$628,553.79				**$628,553.79**	**$628,553.79**	**$0.00**	100%

WATER IMPROVEMENTS - UNIT 2					CONTRACT	PREVIOUS	QTY	QTY	COST	PREVIOUS	COST THIS	%
ITEM	DESCRIPTION	QTY.	UNIT	UNIT PRICE	AMOUNT	QTY.	THIS EST.	TO DATE	TO DATE	COST	ESTIMATE	
1	Trench Protection	4151.00	LF	$ 0.55	$2,283.05	4151.00	0.00	4151.00	$2,283.05	$2,283.05	$0.00	100%
2	6" Pipe, P.V.C., C-900, Class 235 (DR-18)	131.00	LF	$ 46.20	$6,052.20	131.00	0.00	131.00	$6,052.20	$6,052.20	$0.00	100%
3	8" Pipe, P.V.C., C-900, Class 235 (DR-18)	953.00	LF	$ 54.35	$51,795.55	953.00	0.00	953.00	$51,795.55	$51,795.55	$0.00	100%
4	12" Pipe, P.V.C., C-900, Class 235 (DR-18)	2456.00	LF	$ 84.25	$206,918.00	2456.00	0.00	2456.00	$206,918.00	$206,918.00	$0.00	100%
5	16" Pipe, P.V.C., C-900, Class 235 (DR-18)	611.00	LF	$ 102.40	$62,566.40	611.00	0.00	611.00	$62,566.40	$62,566.40	$0.00	100%
6	3/4" Single Short Service	44.00	EA	$ 791.80	$34,839.20	44.00	0.00	44.00	$34,839.20	$34,839.20	$0.00	100%
7	3/4" Single Long Service	29.00	EA	$ 1,267.30	$36,751.70	29.00	0.00	29.00	$36,751.70	$36,751.70	$0.00	100%
8	1" Irrigation Service (Short)	1.00	EA	$ 2,036.40	$2,036.40	1.00	0.00	1.00	$2,036.40	$2,036.40	$0.00	100%
9	6" Gate Valve w/ Box	1.00	EA	$ 2,592.70	$2,592.70	1.00	0.00	1.00	$2,592.70	$2,592.70	$0.00	100%
10	8" Gate Valve w/ Box	3.00	EA	$ 2,881.70	$8,645.10	3.00	0.00	3.00	$8,645.10	$8,645.10	$0.00	100%
11	12" Gate Valve w/ Box	8.00	EA	$ 4,575.60	$36,604.80	8.00	0.00	8.00	$36,604.80	$36,604.80	$0.00	100%
12	16" Gate Valve w/Box	1.00	EA	$ 12,875.50	$12,875.50	1.00	0.00	1.00	$12,875.50	$12,875.50	$0.00	100%
13	Meter Box	74.00	EA	$ 305.30	$22,592.20	0.00	0.00	0.00	$0.00	$0.00	$0.00	0%
14	Standard Firehydrant	8.00	EA	$ 6,179.10	$49,432.80	8.00	0.00	8.00	$49,432.80	$49,432.80	$0.00	1[illegible]

DNT CONSTRUCTION MONTHLY PROGRESS PAYMENT

CONTRACT: 20-2967

CONTRACTOR: **DNT CONSTRUCTION**
P O Box 6210
Round Rock, Texas 78683

PROGRESS PAYMENT NO: Nine (9)
PROGRESS PAYMENT PERIOD: 11/30/2025

15	Ductile Iron Fittings	2.70	TN	$ 9,077.30	$24,508.71	2.70	0.00	2.70	$24,508.71	$24,508.71	$0.00	100%
16	12" Tie In to Existing 12"	1.00	EA	$ 1,496.80	$1,496.80	1.00	0.00	1.00	$1,496.80	$1,496.80	$0.00	100%
17	16" Tie-in to Existing 16"	1.00	EA	$ 2,954.40	$2,954.40	1.00	0.00	1.00	$2,954.40	$2,954.40	$0.00	100%
18	Hydrostatic Test	1.00	LS	$ 11,229.25	$11,229.25	1.00	0.00	1.00	$11,229.25	$11,229.25	$0.00	100%
19	2" Temporary Blowoff	2.00	EA	$ 2,277.90	$4,555.80	2.00	0.00	2.00	$4,555.80	$4,555.80	$0.00	100%
20	2" Permanent Blowoff	3.00	EA	$ 2,899.40	$8,698.20	3.00	0.00	3.00	$8,698.20	$8,698.20	$0.00	100%
					$589,428.76				**$566,836.56**	**$566,836.56**	**$0.00**	96%

CONDUITS (ADDITIVE)					**CONTRACT**	**PREVIOUS**	**QTY**	**QTY**	**COST**	**PREVIOUS**	**COST THIS**	**%**
ITEM	**DESCRIPTION**	**QTY.**	**UNIT**	**UNIT PRICE**	**AMOUNT**	**QTY.**	**THIS EST.**	**TO DATE**	**TO DATE**	**COST**	**ESTIMATE**	
1	1 - 6" & 2 - 4" PVC Bundle	1566.00	LF	$ 43.25	$67,729.50	1566.00	0.00	1566.00	$67,729.50	$67,729.50	$0.00	100%
2	2 - 6" PVC Bundle	540.00	LF	$ 43.35	$23,409.00	540.00	0.00	540.00	$23,409.00	$23,409.00	$0.00	100%
					$91,138.50				**$91,138.50**	**$91,138.50**	**$0.00**	100%

					CONTRACT	**PREVIOUS**	**QTY**	**QTY**	**COST**	**PREVIOUS**	**COST THIS**	**%**
ITEM	**DESCRIPTION**	**QTY.**	**UNIT**	**UNIT PRICE**	**AMOUNT**	**QTY.**	**THIS EST.**	**TO DATE**	**TO DATE**	**COST**	**ESTIMATE**	
1	Street Excavation	335.00	CY	$ 2.40	$804.00	335.00	0.00	335.00	$804.00	$804.00	$0.00	100%
2	6" Flexible Base (14' Wide) (Matching Existing)	2005.00	SY	$ 9.10	$18,245.50	2005.00	0.00	2005.00	$18,245.50	$18,245.50	$0.00	100%
3	Prime Coat	401.00	GAL	$ 4.00	$1,604.00	401.00	0.00	401.00	$1,604.00	$1,604.00	$0.00	100%
					$20,653.50				**$20,653.50**	**$20,653.50**	**$0.00**	100%

CHANGE ORDER 3 - STREET SECTION RECONCILIATION & TXDOT TURN LANE					**CONTRACT**	**PREVIOUS**	**QTY**	**QTY**	**COST**	**PREVIOUS**	**COST THIS**	**%**
ITEM	**DESCRIPTION**	**QTY.**	**UNIT**	**UNIT PRICE**	**AMOUNT**	**QTY.**	**THIS EST.**	**TO DATE**	**TO DATE**	**COST**	**ESTIMATE**	
	Street Improvement - Unit 2											
1	8" Lime Treated Subgrade	-22538.00	SY	$ 3.30	($74,375.40)	0.00	-22538.00	-22538.00	($74,375.40)	$0.00	($74,375.40)	100%
2	Lime (40 LB SY)	-451.00	TN	$ 357.10	($161,052.10)	0.00	-451.00	-451.00	($161,052.10)	$0.00	($161,052.10)	100%
3	R1-1 Stop Sign (30"x30") (High Intensity)	-8.00	EA	$ 285.20	($2,281.60)	0.00	-8.00	-8.00	($2,281.60)	$0.00	($2,281.60)	100%
	Geo Grid - Add											
4	Tensar Triax TX-5 Geogrid (Unit 2)	22538.00	SY	$ 4.20	$94,659.60	0.00	22538.00	22538.00	$94,659.60	$0.00	$94,659.60	100%
5	Custom Stop Sign Unit 2	8.00	EA	$ 1,500.00	$12,000.00	0.00	8.00	8.00	$12,000.00	$0.00	$12,000.00	100%
6	Mailbox Pad	1.00	EA	$ 3,050.00	$3,050.00	0.00	1.00	1.00	$3,050.00	$0.00	$3,050.00	100%
					($127,999.50)				**($127,999.50)**	**$0.00**	**($127,999.50)**	100%

TOTAL CONTRACT					**$3,246,269.37**				**$3,223,677.17**	**$3,136,257.95**	**$87,419.22**	**99%**

TOTAL COMPLETED TO DATE	$ 3,223,677.17
TOTAL COMPLETED/ STORED TO DATE	$ 3,223,677.17
RETAINAGE HELD	$ 322,367.67
TOTAL CPLT LESS RETAINAGE	$ 2,901,309.50
LESS PREVIOUS BILLINGS	$ 2,822,632.20
CURRENT PAYMENT DUE	$ 78,677.30

ORIGINAL CONTRACT AMOUNT	$ 3,374,268.87	
CONTRACT CHANGES	$ (106,302.00)	
TOTAL CONTRACT W/ CHANGES	$ 3,267,966.87	($21,697.50)
WORK COMPLETED TO DATE	$ 3,223,677.17	
BALANCE TO COMPLETE	$ 44,289.70	

KINGFISH

REAL ESTATE | DEVELOPMENT | CONSULTING

January 8, 2026

City of Castroville
Community Development Department
703 Paris St.
Castroville, TX 78009

RE: Water Rights Transfer / Flat Creek Units 1 and 2

Dear Breana Soto,

In accordance with City Code Chapter 100, Section 100-25(c), we shall transfer water rights to the City of Castroville prior to Final Plat recordation. The amount for water rights acquisition is 84.456 acre feet.

- 0.612 x 138 lots = 84.456 acre feet

KF FLAT CREEK, LP,
a Texas limited partnership

By: KING FISH DEVELOPMENT, LLC
a Texas limited liability company
Its: General Partner

By: _____
Name: Shad Schmid
Title: Manager

K FRIESE + ASSOCIATES
A LOCHNER COMPANY

40 NE Loop 410, Mercantile Building, Suite 545
San Antonio, Texas 78216
P 210.491.2391 | kfriese.com
TBPE Firm No. 6535

August 12, 2025

Ms. Breana Soto
Community Development Director
City of Castroville
1209 Fiorella
Castroville, TX 78009

Re: Flat Creek Subdivision Unit 2 Sent Via: Email

Dear Ms. Soto:

As requested, K Friese + Associates (KFA) reviewed the submittal for Flat Creek Unit 2 prepared by KCI Technologies. All comments from prior reviews have been cleared. It is our opinion that the proposed development is in general conformance with the City of Castroville's ordinances and we recommend approval of the development by the City.

Should you have any questions about these comments, please don't hesitate to contact me at (210) 491-2391 or mpersyn@kfriese.com.

Sincerely,
K Friese + Associates

Michael Persyn, PE
Project Manager

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-49
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

STATE OF TEXAS §

COUNTY OF TRAVIS §

AGREEMENT TO ACCEPT DONATION
FROM OWNER OF LAND ADJACENT TO STATE HIGHWAY SYSTEM
FOR IMPROVING ACCESS TO OWNER'S LAND

THIS AGREEMENT is entered between the State of Texas and the Donor, shown below as Contracting Parties, under Government Code, Chapter 575.

I. Contracting Parties:
The State: The Texas Department of Transportation
The Donor: KF Flat Creek, LP

II. Background:
Texas Transportation Code, §223.049, authorizes the State to contract with an owner of land adjacent to a highway that is part of the state highway system to construct an improvement on the highway right-of-way that is directly related to improving access to or from the owner's land.

Texas Transportation Code §201.103, authorizes the State to plan and make policies for the location, construction, and maintenance of a comprehensive system of state highways and public roads.

Texas Transportation Code, §201.206, authorizes the State to accept, from any source, a donation or contribution in any form, including realty, personalty, money, materials, or services, for the purpose of carrying out its functions and duties.

Texas Government Code, Chapter 575, requires the governing board of a state agency, not later than the 90th day after a donation valued at $500 or more is accepted, to acknowledge the acceptance of the donation by majority vote at an open meeting and prohibits a state agency from accepting a donation from a person who is a party to a contested case before the agency until the 30th day after the date the decision in the case becomes final.

To provide guidance on when a donation may be accepted by the State, the Texas Transportation Commission has adopted rules relating to the State acceptance of donations, codified as 43 TAC §§1.500-1.506.

Acceptance of donations must be approved by the State's Executive Director or his designee. The State's Executive Director has authorized the State to accept the donation. The State and the Donor must execute a donation agreement if the donation is valued at more than $1,500.00.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-49
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

III. Agreement:

The Donor agrees to donate, and the State agrees to accept services, tangible personal property, and performance of highway improvement work on State highway right of way that is adjacent to the Donor's land that is directly related to improving access to the Donor's land (the "Project").

The Project consists of the design and construction of a right turn deceleration lane and partial median U-turn on US 90 to mitigate the traffic impact for the proposed Flat Creek residential subdivision. The construction will also include the removal of two existing median opening crossovers and rehabilitation (mill and overlay) of existing US-90 travel lanes and shoulder within the overall work zone west of County Road 4712 in Castroville, Medina County, Texas. The Project is generally located as described in Exhibit A, Project Location Map, which is attached to this agreement. All design and construction work will be provided by the Donor, its consultant, or its contractor.

The estimated value of the donation is $1,213,348.95.

All monetary donations shall be made by check or warrant made payable to the "Texas Department of Transportation Trust Fund" and mailed or delivered to the Texas Department of Transportation at the State address provided in XXV: Notices below.

IV. Representations and Warranties:

A. The Donor represents and warrants that it has unrestricted use of the property and items described above and that by signing this agreement it relinquishes and transfers all rights and interest in and use to the State.
B. The State does not approve and is not responsible for any representations made by the Donor for tax purposes.
C. The Donor acknowledges that the State will act in reliance on and in consideration of the promises made by the Donor in this agreement.

V. Donation Accepted for Limited Purposes:

A. Acceptance of the donation does not bind the State to a course of action or promise of performance except as specifically described in this Agreement above.
B. No benefit will accrue to the Donor as a result of the State's acceptance of the donation except as specifically described in this Agreement above.

VI. Public Information:

A. This agreement is public information and will be furnished to a requestor under the Public Information Act, Government Code, Chapter 552.
B. The Donor is required to make any information created or exchanged with the state pursuant to this contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the state.

VII. Right of Access:

The Donor shall permit the State or its authorized representative access to sites owned by the donor that are used for performance of the work. The Donor will provide for all necessary right of way and utility adjustments or relocations in compliance with State utility accommodation policy needed for performance of the work on sites not owned or to be acquired by the State.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-49
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

VIII. Hold Harmless:
The Donor shall save harmless the State and its officers and employees from all claims and liability due to its materials or activities of itself, its agents, or employees, performed under this contract and that are caused by or result from error, omission, or negligent act of the Donor or of any person employed by the Donor. The Donor shall also save harmless the State from any and all expense, including, but not limited to, attorney fees that may be incurred by the State in litigation or otherwise resisting the claim or liabilities that may be imposed on the State as a result of such activities by the Donor, its agents, or employees.

IX. Pre-Construction Funding:
Upon execution of this agreement, the Donor shall remit to the State a check or warrant in an amount equal to $1,213,348.95, made payable to the State in accordance with this Agreement. This amount is estimated to be the total of all pre-construction costs, including indirect costs that will be incurred by the State prior to the Donor's receipt of the construction bids.

X. Preliminary Project Development:
The Donor will prepare the preliminary schematic designs for access improvements and submit them to the State for review and approval.

The State, with assistance from the Donor, will conduct any public hearing or meetings required by the State's public involvement processes.

XI. Design:
The Donor will prepare the construction plans, specifications, and cost estimates. The construction plans shall be in a format prescribed by the State and in accordance with the State's current design standards as detailed in the *Highway Design Division Roadway Design Manual*. The specifications shall be the State's *2014 Standard Specifications for Construction and Maintenance of Highways, Streets and Bridges* or its currently approved revisions and any special specifications and provisions as provided by the State. The State will furnish to the Donor the pavement design and any standard design details as may be appropriate for the Project.

The State shall review the plans, specifications, and estimates provided by the Donor upon completion or at any time deemed necessary by the State. Should the State determine that the complete plans, specifications, and estimates are unacceptable, the Donor shall correct the design documents to the State's satisfaction. Should additional specifications or data be required by the State, the Donor shall redesign the plans and specifications to the State's satisfaction. The costs for additional work on the plans, specifications, and estimates shall be borne by the Donor.

The final construction plans furnished to the State shall be in electronic .pdf format and reproducible tracings.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-49
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

XII. Utility Adjustments/Relocations:
The Donor will provide for all utility adjustments or relocations required by construction of the Project, and adjustments and relocations shall conform to the State Utility Accommodation Policy.

If the Project requires the adjustment, removal, or relocation of utility facilities, the Donor and the State will establish the necessary utility work and the Donor will notify the utility owners of this necessity. The Donor shall be responsible for all costs associated with the adjustment, removal, or relocation of utility facilities, and the adjustment, removal, or relocation shall be in accordance with applicable State law, regulations, policies, and procedures. If additional utilities are required to be adjusted, removed, or relocated during the construction of the Project, the Donor will be responsible for all costs associated with the additional work. Utilities will adjust joint use agreements and attach the plan of adjustment.

XIII. Construction Funding:
The State will provide written notification to the Donor outlining the estimated funding necessary for the State's construction inspection and oversight of the Project, including the costs to be incurred by the State to provide any required construction engineering oversight and management services and indirect costs. Within thirty (30) days from receipt of the State's notification, the Donor shall remit to the State a check or warrant for the estimated amount, made payable to the State in accordance with III. Agreement above.

XIV. Design and Construction:
All aspects of the Project shall be carried out in compliance with applicable federal and state laws and regulations. The Project shall be designed and constructed in accordance with the latest state policies, procedures, standards, and guidelines. The Donor shall award and manage all construction work.

XV. State Construction Management:
The State will provide oversight and inspect all work performed and provide whatever engineering inspection and testing services may be required to ensure that the construction is accomplished in accordance with the approved plans and specifications. All correspondence and instructions to the contractor will be the sole responsibility of the Donor under the oversight and with the concurrence of the State.

Upon completion and acceptance of the Project, the State will issue to the Donor a "Final Construction Inspection Report," acknowledging that the Project has been constructed in accordance with the approved plans, specifications, and estimates.

XVI. Maintenance, Control, and Ownership of the Project:
After completion of construction, the Project will be an integral part of the State Highway System and thus under the ownership, control, and jurisdiction of the State. The State will assume full and complete control and operation of the Project. The State does not purport to convey or assign any interest or right of ownership in the completed highway facility to the Donor, its successors, or assigns. The Project may be modified, relocated, closed, or removed at the State's sole discretion. The State will not be held responsible to the Donor for any reimbursement if the Project is modified, relocated, closed, or removed.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-49
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

XVII. Insurance:
The Donor shall furnish to the State a completed Certificate of Insurance (Form 1560-CS) and shall maintain the insurance in full force and effect during the period that the Donor or its agents are performing work on the State's right of way. The certificate of insurance must be received by the State before this Agreement is fully executed.

For actual construction of the roadway and its appurtenances, the Donor and its contractors shall furnish a completed Certificate of Insurance and shall maintain the insurance in full force and effect until the construction is completed.

Self-insurance documentation acceptable to the State may be substituted for all or part of the coverage's required above for the Donor, but not for its agents or contractors.

XVIII. Performance and Payment Bonds:
The Donor shall furnish to the State a performance bond if the estimated value of the donation is in excess of $100,000 and a payment bond if the estimated value of the donation is in excess of $25,000. The bonds must be provided before work begins and must be received by the State before this Agreement is fully executed. Bonds must be executed by a corporate surety authorized to do business in this state and licensed by this state to execute the bonds as surety. Bonds must be payable to the State on forms approved by the Attorney General.

If the estimated value of the project increases, the Donor shall notify the State immediately. The State reserves the right to require the donor increase the value of the bonds.

The performance bond is solely for the protection of the State, in the amount of the estimated value of the donation as stated in this Agreement, and conditioned on the faithful performance of the work in accordance with the State-approved plans, specifications and contract documents.

The payment bond is solely for the protection and use of payment bond beneficiaries who have a direct contractual relationship with the Donor to supply public work labor or material and is in the amount of the estimated value of the donation as stated in this Agreement.

The bonds must clearly and prominently display on the bond or on an attachment to the bond:

1. The name, mailing address, physical address, and telephone number, including the area code, of the surety company to which any notice of claim should be sent; or
2. The toll-free telephone number maintained by the Texas Department of Insurance under Subchapter B, Chapter 521, Insurance Code, and a statement that the address of the surety company to which any notice of claim should be sent may be obtained from the Texas Department of Insurance by calling the toll-free telephone number.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-49
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

XIX. Final Accounting:
On completion of the Project, the State will make a final accounting in accordance with its established accounting procedures. Any funds previously deposited by the Donor and not expended for the cost of the work covered under this agreement will be returned to the Donor.

XX. Document and Information Exchange:
The Donor agrees to deliver to the State all general notes, specifications, copies of all contract documents, and related documentation electronically in a Microsoft® Word or similar document. If requested by the State, the Donor will use the State's document template.

XXI. Interest:
The State will not pay interest on funds provided by the Donor. Funds will be deposited into and retained in the State Treasury.

XXII. Increased Costs:
If the State determines at any time that the funding provided by the Donor will be insufficient to cover the State's current cost for oversight of the Donor's work, the Donor will pay to the State the additional funds necessary to cover the anticipated additional cost. The State shall send the Donor a written notification stating the amount of additional funding needed and stating the reasons for the needed additional funds. The Donor shall pay the funds to the State within 30 days of the written notification, unless otherwise agreed to by all parties to this agreement. If the Donor cannot pay the additional funds, the State may terminate the contract.

XXIII. Termination:
If the Donor withdraws from the Project after the agreement is executed, it shall be responsible for all direct and indirect Project costs incurred by the State for the portion of the Project in which the State was participating. Except for the hold harmless provision and as otherwise provided in this paragraph, the termination of this agreement shall extinguish all rights, duties, obligations and liabilities of the State and the Donor under this agreement. If the termination of this agreement is due to the failure of the Donor to fulfill its contractual obligations, the State will notify the Donor that breach of contract has occurred. Within sixty (60) days from the State's written notification, the Donor must remedy the breach as outlined by the State. If the Donor does not remedy the breach, the State may make a claim against the surety under the Performance Bond or take over the Project and prosecute the work to completion. In such case, the Donor shall continue to be liable to the State for the cost of the Project and any additional costs incurred by the State.

XXIV. Sole Agreement:
If the terms of the agreement are in conflict with the provisions of any other existing agreements between the Donor and the State, the latest agreement shall take precedence over the other agreements in matters related to the Project.

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON-49
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

XXV: Notices:
All notices to either party by the other party will be delivered personally or sent by U.S. Mail, postage prepaid, to the following addresses:

Donor	State
KF Flat Creek, LP Attn: Jeffrey Czar, General Partner 2722 W Biters Rd Ste 106 San Antonio, TX, 78248-1233	Texas Department of Transportation Attn: District Engineer 4615 NW Loop 410 San Antonio, TX, 78229

The notice shall be received by the addressee on the date delivered or deposited in the mail. Either party may change its address by sending written notice of the change to the other in the manner provided.

Each party is signing this agreement on the date stated under that party's signature.

THE STATE

Executed for the Executive Director and approved by the Texas Transportation Commission for the purpose and effect of carrying out the orders, established policies, or work programs approved and authorized by the Texas Transportation Commission.

Texas Department of Transportation

BY: DocuSigned by: 536E5095CADE48A...
AUTHORIZED SIGNATURE

Tim Juro
Contract Support Section Director
TYPED OR PRINTED NAME AND TITLE

DATE: 1/20/2026

THE DONOR

The undersigned signatory warrants that he or she is an official representative of the organization making the donation described and is authorized to make the donation and to enter into this agreement on behalf of the organization.

KF Flat Creek, LP

BY: Signed by: Jeffrey Czar D96EE23AA92E475...
AUTHORIZED SIGNATURE

Jeffrey Czar
General Partner
TYPED OR PRINTED NAME AND TITLE

DATE: 1/16/2026

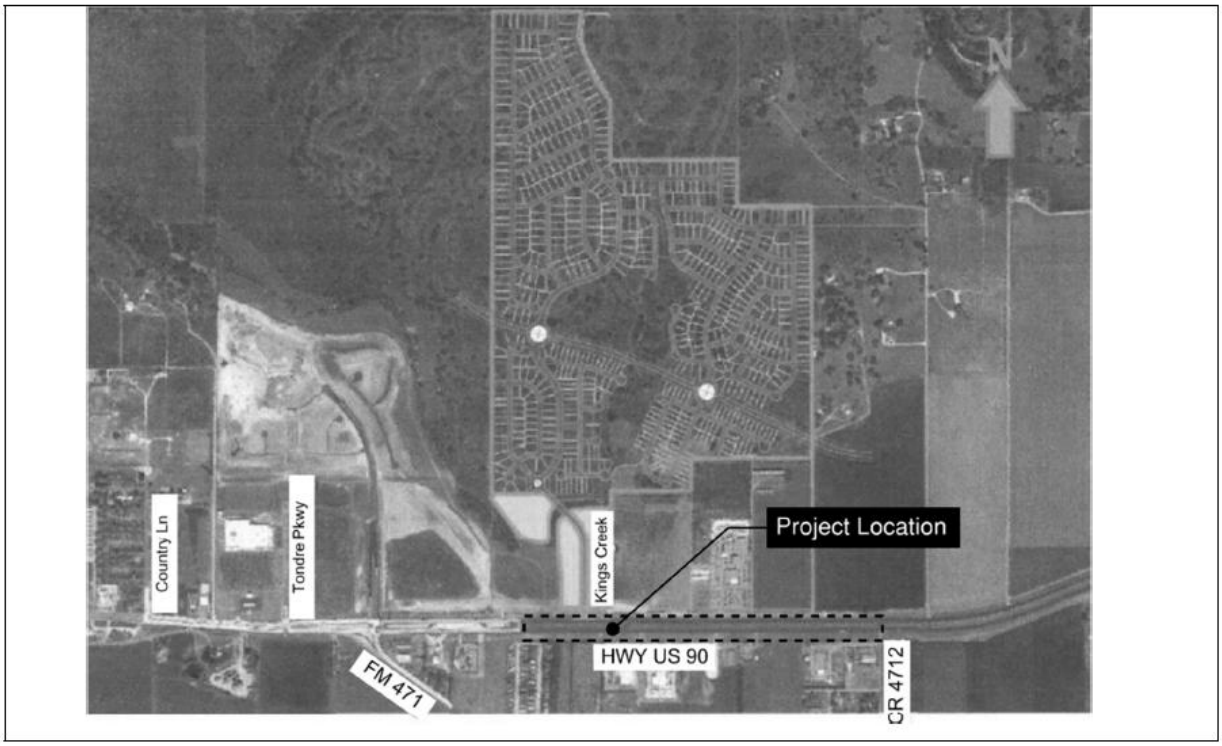
EXHIBITS:
A – Project Location Map

Docusign Envelope ID: 0901225D-5B11-4DF3-A8D8-439673F95EF2

Donation #: CS-26-DON
Log No. 49088
Project Name: KF Flat Creek, LP, US 90 Medina County

EXHIBIT A
PROJECT LOCATION MAP

Flat Creek Subdivision
In Medina County within the City Limits of Castroville
On Highway US-90 Approximately 4.7 Miles W of Highway FM 211
Construct a right turn deceleration lane and partial median U-turn (PMUT) on US-90 to mitigate the traffic impact for the proposed Flat Creek residential subdivision. Construction will also include the removal of two (2) existing median opening crossovers and rehabilitation (mill and overlay) of existing US-90 travel lanes and shoulder within the overall work zone west of County Road 4712 in Castroville, TX.



Donor: KF Flat Creek, LP *(Legal Entity Name responsible for donation as listed with Secretary of State's Office)*
Point of Contact and Title: Jeffrey Czar - General Partner
Mailing Address: 2722 W Bitters Rd Ste 106 San Antonio, TX, 78248-1233
Phone Number: (512) 848-1370
e-mail: Jeff@kingfishtx.com
Estimated Dollar Value of the Donation: $1,213,348.95

Mary Stewart

From: Jason Gunn <Jason.Gunn@txdot.gov>
Sent: Thursday, June 12, 2025 9:20 AM
To: Lance Elling; Oscar Dominguez; Mary Stewart
Subject: [External Email] FW: Flat Creek US-90 REVISED SWMP and additional info we requested

From IT@KCI.COM 410-316-7820 *** This is an External Email from outside of KCI.

FYI, the SWMP has been approved for the development.

Jason Gunn
Technical Project Manager
830-741-6627 (Office)
830-423-4690 (Cell)
Hondo Area Office
San Antonio District

From: Antonio Leyva <Manuel.Leyva@txdot.gov>
Sent: Thursday, June 12, 2025 9:19 AM
To: Jason Gunn <Jason.Gunn@txdot.gov>
Cc: Jorge AlcocerRubio <Jorge.AlcocerRubio@txdot.gov>
Subject: RE: Flat Creek US-90 REVISED SWMP and additional info we requested

Jason,

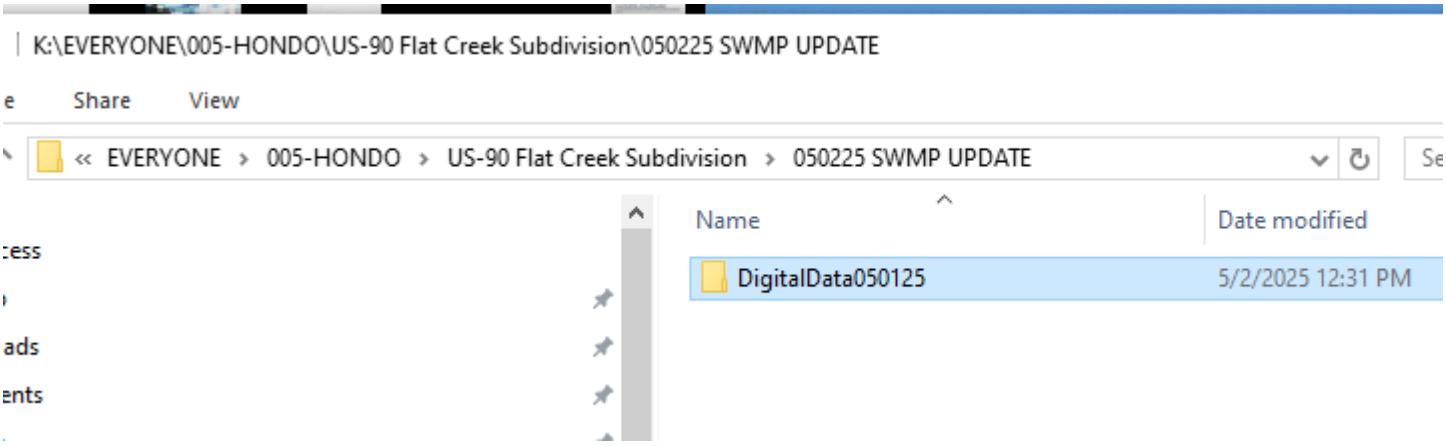
The consultant made the required changes to SWMP. This is approved for drainage review. Thank you.

M.Antonio Leyva, P.E.
District Hydraulic Engineer
San Antonio District
4615 NW Loop 410 | San Antonio, Texas 78229
210.615.5834 (Office)
210.309.6401 (Mobile)
manuel.leyva@txdot.gov

From: Jason Gunn <Jason.Gunn@txdot.gov>
Sent: Friday, May 2, 2025 12:56 PM
To: Antonio Leyva <Manuel.Leyva@txdot.gov>; Jorge AlcocerRubio <Jorge.AlcocerRubio@txdot.gov>
Subject: Flat Creek US-90 REVISED SWMP and additional info we requested

Antonio,

KCI has submitted the information I uploaded in the folder shown below in your shared drive. Please review and let me know if you'd like me to set up another meeting with them or if we have recommended approval. Thank you sir!!



Jason Gunn
Technical Project Manager
830-741-6627 (Office)
830-423-4690 (Cell)
Hondo Area Office
San Antonio District

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE FLAT CREEK SUBDIVISION

CASTROVILLE, TEXAS

AFTER RECORDING, RETURN TO:

Declarant:

KF Flat Creek, LP,
a Texas limited partnership
2722 West Bitters Road, Suite 106
San Antonio, Texas 78248

Association:

Flat Creek Castroville Property Owners' Association, Inc.,
a Texas non-profit corporation
2611 N Loop 1604 W, Suite 100
San Antonio, Texas 78258

with a copy to:

Melissa Killen
Killen, Griffin & Farrimond, PLLC
10101 Reunion Place, Suite 250
San Antonio, Texas 78216
Email: melissa@kgftx.com

TABLE OF CONTENTS

ARTICLE 1 RECITALS; CONSTRUCTION OF TERMS; DEFINITIONS 7

1.1 **Recitals.** 7
1.2 **Construction of Terms.** 7
1.3 **Definitions.** 7

ARTICLE 2 GENERAL AND USE RESTRICTIONS 11

2.1 **General.** 11
2.2 **Conceptual Plans.** 12
2.3 **Subdividing; Consolidation.** 12
2.4 **Use and Activities.** 12
2.5 **Rubbish and Debris.** 15
2.6 **Trash Containers.** 15
2.7 **Unsightly Articles; Vehicles.** 15
2.8 **Outside Burning.** 16
2.9 **Hazardous Activities.** 16
2.10 **Animals - Household Pets.** 16
2.11 **Maintenance.** 16
2.12 **Antennas.** 17
2.13 **Signs.** 18
2.14 **Flags.** 19
2.15 **Tanks.** 20
2.16 **Temporary Improvements.** 20
2.17 **Party Wall Fences.** 20
2.18 **Playscapes and Sports Courts.** 21
2.19 **Water Quality Facilities, Drainage Facilities and Drainage Ponds.** 22
2.20 **Cell Tower and Telecommunications Equipment.** 22
2.21 **Swimming Pools.** 22
2.22 **Retaining Walls.** 22
2.23 **Solar Energy Device.** 23
2.24 **Rainwater Harvesting Systems.** 24
2.25 **Reserved.** 24
2.26 **Decorations.** 25

ARTICLE 3 CONSTRUCTION RESTRICTIONS 25

3.1 **Construction of Improvements.** 25
3.2 **Utility Lines.** 26
3.3 **Garages.** 26
3.4 **Fences, Walls, and Hedges.** 26
3.5 **Driveways and Sidewalks.** 26
3.6 **Roofing.** 26
3.7 **HVAC Location.** 27
3.8 **Drainage.** 27

3.9 **Construction Activities.** 27

ARTICLE 4 STREET LANDSCAPE 28

4.1 **Owner's Obligation to Maintain Street Landscape.** 28

ARTICLE 5 COMPLIANCE; LIABILITY; RELEASE 29

5.1 **Compliance with Restrictions.** 29
5.2 **Liability of Owners for Damage to Common Area.** 29
5.3 **Release.** 30

ARTICLE 6 FLAT CREEK CASTROVILLE PROPERTY OWNERS' ASSOCIATION 30

6.1 **Organization.** 30
6.2 **Mandatory Membership.** 30
6.3 **Governance.** 30
6.4 **Voting Allocation.** 30
6.5 **Powers; Transfer and Resale Certificate Fees.** 31
6.6 **Conveyance of Common Area to the Association.** 33
6.7 **Indemnification.** 34
6.8 **Insurance.** 35
6.9 **Bulk Rate Contracts.** 35
6.10 **Community Services and Systems.** 35
6.11 **Protection of Declarant's Interests.** 36
6.12 **Administration of Common Area.** 36
6.13 **Right of Action by Association.** 36
6.14 **Maintenance Agreement with City.** 37

ARTICLE 7 INSURANCE; RESTORATION; MECHANIC'S AND MATERIALMEN'S LIEN 37

7.1 **Insurance.** 37
7.2 **Restoration.** 38
7.3 **Mechanic's and Materialmen's Lien.** 38

ARTICLE 8 COVENANT FOR ASSESSMENTS 39

8.1 **Assessments.** 39
8.2 **Maintenance Fund.** 39
8.3 **Regular Assessments.** 39
8.4 **Working Capital Assessment.** 40
8.5 **Special Assessments.** 40
8.6 **Individual Assessments.** 40
8.7 **Amount of Assessment.** 41
8.8 **Late Charges.** 41
8.9 **Owner's Personal Obligation; Interest.** 41
8.10 **Assessment Lien and Foreclosure.** 42

8.11 **Fines and Damages Assessment.** 43
8.12 **Alternative Payment Schedule.** 44
8.13 **Remedial Options.** 44

ARTICLE 9 ARCHITECTURAL CONTROL COMMITTEE 44
9.1 **Architectural Control Committee.** 45

ARTICLE 10 MORTGAGE PROVISIONS 48
10.1 **Notice of Action.** 48
10.2 **Examination of Books.** 49
10.3 **Taxes, Assessments and Charges.** 49

ARTICLE 11 EASEMENTS AND COMMON AREAS 49
11.1 **Easements - General.** 49
11.2 **Right of Ingress and Egress.** 49
11.3 **Reserved Easements.** 50
11.4 **Roadway and Utility Easements.** 50
11.5 **Entry and Fencing Easement.** 50
11.6 **Landscape, Monumentation and Signage Easement.** 51
11.7 **Easement for Special Events.** 51
11.8 **Solar Equipment Easement.** 51
11.9 **Cellular Tower and Telecommunications Easement.** 51
11.10 **Easement to Inspect and Right to Correct.** 52
11.11 **Owner's Rights of Access and Enjoyment.** 52
11.12 **Easements for Utilities and Public Services.** 53
11.13 **Easements for Association.** 54

ARTICLE 12 DEVELOPMENT RIGHTS 54
12.1 **Development by Declarant.** 54
12.2 **Special Declarant Rights.** 54
12.3 **Addition of Land.** 55
12.4 **Withdrawal of Land.** 55
12.5 **Notice of Plat Recordation.** 55
12.6 **Assignment of Declarant's Rights.** 56

ARTICLE 13 GENERAL PROVISIONS 56
13.1 **Term.** 56
13.2 **Eminent Domain.** 56
13.3 **Amendment.** 56
13.4 **Enforcement.** 57
13.5 **No Warranty of Enforceability.** 57
13.6 **Severability.** 57

13.7 **Conflicts.** 57
13.8 **Gender.** 58
13.9 **Acceptance by Owners.** 58
13.10 **Damage and Destruction.** 58
13.11 **No Partition.** 59
13.12 **View Impairment.** 59
13.13 **Safety and Security.** 59
13.14 **Notices.** 60
13.15 **Mining and Drilling.** 60
13.16 **Fine Authority; Corrective Action.** 60
13.17 **Management Certificate.** 61
13.18 **Merger and Consolidation.** 61
13.19 **Dissolution.** 61
13.20 **Notice of Sale or Transfer of Title.** 61

ARTICLE 14 DISPUTE RESOLUTION 62

14.1 **Introduction and Definitions.** 62
14.2 **Mandatory Procedures.** 63
14.3 **Claim Affecting Common Areas.** 63
14.4 **Claim by Lot Owners.** 66
14.5 **Notice.** 66
14.6 **Negotiation.** 67
14.7 **Mediation.** 67
14.8 **Binding Arbitration-Claims.** 67
14.9 **Allocation Of Costs.** 69
14.10 **General Provisions.** 69
14.11 **Period of Limitation.** 69
14.12 **Funding the Resolution of Claims.** 70

NOTICE
This Declaration is subject to change from time to time. By being an Owner or Resident of a Lot, you agree to remain in compliance with the Declaration (and any amendments thereto).

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
for the
FLAT CREEK SUBDIVISION

This Declaration of Covenants, Conditions and Restrictions for the Flat Creek Subdivision (the **"Declaration"**) is made, as of the date hereinafter set forth, by **KF Flat Creek, LP,** a Texas limited partnership (the **"Declarant"**), and is as follows:

RECITALS

WHEREAS, this Declaration is filed and Recorded (as defined herein) with respect to that certain real property, of approximately 254.69 acres, located within the municipal corporate boundaries of the City of Castroville ("City"), Medina County ("County"), Texas, as more particularly described on **Exhibit "A"** attached hereto and incorporated herein for all purposes (the **"Property"**); and

WHEREAS, Declarant is the fee-simple owner of the Property; and

WHEREAS, Declarant desires to create and carry out a uniform plan for the development, improvement, use, and sale of the Property for the benefit of all Owners (as defined herein); and

WHEREAS, Declarant imposes this Declaration on all Owners, occupants, and any other person or entity holding an interest in a Lot (as defined herein); and

WHEREAS, by the Recording of this Declaration, Declarant serves notice that the Property is subject to the terms and provisions of this Declaration; and

WHEREAS, this Declaration is intended to run with the land and bind all Owners, occupants, and any other person or entity holding an interest in a Lot; and

WHEREAS, all Owners and other occupants of the Lots by their acceptance of their deeds, leases, or occupancy of any Lot agree that the Property is subject to this Declaration; and

WHEREAS, each Owner and occupant of a Lot agrees to comply with the Dedicatory Instruments (as defined herein) and agrees that failure to comply may subject him/her to a fine, an action for amounts due to the Association (as defined herein), damages, or injunctive relief; and

NOW, THEREFORE, it is hereby declared: (i) that the Property (or any portion thereof) shall be held sold, conveyed, and occupied subject to the following covenants, conditions and restrictions which shall run with such portions of the Property and shall be binding upon all parties having right, title, or interest in or to such portions of the Property or any part thereof, their heirs, successors, and assigns and shall inure to the benefit of each Owner thereof; and (ii) that each contract or deed conveying the Property (or any portion thereof) shall conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions and restrictions, regardless of whether or not the same are set out in full or by reference in said contract or deed.

ARTICLE 1
RECITALS; CONSTRUCTION OF TERMS; DEFINITIONS

1.1 Recitals. The recitals set forth above are hereby fully incorporated in and made a part of this Declaration as if set forth verbatim.

1.2 Construction of Terms. Unless otherwise stated herein, all terms and phrases defined in this Declaration shall have the meanings and definitions ascribed thereto. If appropriate, in the context of this Declaration, terms that have well known technical, municipal, or construction or development industry meanings shall be used in accordance with such recognized meanings, unless otherwise defined herein or unless the context clearly indicates a different meaning. The titles given to any article or section of this Declaration are for convenience or reference only and are not intended to modify the meaning of the article or section.

1.3 Definitions.

"Applicable Law" shall mean and refer to the statutes and public laws and ordinances in effect at the time a provision of the Dedicatory Instruments is applied, and pertaining to the subject matter of the provision. Statutes and ordinances specifically referenced in the Dedicatory Instruments are "Applicable Law" on the date of the Dedicatory Instruments, and are not intended to apply to the Property if they cease to be applicable by operation of law, or if they are replaced or superseded by one or more other statutes or ordinances.

"Architectural Control Committee" or **"ACC"** shall mean and refer to the committee created pursuant to this Declaration (and/or Bylaws) to review and approve or deny plans for the construction, placement, modification, alteration or remodeling of any Improvements on a Lot. As provided in Article 9 below, the Declarant acts as the ACC and the ACC is not a committee of the Association until the Declarant has assigned its right to appoint and remove all ACC members to the Association in a Recorded written instrument.

"Assessment" or **"Assessments"** shall mean and refer to the assessments imposed and/or levied by the Association under this Declaration, including, but not limited to, the Assessments described and payable pursuant to Article 8 of this Declaration and any other amounts or sums due by any Owner to the Association pursuant to the provisions of this Declaration, Dedicatory Instruments, and Applicable Law.

"Association" shall mean and refer to **FLAT CREEK CASTROVILLE PROPERTY OWNERS' ASSOCIATION, INC.,** a Texas non-profit corporation, incorporated under the laws of the State of Texas, its successors and assigns, which was created by Declarant to exercise the authority and assume the powers

specified in Article 6 and elsewhere in this Declaration. The failure of the Association to maintain its corporate charter from time to time does not affect the existence or legitimacy of the Association, which derives its authority from this Declaration, the Certificate, the Bylaws, and Applicable Law.

"Board" shall mean and refer to the Board of Directors of the Association, which is the governing body of the Association.

"Bulk Rate Contract" or "Bulk Rate Contracts" shall mean and refer to one or more contracts which are entered into by the Association for the provision of utility services or other services of any kind or nature to the Lots and/or the Property. The services provided under Bulk Rate Contracts may include, without limitation, cable television services, telecommunications services, internet access services, "broadband" services, security services, trash pick-up services, propane service, natural gas service, lawn maintenance services, wastewater services, and any other services of any kind or nature which are considered by the Board to be beneficial to all or a portion of the Property. Each Bulk Rate Contract shall be approved in advance and in writing by the Declarant until expiration or termination of the Development Period.

"Bylaws" shall mean and refer to the bylaws of the Association, as the same may be amended from time to time.

"Certificate" shall mean and refer to the Certificate of Formation of the Association, filed in the Office of the Secretary of State of Texas, as the same may be amended from time to time.

"City" shall mean and refer to the home-rule municipality of the City of Castroville, Texas.

"Common Area" shall mean and refer to any and all real and personal property, easements, and facilities (together with the Improvements located thereon and any and all other interests therein) that the Association owns or in which it otherwise holds rights or obligations, including any and all real and personal property, easements, and facilities (together with the Improvements located thereon and any and all other interests therein) held by the Declarant, the Association, or otherwise for the benefit of the Association or its Members. Common Area includes any and all real and personal property that the Association holds under a lease, license, or any easement in favor of the Association. "Common Area" shall also include and mean and refer to all property within any applicable Plat/Conceptual Plan not designated as a Lot on such Plat/Conceptual Plan for a Residence and that has not been accepted for maintenance by the applicable governmental body; by way of example, and without limitation, such Common Areas may include areas designated as park, open space, detention, and private streets. Declarant may convey the Common Area to the Association. Some Common Areas may be solely for the common use and enjoyment of the Owners, while other portions of the Common Area may be for the use and enjoyment of the Owners and members of the public.

"Community Manual" shall mean and refer to the community manual, which may be initially adopted and Recorded by the Declarant as part of the initial project documentation for the benefit of the Association and the Property. The Community Manual may include the Bylaws, Rules and Regulations and/or other policies governing the Association. The Community Manual may be amended or supplemented, from time to time, by the Declarant acting alone, in its sole and absolute discretion, during the Development Period. Any amendment to the Community Manual, prosecuted by the Board, shall be approved in writing by the Declarant until expiration or termination of the Development Period.

"Community Systems" shall mean and refer to any and all cable television, telecommunications, alarm/monitoring, internet, telephone or other lines, conduits, wires, amplifiers, towers, antennas, satellite dishes, equipment, materials and installations and fixtures (including those based on, containing and serving

future technological advances not now known), if installed by Declarant pursuant to any grant of easement or authority by Declarant within the Property.

"Declarant" shall mean and refer to KF Flat Creek, LP, a Texas limited partnership, its successors or assigns; provided that any assignment(s) of the rights of KF Flat Creek, LP, a Texas limited partnership, as Declarant, or such successor Declarant, as may hereafter be designated, shall be expressly set forth in writing and Recorded. Upon such designation of a successor Declarant and/or any such assignment of rights, all rights of the former Declarant hereunder shall cease. Pursuant to certain provisions of this Declaration, the Certificate, and the Bylaws, the Declarant is granted the right during the Declarant Control Period (as defined in the Bylaws), to appoint and remove the members of the Board and the right to disapprove any actions, policies, and programs of the Board and/or its committees in its sole and absolute discretion.

"Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for the Flat Creek Subdivision (a residential subdivision), as it may hereafter be amended in accordance with the provisions hereof.

"Dedicatory Instruments" shall mean and refer to this Declaration, the Certificate, Bylaws, Rules and Regulations, Design Guidelines, Community Manual, standards of the ACC, any other rules and regulations promulgated by the Association and/or Declarant pursuant to this Declaration, and/or any other instrument covering the establishment, maintenance, and operation of the Flat Creek Subdivision, as each may be amended and supplemented from time to time. Any amendment to the Dedicatory Instruments, governing the Association, prosecuted by the Board, shall be approved in advance and in writing by the Declarant until expiration or termination of the Development Period. See **Exhibit D** for a summary of the Dedicatory Instruments.

"Design Guidelines" shall mean and refer to the standards for design, construction, landscaping, and exterior items proposed to be placed on any Lot adopted pursuant to Section 9.1.3, as the same may be amended from time to time. The Design Guidelines may consist of multiple written design guidelines applying to specific portions of the Property. At Declarant's option (during the Development Period), Declarant may adopt or amend from time to time the Design Guidelines for the Property or any portion thereof. The Design Guidelines also include the Landscaping Design Guidelines provided in Section 9.1.3.1.

"Development Agreement" shall mean and refer to that certain agreement, recorded in the Official Public Records of Medina County, Texas, under Document No. 2024007632, which encumbers the Property and imposes certain conditions and requirements associated with the development of the Property.

"Development Period" shall mean and refer to the period of time beginning on the date when this Declaration has been Recorded, and ending twenty-four (24) months after the date that Declarant no longer owns any portion of the Property, unless earlier terminated by a Recorded written instrument executed by the Declarant. The Development Period is the period in which Declarant reserves the right to facilitate the development, construction, and marketing of the Property, and the right to direct the size, shape and composition of the Property.

"Homebuilder" shall mean and refer to an Owner (other than the Declarant) who acquires a Lot, within the Property, for the construction of a Residence for resale to a third party.

"Improvement" shall mean and refer to all physical enhancements and alterations to the Property (other than a Residence), including but not limited to grading, clearing, removal of trees, alteration of drainage

flow, and site work, and every structure and all appurtenances of every type and kind, whether temporary or permanent in nature, including, but not limited to, buildings, outbuildings, storage sheds, patios, tennis courts, sport courts, recreational facilities, swimming pools, putting greens, garages, driveways, parking areas and/or facilities, storage buildings, sidewalks, fences, gates, screening walls, retaining walls, stairs, patios, decks, walkways, landscaping, mailboxes, poles, signs, antennas, exterior air conditioning equipment or fixtures, exterior lighting fixtures, water softener fixtures or equipment, and poles, pumps, wells, tanks, reservoirs, pipes, lines, meters, antennas, towers and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or other utilities.

"Lot" shall mean and refer to any portion of the Property, other than Common Areas, either designated by Declarant or as shown as a subdivided lot (or any portion thereof) on a Plat/Conceptual Plan planned for a Residence (including any Improvements on such designated portions of the Property). More specifically, "Lot" shall mean and refer to any portion of the Property, whether developed or undeveloped, whether platted or un-platted, upon which a Residence has been constructed or it is intended by the Declarant that a Residence be constructed, excluding reserve tracts and areas designated as park, open space, detention, private streets, and/or other Common Areas, but including lots created by the platting/replatting or subdividing of a reserve tract for a Residence. "Lots" shall mean and refer to each Lot and all of them. In the case of a parcel of land planned for a Residence, which has not been formally platted or replatted into the proposed Lots, the parcel shall be deemed to contain the number of Lots designated by the Declarant on the development plan for such parcel of land unless or until a different number of Lots is platted or subdivided for a Residence.

"Majority" shall mean and refer to more than fifty percent (50%).

"Manager" shall have the meaning set forth in Section 6.5.8.

"Member" or **"Members"** shall mean and refer to every Owner, person, and/or entity entitled to membership in the Association, as provided herein (and the Bylaws).

"Mortgage" or **"Mortgages"** shall mean and refer to any mortgage(s), deed(s) of trust, or other similar security instrument granting, creating, or conveying a lien or security interest upon a Lot.

"Mortgagee" or **"Mortgagees"** shall mean and refer to the beneficiary(ies) or holder(s) of any Mortgage(s).

"Owner" shall mean and refer to the person(s), entity or entities, including Declarant, of record, holding all or a portion of the fee simple interest in any Lot (or portion thereof), but does not include the Mortgagee under a Mortgage prior to its acquisition of fee simple interest in such Lot (or portion thereof) pursuant to foreclosure of the lien of its Mortgage, those having an interest merely as security for the performance of an obligation, and/or those owning an interest in the mineral estate.

"Plat" shall mean and refer to a Recorded subdivision plat of any portion of the Property, and any amendments thereto.

"Property" shall mean and refer to that certain real property, of approximately 254.69 acres, located in the municipal corporate boundaries of the City of Castroville, Medina County, Texas, as more particularly described on **Exhibit A** attached hereto, subject to such additions thereto and deletions therefrom as may be made pursuant to Section 12.3 and Section 12.4 of this Declaration. The legal description, as of the date hereof, being, generally, described by the County Appraisal District as: A1259 L. M. COLLARD SURVEY 97; ACRES 119.628; A1269 J. FISHER SURVEY 5; 20.6 ACRES; A1269 J. FISHER SURVEY 5; 22.53 ACRES; A1269 J. FISHER SURVEY 5; ACRES 27.055; A1348 R. WITTMAN SURVEY 4; 20.861

ACRES; A1348 R. WITTMAN SURVEY 4; 21.364 ACRES; and A1348 R. WITTMAN SURVEY 4; 19.05 ACRES (*also referred to as* County Appraisal District Property ID Nos. 10599; 10669; 10660; 11093; 10659; 11092; 10671; and 11094). In the event of a conflict between the property descriptions described herein, Exhibit A shall control, subject to such additions thereto and deletions therefrom as may be made pursuant to Section 12.3 and Section 12.4 of this Declaration.

"Record," "Recording," "Recordation," or **"Recorded"** shall mean and refer to the applicable document recorded or to be recorded in the Official Public Records of Medina County, Texas.

"Renting" shall mean and refer to granting the right to occupy and use a Residence (or portion thereof) in exchange for consideration. The term Renting shall include leasing.

"Residence" shall mean and refer to a detached, single-family building designed for and used as a dwelling by a Single Family and constructed on a Lot.

"Resident" shall mean and refer to an occupant or tenant of a Lot (or any portion thereof), regardless of whether the person owns the Lot.

"Rules and Regulations" shall mean and refer to any instrument, however denominated, which is adopted by the Board for the regulation and management of the Property or the Common Area (or adopted by the Declarant during the Development Period), including any amendments to those instruments. The Rules and Regulations may include, but are not limited to, the following: the Guidelines for Alternative Payment Plans, the Records Retention Policy, the Records Production and Copying Policy, the Fine and Enforcement Policy, and the Management Certificate.

"Single Family or Single Families" shall mean and refer to a group of individuals related by blood, adoption, or marriage or a number of unrelated roommates not exceeding the number of bedrooms in a Residence.

"Solar Energy Device" shall mean and refer to a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy; the term includes a mechanical or chemical device that has the ability to store solar-generated energy for use in heating or cooling or in the production of power.

ARTICLE 2

GENERAL AND USE RESTRICTIONS

All of the Property shall be owned, held, encumbered, leased, used, occupied, and enjoyed subject to the following limitations and restrictions:

2.1 General.

2.1.1 Conditions and Restrictions. All Lots within the Property shall be owned, held, encumbered, rented/leased, used, occupied and enjoyed subject to this Declaration, including the Dedicatory Instruments. Moreover, in addition to Rules and Regulations that may be established by the Board or Declarant, and penalties for violations thereof, each Lot shall be subject to the rules and restrictions of this Declaration (particularly, this Article), which may affect each Lot's use and activities.

2.1.2 Ordinances. The Applicable Law, as well as the ordinances and requirements imposed by local governmental authorities, is applicable to all Lots within the Property. Compliance with this Declaration, including the Dedicatory Instruments, is not a substitute for compliance with Applicable Law (as well as the ordinances and requirements imposed by local governmental authorities). **PLEASE BE ADVISED THAT THIS DECLARATION AND THE DEDICATORY INSTRUMENTS DO NOT PURPORT TO LIST OR DESCRIBE EACH RESTRICTION WHICH MAY BE APPLICABLE TO A LOT LOCATED WITHIN THE PROPERTY. EACH OWNER IS ADVISED TO REVIEW THE APPLICABLE LAW, ALL ORDINANCES, REQUIREMENTS, REGULATIONS AND ENCUMBRANCES AFFECTING THE USE AND IMPROVEMENT OF THEIR LOT PRIOR TO SUBMITTING PLANS TO THE ACC FOR APPROVAL. FURTHERMORE, APPROVAL BY THE ACC SHOULD NOT BE CONSTRUED BY THE OWNER THAT ANY IMPROVEMENT COMPLIES WITH THE TERMS AND PROVISIONS OF THE APPLICABLE LAW OR ANY ORDINANCES, REQUIREMENTS, REGULATIONS OR ENCUMBRANCES WHICH MAY AFFECT THE OWNER'S LOT.**

2.2 Conceptual Plans. All master plans, site plans, concept plans/preliminary concept plans, brochures, illustrations, information and marketing materials relating to the Property or the Common Area (collectively, the **"Conceptual Plans"**) are conceptual in nature and are intended to be used for illustrative purposes only. The land uses, Residences, and Improvements, reflected on the Conceptual Plans, are subject to change at any time, and from time to time, and it is expressly agreed and understood that land uses within the Property or the Common Area may include uses which are not shown on the Conceptual Plans. Neither Declarant nor any Homebuilder or other developer of any portion of the Property or the Common Area makes any representation or warranty concerning such land uses, Residences and Improvements shown on the Conceptual Plans or otherwise planned for the Property or the Common Area and it is expressly agreed and understood that no Owner shall be entitled to rely upon the Conceptual Plans or any statements made by the Declarant or any of Declarant's representatives regarding the proposed land uses, or proposed or planned Residences/Improvements in making the decision to purchase any land, Residences, or Improvements within the Property. Each Owner who acquires a Lot within the Property acknowledges that development of the Property and/or the Common Area shall likely extend over many years, and agrees that the Association shall not engage in, or use Association funds to support, protest, challenge, or make any other form of objection to development of the Property or the Common Area or changes in the Conceptual Plans, as they may be amended or modified from time to time. The "Preliminary Concept Plan" (as may be amended from time to time) is attached hereto as **Exhibit B** and incorporated herein for all purposes.

2.3 Subdividing; Consolidation. No Lot shall be further divided or subdivided, nor may any easements or other interests therein, less than the whole, be conveyed by the Owner thereof, without the prior written approval of the ACC; provided, however, that when Declarant is the Owner thereof, Declarant may further divide and subdivide any Lot and convey any easements or other interests, less than the whole, all without the approval of the ACC. An Owner of adjoining Lots, with ACC approval, may consolidate those Lots into one site for the construction of a Residence on a Lot.

2.4 Use and Activities.

2.4.1 Permitted Use. Except as otherwise provided in this Declaration (or Dedicatory Instruments), a Lot may be used only for a Residence and approved Improvements associated with such Residence for Single Family purposes.

No professional, business, or commercial activity to which the general public is invited shall be conducted on any Lot, except an Owner or Resident may conduct business activities within a Residence so long as: (i) such activity complies with all Applicable Law; (ii) participation in the business activity is limited to the Owner(s) or Resident(s) of a Residence constructed in the Lot; (iii) the existence or operation of the business activity is not apparent or detectable by sight, i.e., no sign may be erected advertising the business on any Lot, sound, or smell from outside the Residence; (iv) the business activity does not involve door-to-door solicitation of Residents within the Property; (v) the business does not, in the Board's judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles parked within the Property which is noticeably greater than that which is typical of Residences in which no business activity is being conducted; (vi) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other Residents of the Property as may be determined in the sole discretion of the Board; and (vii) the business does not require the installation of any machinery other than that customary to normal household operations. In addition, for the purpose of obtaining any business or commercial license, neither the Residence nor the Lot shall be considered open to the public. The term "business," as used in this provision, shall be construed to have its ordinary, generally accepted meaning and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (a) such activity is engaged in full or part-time; (b) such activity is intended to or does generate a profit; or (c) a license is required.

Renting of a Residence shall not be considered a business within the meaning of this subsection. This subsection shall not apply to any activity conducted by the Declarant or a Homebuilder.

2.4.2. Prohibited Activities. *Except as otherwise provided in this Declaration (or Dedicatory Instruments),* activities and uses that are expressly prohibited include the following:

a. any activity that is otherwise prohibited by the Dedicatory Instruments;

b. any illegal activity;

c. any nuisance, noxious, or offensive activity;

d. any dumping of rubbish;

e. any storage of—

i. building materials except during the construction or renovation of a Residence or Improvement;

ii. vehicles, except vehicles in a garage or Improvement or operable automobiles on a driveway; or

iii. unsightly objects unless completely shielded by an Improvement;

f. any exploration for or extraction of minerals;

g. any keeping or raising of animals, livestock, or poultry, except for common domesticated household pets, such as dogs and cats, confined to a fenced yard or within the Residence;

h. any commercial or professional activity except reasonable home office use;

i. installing a mobile home, manufactured home, manufactured housing, motor home, or house trailer on a Lot;

j. moving a previously constructed house onto a Lot; and

k. hunting and shooting.

2.4.3 Renting of Residence. The Renting of Residences is permitted subject to the following conditions:

a. No portion of the Property may be used as an apartment house, flat, lodging house, hotel, bed and breakfast lodge, or any similar purpose, and only the Residence constructed on a Lot may be rented/leased, which shall be only for Single Family purposes for a lease term of no less than six (6) months; and

b. all leases shall be in writing and shall be made subject to the Dedicatory Instruments; and

c. an Owner is responsible for providing the Owner's Resident with copies of the Dedicatory Instruments and notifying the Resident of changes thereto; and

d. each Resident is subject to and shall comply with all provisions of the Dedicatory Instruments; and

e. an Owner must engage with a property management company for any Renting of a Residence; and unless prohibited by Applicable Law, or otherwise approved by the Board, all Owners must utilize the same property management company, which shall be chosen and established by resolution of the Board; additionally, all signage and marketing on the Property, for any Renting of a Residence, shall be prohibited, unless prior approval by the Board is obtained; and

f. written notice of any rental agreement/lease, together with such additional information as may be required by the Board, shall be remitted to the Association by the Owner on or before the expiration of ten (10) days after the effective date of the rental agreement/lease.

2.4.5 Development Period. Notwithstanding any provision in this Declaration to the contrary, until the expiration or termination of the Development Period:

(i) Declarant and/or its licensees may construct and maintain upon portions of the Common Area, any Lot, or portion of the Property owned by the Declarant, such facilities and may conduct such activities which, in Declarant's sole opinion, may be reasonably required,

convenient, or incidental to the construction or sale of Residences constructed upon the Lots, including, but not limited to, business offices, signs, model homes, and sales offices. Declarant and/or its licensees shall have an easement over and across the Common Area for access and use of such facilities at no charge; and

(ii) Declarant and/or its licensees shall have an access easement over and across the Common Area for the purpose of making, constructing and installing Improvements upon the Common Area.

2.5 Rubbish and Debris. As determined by the Board, no rubbish or debris of any kind may be placed or permitted to accumulate on or within the Property, and no odors shall be permitted to arise therefrom so as to render all or any portion of the Property unsanitary, unsightly, offensive, or detrimental to any other property or Residents. Refuse, garbage, and trash shall be kept at all times in covered containers, and such containers shall be kept within enclosed structures or appropriately screened from view. Each Owner shall contract with an independent disposal service to collect all garbage or other wastes, if such service is not provided by a governmental entity or the Association.

2.6 Trash Containers. Except for consecutive twelve (12) hour periods before and after any designated waste pick-up time, trash containers and recycling bins shall be stored behind a fence or in the garage of a Residence, so as to not be visible from the street / alley or neighboring or adjoining or adjacent Residences. The Board shall have the right to specify additional locations on each Owner's Lot in which trash containers or recycling bins shall be stored.

2.7 Unsightly Articles; Vehicles. No article deemed to be unsightly by the Board shall be permitted to remain on any Lot so as to be visible from adjoining property or from public or private thoroughfares. Without limiting the generality of the foregoing, trailers, graders, trucks other than pickups, tractors, boats, campers, wagons, buses, motorcycles, motor scooters, all-terrain vehicles and garden maintenance equipment shall be kept at all times, except when in actual use, in enclosed structures or screened from view and no repair or maintenance work shall be done on any of the foregoing, or on any vehicles (other than minor emergency repairs), except in enclosed garages or other structures. Service areas, storage areas, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from view, and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials, scrap, refuse or trash shall be kept, stored, or allowed to accumulate on any portion of the Property except within enclosed structures or appropriately screened from view. No racing vehicles or any other vehicles (including, without limitation, motorcycles or motor scooters) that are inoperable or do not have a current license tag shall not be permitted to remain visible on any Lot or to be parked on any roadway within the Property or Common Area.

Unless otherwise provided herein, parking of commercial vehicles or equipment, recreational vehicles, boats and other watercraft, trailers, stored vehicles or inoperable vehicles in places other than: (i) in enclosed garages; and (ii) behind a fence so as to not be visible from any other portion of the Property, is prohibited; provided, construction, service and delivery vehicles may be exempt from this provision for such period of time as is reasonably necessary to provide service or to make a delivery to a Residence.

The storage of vehicles on streets or within road rights-of-way, within the Property, is specifically prohibited. Any vehicle parked or left, not in accordance with this Section, shall be considered a nuisance.

The term "vehicle," as used herein, shall refer to all vehicles including, without limitation, automobiles, trucks, motor homes recreational vehicles, boats, trailers, motorcycles, minibikes, scooters, go-carts, campers buses, and vans, including such vehicles with the motor removed.

2.8 Outside Burning. No exterior fires are permitted with the exception of barbecues, outside fireplaces, braziers and incinerator fires that are contained within facilities or receptacles and in areas designated and approved by the Board. No Owner may permit any condition upon its portion of the Property which creates a fire hazard or violates Applicable Law.

2.9 Hazardous Activities. No activities may be conducted on or within the Property and no Improvements may be constructed on or within any portion of the Property which, in the opinion of the Board, are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms or fireworks may be discharged upon any portion of the Property unless discharged in conjunction with an event approved in advance by the Board and no open fires may be lighted or permitted except within safe and well-designed fireplaces or in contained barbecue units while attended and in use for cooking purposes. No portion of the Property may be used for the takeoff, storage, or landing of aircraft (including, without limitation, helicopters) except for medical emergencies.

2.10 Animals - Household Pets. No animals, including pigs, hogs, swine, poultry, fowl, wild animals, horses, cattle, sheep, goats, or any other type of animal not considered to be a domestic household pet within the ordinary meaning and interpretation of such words may be kept, maintained, or cared for on or within the Property (as used in this paragraph, the term "domestic household pet" shall not include non-traditional pets such pot-bellied pigs, miniature horses, exotic snakes or lizards, ferrets, monkeys, chickens or other exotic animals). The Board may conclusively determine, in its sole discretion, whether a particular pet is a domestic household pet within the ordinary meaning and interpretation of such words. No Owner or Resident may keep on such Owner's or Resident's Lot more than four (4) cats and dogs, in the aggregate. No animal may be allowed to make an unreasonable amount of noise, or to become a nuisance, and no domestic pets shall be allowed on the Property other than within the Residence, or the fenced yard space associated therewith, unless confined to a leash. The Board may restrict pets to certain areas on the Property. No animal may be stabled, maintained, kept, cared for, or boarded for hire or remuneration on the Property, and no kennels or breeding operation shall be allowed. No animal may be allowed to run at large, and all animals shall be kept within enclosed areas which shall be clean, sanitary, and reasonably free of refuse, insects, and waste at all times. No pet may be left unattended in front yards, porches, or other unenclosed outside areas of the Lot. All pet waste shall be removed and appropriately disposed of by the owner of the pet. All pets shall be registered, licensed and inoculated as required by Applicable Law. All pets not confined to a Residence shall wear collars with appropriate identification tags and all outdoor cats are required to have a bell on their collar. If, in the opinion of the Board, any pet becomes a source of unreasonable annoyance to others, or the owner of the pet fails or refuses to comply with these restrictions, the Owner or Resident, upon written notice, may be required to remove the pet from the Property.

2.11 Maintenance. The Owners of each Lot shall jointly and severally have the duty and responsibility, at their sole cost and expense, to keep their Lot, Lot landscaping, Residence, and all Improvements thereon in good condition and repair and in a well-maintained, safe, clean and attractive condition at all times. The Board, in its sole discretion, shall determine whether a violation of the maintenance obligations set forth in this Section has occurred. Such maintenance includes, but is not limited to the following, which shall be performed in a timely manner, as determined by the Board, in its sole discretion:

(i) Prompt removal of all litter, trash, refuse, and wastes.

(ii) Lawn mowing and edging.

(iii) Tree and shrub pruning.

(iv) Watering.

(v) Keeping exterior lighting and mechanical facilities in working order.

(vi) Keeping lawn and garden areas alive, free of weeds, and attractive.

(vii) Keeping planting beds free of turf grass.

(viii) Keeping sidewalks, driveways, and fences in good repair.

(ix) Complying with Applicable Law.

(x) Repainting of Residences and Improvements.

(xi) Repair of exterior damage, and wear and tear to Residences and Improvements.

2.12 Antennas. Except as expressly provided below, no exterior radio or television antennas or aerial or satellite dish or disc, nor any Solar Energy Device, shall be erected, maintained or placed on a Lot without the prior written approval of the ACC; provided, however, that:

(i) an antenna designed to receive direct broadcast services, including direct-to-home satellite services, that is one meter or less in diameter; or

(ii) an antenna designed to receive video programming services via multipoint distribution services, including multichannel multipoint distribution services, instructional television fixed services, and local multipoint distribution services, that is one meter or less in diameter or diagonal measurement; or

(iii) an antenna that is designed to receive television broadcast signals.

(collectively, (i) through (iii) are referred to herein as the **"Permitted Antennas"**) shall be permitted subject to reasonable requirements as to location and screening as may be set forth in rules adopted by the ACC, consistent with Applicable Law, in order to minimize obtrusiveness as viewed from streets and adjacent property. Declarant and/or the Association shall have the right, but not the obligation, to erect an aerial, satellite dish, or other apparatus for a master antenna, cable, or other communication system for the benefit of all or any portion of the Property.

(iv) Location of Permitted Antennas. A Permitted Antenna may be installed solely on the Owner's Lot and shall not encroach upon any street, Common Area, or any other portion of the Property. A Permitted Antenna shall be installed in a location on the Lot from which an acceptable quality signal can be obtained and where least visible from the street and the

Property, other than the Lot. In order of preference, the locations of a Permitted Antenna which shall be considered least visible by the ACC are as follows:

(A) Attached to the back of the principal Residence constructed on the Lot, with no part of the Permitted Antenna any higher than the roof fascia, soffit, or bargeboard and screened from view of adjacent Lots and the street; then

(B) Attached to the side of the principal Residence constructed on the Lot, with no part of the Permitted Antenna any higher than the lowest point of the roofline and screened from view of adjacent Lots and the street.

The ACC may, from time to time, modify, amend, or supplement the rules regarding installation and placement of Permitted Antennas.

2.13 Signs. Unless otherwise permitted by Applicable Law, no sign or emblem of any kind may be displayed to the public view on any Lot, Residence, or Improvement without the prior written approval of the ACC, except for:

2.13.1 Declarant Signs. Signs erected by the Declarant or erected with the advance written consent of the Declarant;

2.13.2 Security Signs. One small security service sign per Lot, provided that the sign has a maximum face area of two (2) square feet and is located no more than five (5) feet from the front elevation of the principal Residence constructed upon the Lot;

2.13.3 Permits. Permits as may be required by Applicable Law;

2.13.4 Sale or Rental Signs. One (1) temporary "For Sale" or "For Lease" sign per Lot, provided that the sign shall be limited to: (i) a maximum face area of five (5) square feet on each visible side and, if free standing, is mounted on a single or frame post; (ii) an overall height of the sign from finished grade at the spot where the sign is located may not exceed four feet (4'); and (iii) the sign shall be removed within two (2) business days following the sale or lease of the Lot;

2.13.5 Political Signs. Political signs may be erected provided the sign: (i) is erected no earlier than the ninetieth (90^{th}) day before the date of the election to which the sign relates; (ii) is removed no later than the tenth (10^{th}) day after the date of the election to which the sign relates; and (iii) is ground-mounted. Only one sign may be erected by each Owner of a Residence. In addition, signs which include any of the components or characteristics described in Section 259.002 (d) of the Texas Election Code are prohibited; and

2.13.6 No Soliciting: Signs. A "no soliciting" sign near or on the front door to the principal Residence constructed upon the Lot, provided, that the sign may not exceed twenty- five (25) square inches.

2.13.7 Homebuilders' Signs. Any Homebuilder may utilize one professional sign (of not more than five (5) square feet in size) per Lot for advertising and sales promotion of the Residence on such Lot.

2.13.8 School Spirit Signs. Signs containing information about one or more children residing in the Residence and the school they attend shall be permitted so long as the sign is not more than 36" x 36". There shall be no more than one sign for each child under the age of eighteen (18), residing in the Residence.

In addition to any other remedies provided for herein, the Board or its duly authorized agent shall have the power to enter upon a Lot to remove any sign which violates this Section provided the violating Owner has been given forty-eight (48) hours written notice by the Board of its intent to exercise self-help. All costs of self-help, including reasonable attorney's fees actually incurred, shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of Assessments.

2.14 Flags. Owners are permitted to display certain flags on the Owner's Lot, as further set forth below.

2.14.1 Approval Requirements. An Owner is permitted to display the flag of the United States of America, the flag of the State of Texas, an official or replica flag of any branch of the United States Military, or one (1) flag with official insignia of a college or university (**"Permitted Flag"**) and permitted to install a flagpole no more than five feet (5') in length affixed to the front of a Residence near the principal entry or affixed to the rear of a Residence (**"Permitted Flagpole"**). Only one (1) Permitted Flagpoles are allowed per Residence. A Permitted Flag or Permitted Flagpole need not be approved in advance by the ACC. Approval by the ACC is required prior to installing vertical freestanding flagpoles installed in the front or back yard area of any Lot (**"Freestanding Flagpole"**).

2.14.2 Installation and Display. Unless otherwise approved in advance and in writing by the ACC, Permitted Flags, Permitted Flagpoles and Freestanding Flagpoles, installed in accordance with the Flagpole Application, shall comply with the following:

2.14.2.1 No more than one (1) Freestanding Flagpole OR no more than two (2) Permitted Flagpoles are permitted per Lot, on which only Permitted Flags may be displayed;

2.14.2.2 Any Permitted Flagpole shall be no longer than five feet (5') in length and any Freestanding Flagpole shall be no more than twenty feet (20') in height;

2.14.2.3 Any Permitted Flag displayed on any flagpole may not be more than three feet in height by five feet in width (3'x5');

2.14.2.4 The flag of the United States of America shall be displayed in accordance with 4 U.S.C. Sections 5-10 and the flag of the State of Texas shall be displayed in accordance with Chapter 3100 of the Texas Government Code;

2.14.2.5 The display of a flag, or the location and construction of the flagpole shall comply with Applicable Law, easements and setbacks of record;

2.14.2.6 Any flagpole shall be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the Residence;

2.14.2.7 A flag or a flagpole shall be maintained in good condition and any deteriorated flag or deteriorated or structurally unsafe flagpole shall be repaired, replaced or removed;

2.14.2.8 Any flag may be illuminated by no more than one (1) halogen landscaping light of low beam intensity which shall not be aimed towards or directly affect any neighboring Lot; and

2.14.2.9 Any external halyard of a flagpole shall be secured so as to reduce or eliminate noise from flapping against the metal of the flagpole.

2.15 Tanks. The ACC shall approve any tank used or proposed in connection with a Residence, including tanks for storage of fuel, water, oil, or liquid petroleum gas (LPG), and including swimming pool filter tanks. No elevated tanks of any kind may be erected, placed or permitted on any Lot without the advance written approval of the ACC. All permitted tanks shall be screened from view in accordance with a screening plan approved in advance by the ACC. This provision shall not apply to a tank used to operate a standard residential gas grills, nor shall it apply to barrels used as part of a Rainwater Harvesting System with capacity of less than fifty (50) gallons, so long as such barrels are actively being used for rainwater collection and storage.

2.16 Temporary Improvements. No tent, shack, or other temporary building, Improvement, or structure shall be placed upon the Property without the prior written approval of the ACC; provided, however, that temporary Improvements and structures necessary for storage of tools and equipment, and for office space for Declarant, Homebuilders, architects, and foremen during actual construction may be maintained with the prior approval of Declarant (unless placed by the Declarant), approval to include the nature, size, duration, and location of such structure.

2.17 Party Wall Fences. A fence or wall located on or near the dividing line between two (2) Lots and intended to benefit both Lots constitutes a "Party Wall". To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto. Party Walls shall also be subject to the following:

2.17.1 Encroachments & Easement. If the Party Wall is on one Lot due to an error in construction, the Party Wall is nevertheless deemed to be on the dividing line for purposes of this Section. Each Lot sharing a Party Wall is subject to an easement for the existence and continuance of any encroachment by the Party Wall as a result of construction, repair, shifting, settlement, or movement in any portion of the Party Wall, so that the encroachment may remain undisturbed as long as the Party Wall stands. Each Lot is subject to a reciprocal easement for the maintenance, repair, replacement, or reconstruction of the Party Wall.

2.17.2 Right to Repair. If the Party Wall is damaged or destroyed from any cause, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, the Owner of either Lot may repair or rebuild the Party Wall to its previous condition, and the other Owner or Owners that the wall serves shall thereafter contribute to the cost of restoration thereof in equal proportions without prejudice, subject however, to the right of any such Owners to call for a larger contribution from the others under any rule or law regarding liability for negligent or willful acts or omissions. The Owners of both Lots, their successors and assigns, have the right to the full use of the

repaired or rebuilt Party Wall. No Party Wall may be constructed, repaired, or rebuilt without the advance written approval of the ACC in accordance with Article 9 of this Declaration.

2.17.3 Maintenance Costs. The Owners of the adjoining Lots share equally the costs of repair, reconstruction, or replacement of the Party Wall, subject to the right of one Owner to call for larger contribution from the other under any rule of law regarding liability for negligence or willful acts or omissions. If an Owner is responsible for damage to or destruction of the Party Wall, that Owner shall bear the entire cost of repair, reconstruction, or replacement. If an Owner fails or refuses to pay his share of costs of repair or replacement of the Party Wall, the Owner advancing monies has a right to file a claim of lien for the monies advanced in the Official Public Records of Medina County, Texas, and has the right to foreclose the lien as if it were a mechanic's lien. The right of an Owner to require contribution from another Owner under this Section is appurtenant to the Lot and passes to the Owner's successors in title. If the Owners of Adjoining Lots fail to maintain the Party Wall located upon such Owner's Lot in good condition and repair, the Association may undertake such measures as may be required to maintain and/or repair the Party Wall, and, in such event, the Association shall levy an Individual Assessment on the Lot Owners responsible for maintenance of the Party Wall.

2.17.4 Alterations. The Owner of a Lot sharing a Party Wall may not cut openings in the Party Wall or alter or change the Party Wall in any manner that affects the use, condition, or appearance of the Party Wall to the adjoining Lot. The Party Wall shall always remain in the same location as when erected unless otherwise approved by the Owner of each Lot sharing the Party Wall and the ACC.

2.17.5 Dispute Resolution. In the event of any dispute arising concerning a Party Wall, or under the provisions of this Section (the **"Dispute"),** the parties shall submit the Dispute to mediation. Should the parties be unable to agree on a mediator within ten (10) days after written request therefore by the Board, the Board shall appoint a mediator. If the Dispute is not resolved by mediation, the Dispute shall be resolved by binding arbitration. Either party may initiate the arbitration. Should the parties be unable to agree on an arbitrator within ten (10) days after written request therefore by the Board, the Board shall appoint an arbitrator. The decision of the arbitrator shall be binding upon the parties and shall be in lieu of any right of legal action that either party may have against the other. In the event an Owner fails to properly and on a timely basis (both standards to be determined by the Board in the Board's sole and absolute discretion) implement the decision of the mediator or arbitrator, as applicable, the Board may implement said mediator's or arbitrator's decision, as applicable. If the Board implements the mediator's or arbitrator's decision on behalf of an Owner, the Owner otherwise responsible therefor shall be personally liable to the Association for all costs and expenses incurred by the Association in conjunction therewith. If such Owner fails to pay such costs and expenses upon demand by the Association, such costs and expenses (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, at the rate of one and one-half percent (1-1/2%) per month) shall be assessed against and chargeable to the Owner's Lot(s). Any such amounts assessed and chargeable against a Lot hereunder shall be secured by the liens reserved in this Declaration for Assessments and may be collected by any means provided herein for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s).

2.18 Playscapes and Sports Courts. Playscapes and sport courts are permissible at the sole discretion of the ACC. If allowed, these facilities shall be properly sited and screened so as to minimize the

visual and audio impact of the facility on adjacent properties. Sport courts may not be lighted or enclosed with netting. No sport court equipment authorized by this Section shall exceed twelve (12) feet in height. Tennis courts are not permitted.

2.19 Water Quality Facilities, Drainage Facilities and Drainage Ponds. The Property may include, now or in the future, one or more water quality facilities, sedimentation, drainage and detention facilities, or ponds which serve all or a portion of the Property and are inspected, maintained and administered by the Association in accordance with all Applicable Law. Access to these facilities and ponds is limited to persons engaged by the Association or its agents to periodically maintain such facilities. Each Owner is advised that the water quality facilities, sedimentation, drainage and detention facilities and ponds are an active utility feature integral to the proper operation of the Property and may periodically hold standing water. Each Owner is advised that entry into the water quality facilities, sedimentation, drainage and detention facilities or ponds may result in injury and is a violation of the Rules and Regulations.

2.20 Cell Tower and Telecommunications Equipment. Telecommunications, cellular, video and digital equipment, including without limitation, broadcast antennae and related equipment, cell towers, cell tower equipment, or other wireless communication antennae and related equipment, cable or satellite television equipment and equipment for high-speed internet access (collectively, the **"CTT Equipment")** may be located on or near the Property or may be constructed on or near the Property. As more particularly described in Section 11.9 of this Declaration, Declarant has reserved the right, for the benefit of itself and its assigns, to construct, install, use, maintain, repair, replace, improve, remove, and operate CTT Equipment upon all or any portion of the Common Area. Parties other than the Declarant or its assigns may also have easements for the construction, installation, use, maintenance, repair, replacement, improvement, removal and operation of CTT Equipment.

2.21 Swimming Pools. Any swimming pool constructed on a Lot shall be enclosed with a fence or other enclosure device completely surrounding the swimming pool which, at a minimum, satisfies all Applicable Law and be approved in advance by the ACC. Nothing in this Section 2.21 is intended or shall be construed to limit or affect an Owner's obligation to comply with any Applicable Law concerning swimming pool enclosure requirements. Unless otherwise approved in advance by the ACC, above-ground or temporary swimming pools are not permitted on a Lot. Pool equipment shall be screened in accordance with the Design Guidelines and Development Agreement.

2.22 Retaining Walls. Notwithstanding any provision in this Declaration to the contrary, the Association shall be obligated to maintain, repair, and replace the Retaining Walls (defined below) within the Property. For the purposes of this Section 2.22, **"Retaining Walls"** means walls constructed by Declarant or Declarant's designee for the purpose of adjusting the grade or elevation on or between Lots or other portions of the Property in order to construct one or more Residences, but excluding Improvements appurtenant to such Residence(s) that are constructed after initial construction of the Residence(s) (e.g., swimming pools and patios). Declarant reserves for the Association and the Association's agents and contractors, a non-exclusive easement over and across the Property for the maintenance, repair and replacement of the Retaining Walls. The Association and the Association's agents and contractors shall have the right to enter onto any portion of the Property, including any Lot, as reasonably necessary or convenient to maintain, repair, and replace the Retaining Walls; provided, however, the exercise of the easement reserved herein shall not permit entry into any Residence. The costs incurred or anticipated to be incurred by the Association to maintain, repair, and replace the Retaining Walls shall be collected through the levy of Regular Assessments. The Association shall not be liable to any Owner or Resident, for any damage or injury caused in whole or in part by the Association's failure to discharge its maintenance responsibilities under this Section 2.22.

2.23 Solar Energy Device. Solar Energy Devices may be installed with the advance written approval of the ACC in accordance with the procedures set forth below.

2.23.1 Application. To obtain ACC approval of a Solar Energy Device, the Owner shall provide the ACC with the following information: (i) the proposed installation location of the Solar Energy Device; and (ii) a description of the Solar Energy Device, including the dimensions, manufacturer, and photograph or other accurate depiction (the **"Solar Application"**). A Solar Application may only be submitted by an Owner. The Solar Application shall be submitted in accordance with the provisions of Article 9 of the Declaration.

2.23.2 Approval Process. The ACC shall review the Solar Application in accordance with the terms and provisions of Article 9 of the Declaration. The ACC shall approve a Solar Energy Device if the Solar Application complies with Section 2.23.3 below unless the ACC makes a written determination that placement of the Solar Energy Device, despite compliance with Section 2.23.3, shall create a condition that substantially interferes with the use and enjoyment of the property within the Property by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. The ACC's right to make a written determination in accordance with the foregoing sentence is negated if all Owners of Lots immediately adjacent to the Owner/applicant provide written approval of the proposed placement. Any proposal to install a Solar Energy Device on property owned or maintained by the Association or property owned in common by Members of the Association shall be approved in advance and in writing by the Board, and the Board need not adhere to this Section when considering any such request.

2.23.3 Approval Conditions. Unless otherwise approved in advance and in writing by the ACC, each Solar Application and each Solar Energy Device to be installed in accordance therewith shall comply with the following:

(i) The Solar Energy Device shall be located on the roof of the Residence located on the Owner's Lot, entirely within a fenced area of the Owner's Lot, or entirely within a fenced patio located on the Owner's Lot. If the Solar Energy Device shall be located on the roof of the Residence, the ACC may designate the location for placement unless the location proposed by the Owner increases the estimated annual energy production of the Solar Energy Device, as determined by using a publicly available modeling tool provided by the National Renewable Energy Laboratory, by more than ten percent (10%) above the energy production of the Solar Energy Device if installed in the location designated by the ACC. If the Owner desires to contest the alternate location proposed by the ACC, the Owner should submit information to the ACC which demonstrates that the Owner's proposed location meets the foregoing criteria. If the Solar Energy Device shall be located in the fenced area of the Owner's Lot or patio, no portion of the Solar Energy Device may extend above the fence line.

(ii) If the Solar Energy Device is mounted on the roof of the principal Residence located on the Owner's Lot, then: (a) the Solar Energy Device may not extend higher than or beyond the roofline; (b) the Solar Energy Device shall conform to the slope of the roof and the top edge of the Solar Device shall be parallel to the roofline; and (c) the frame, support brackets, or visible piping or wiring associated with the Solar Energy Device shall be silver, bronze or black.

2.24 Rainwater Harvesting Systems. Rainwater Harvesting Systems may be installed with the advance written approval of the ACC.

2.24.1 Application. To obtain ACC approval of a Rainwater Harvesting System, the Owner shall provide the ACC with the following information: (i) the proposed installation location of the Rainwater Harvesting System; and (ii) a description of the Rainwater Harvesting System, including the color, dimensions, manufacturer, and photograph or other accurate depiction (the **"Rain System Application"**). A Rain System Application may only be submitted by an Owner unless the Owner's Resident provides written confirmation at the time of submission that the Owner consents to the Rain System Application.

2.24.2 Approval Process. The decision of the ACC shall be made in accordance with Article 9 of this Declaration. Any proposal to install a Rainwater Harvesting System on property owned by the Association or property owned in common by Members of the Association shall be approved in advance and in writing by the Board, and the Board need not adhere to this Section when considering any such request.

2.24.3 Approval Conditions. Unless otherwise approved in advance and in writing by the ACC, each Rain System Application and each Rainwater Harvesting System to be installed in accordance therewith shall comply with the following:

(i) The Rainwater Harvesting System shall be consistent with the color scheme of the Residences, as reasonably determined by the ACC.

(ii) The Rainwater Harvesting System does not include any language or other content that is not typically displayed on such a device.

(iii) The Rainwater Harvesting System is in no event located between the front of the Residence constructed on the Owner's Lot and any adjoining or adjacent street.

(iv) There is sufficient area on the Owner's Lot to install the Rainwater Harvesting System, as reasonably determined by the ACC.

2.24.4 Guidelines. If the Rainwater Harvesting System shall be installed on or within the side yard of a Lot, or would otherwise be visible from a street, Common Area, or another Owner's Lot, the ACC may regulate the size, type, shielding of, and materials used in the construction of the Rainwater Harvesting System. Accordingly, when submitting a Rain System Application, the application should describe methods proposed by the Owner to shield the Rainwater Harvesting System from the view of any street, Common Area, or another Owner's Lot. When reviewing a Rain System Application for a Rainwater Harvesting System that shall be installed on or within the side yard of a Lot, or would otherwise be visible from a street, Common Area, or another Owner's Lot, any additional regulations imposed by the ACC to regulate the size, type, shielding of, and materials used in the construction of the Rainwater Harvesting System, may not prohibit the economic installation of the Rainwater Harvesting System, as reasonably determined by the ACC.

2.25 Reserved.

2.26 Decorations. No decorative appurtenances such as sculptures, birdbaths and birdhouses, fountains or other decorative embellishments shall be placed on the front lawn of a Residence or on the visible side or rear yard of a Residence unless such items have been approved in writing by the ACC and are in compliance with any applicable Dedicatory Instruments. Notwithstanding the foregoing, customary seasonal decorations for national holidays are permitted for a maximum of thirty (30) days (or sixty (60) days for Christmas), subject to the right of the Board to specify other guidelines for decorations.

ARTICLE 3
CONSTRUCTION RESTRICTIONS

3.1 Construction of Improvements. Unless prosecuted by the Declarant, no Residences or Improvements of any kind (including, but not limited to, landscaping, grading, or excavation) may hereafter be implemented, placed, maintained, erected or constructed upon any portion of the Property unless approved in advance and in writing by the ACC in accordance with this Declaration. Pursuant to Section 9.1.3 of this Declaration, the Declarant may adopt Design Guidelines applicable to the Property. If adopted, all Residences and Improvements (including, but not limited to, landscaping, grading, or excavation) shall strictly comply with the requirements of the Design Guidelines unless a variance is obtained pursuant to this Declaration. The Design Guidelines may be supplemented, modified, amended, or restated by the Declarant as authorized by this Declaration.

3.1.2 Residences and Improvements.

a. *Aesthetic Compatibility.* All Residences and Improvements on a Lot shall be aesthetically compatible with the Property, as determined by the ACC.

b. [Reserved].

c. *Location on Lot.* Each Residence shall face the front Lot line.

e. *Traffic Sight Lines.* No landscaping that obstructs traffic sight lines may be placed on any Lot.

f. *Color Changes.* No change to the color of the exterior walls, trim, or roof of a Residence shall be permitted, unless otherwise approved by the ACC.

g. *Mailboxes and Lot Identification.* Unless provisions are otherwise made by the Declarant for the installation of individual mailboxes for the Property, or a portion of thereof, cluster boxes shall be installed at various locations within the Property in accordance with U.S. Postal Service requirements and no Owner served by a cluster mailbox shall install an individual mailbox for his Residence. Lot address numbers and name identification shall be aesthetically compatible with the Property, as may be determined by the ACC.

3.1.3 Development Agreement Construction Standards. The Development Agreement imposes certain requirements associated with the development of the Property, including, but not limited to, residential construction standards as described in Exhibit I of the Development Agreement and the construction

standards in Section 3.02 of the Development Agreement. This Declaration and the Dedicatory Instruments are not intended to conflict or supersede the requirements of the Development Agreement and "Development Documents" (as that term is defined in the Development Agreement). However, the development restrictions imposed by this Declaration, any Design Guidelines, and the Dedicatory Instruments are intended to be in addition to those imposed by the Development Agreement and Development Documents while such are in full force and effect. All such documents shall be read in concert, and, generally, the terms and provisions of this Declaration, any Design Guidelines, and Dedicatory Instruments are enforceable to the extent they do not violate the Development Agreement and Development Documents while such are in full force and effect. Notwithstanding the preceding sentence, all reasonable effort shall be made to reconcile their respective provisions in the event of a direct conflict by applying the most stringent provision, where possible without violating the Development Agreement and Development Documents while such are in full force and effect.

3.2 Utility Lines. Unless otherwise approved by the ACC, no sewer, drainage or utility lines or wires or other devices for the communication or transmission of electric current, power, or signals including telephone, television, microwave or radio signals, may be constructed, placed or maintained anywhere in or upon any portion of the Property other than within buildings or structures unless the same is contained in conduits or cables constructed, placed or maintained underground, concealed in or under buildings or other structures.

3.3 Garages. All garages, carports and other open automobile storage units shall be approved in advance of construction by the ACC. No garage may be permanently enclosed or otherwise used for habitation. Magnetic garage door screens or any other screens installed or affixed to the garage is strictly prohibited. Additional garage requirements for each Residence may be set forth in the Design Guidelines, if adopted.

3.4 Fences, Walls, and Hedges. No fence, wall, or hedge on a Lot may be located forward of the front wall line of the Residence, except as approved by the ACC. No fence may be constructed on the Property without the prior written consent of the ACC. If adopted, all fences shall strictly comply with the requirements of the Design Guidelines unless a variance is obtained pursuant to this Declaration. The fencing requirements for each Residence constructed on a Lot may be set forth in the Design Guidelines, if adopted.

3.5 Driveways and Sidewalks. All driveways and sidewalks shall be surfaced with concrete, unless otherwise approved by the ACC. Driveways and sidewalks may not be surfaced with dirt, gravel, shell, or crushed rock. The design, construction material, and location of: (i) all driveways, and (ii) culverts incorporated into driveways for ditch or drainage crossings, shall be approved by the ACC. Each Owner shall be responsible, at such Owner's sole cost and expense, for properly and on a timely basis (both standards to be determined by the Board in the Board's sole and absolute discretion) maintaining and repairing the driveway on such Owner's Lot.

3.6 Roofing. All roofing material shall be approved in advance of construction by the ACC. In addition, roofs of buildings may be constructed with "Energy Efficient Roofing" with the advance written approval of the ACC. For the purpose of this Section, **"Energy Efficient Roofing"** means shingles that are designed primarily to: (a) be wind and hail resistant; (b) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or (c) provide solar generation capabilities.

The ACC shall not prohibit an Owner from installing Energy Efficient Roofing provided that the Energy Efficient Roofing shingles: (i) resemble the shingles used or otherwise authorized for use within the Property; (ii) are more durable than, and are of equal or superior quality to, the shingles used or otherwise authorized for use within the community; and (iii) match the aesthetics of adjacent property. Acceptable roof materials are described in the Design Guidelines and Development Agreement.

An Owner who desires to install Energy Efficient Roofing shall be required to comply with the architectural review and approval procedures set forth in the Dedicatory Instruments.

In conjunction with any such approval process, the Owner should submit information which shall enable the ACC to confirm the criteria set forth in this Section. Any other type of roofing material shall be permitted only with the advance written approval of the ACC.

3.7 HVAC Location. No air-conditioning apparatus may be installed on the ground in front of a Residence or on the roof of any Residence. No window air-conditioning apparatus or evaporative cooler may be attached to a Residence. All HVAC units shall otherwise be located on a Lot in a manner approved in advance by the ACC, or as otherwise set forth in the Design Guidelines. Screening shall be in accordance with the Design Guidelines and Development Agreement.

3.8 Drainage. There shall be no interference with the established drainage patterns over any of the Property, including the Lots, except by Declarant, unless adequate provision is made for proper drainage and such provision is approved in advance by the ACC. Specifically, and not by way of limitation, no Residence or Improvement, including landscaping, may be installed which impedes the proper drainage of water between Lots.

3.9 Construction Activities. The Dedicatory Instruments shall not be construed or applied so as to unreasonably interfere with or prevent normal construction activities during the construction of Residences or Improvements by the Declarant or a Homebuilder upon or within the Property. Specifically, no such construction activities shall be deemed to constitute a nuisance or a violation of the Dedicatory Instruments by reason of noise, dust, presence of vehicles or construction machinery, posting of signs or similar activities, provided that such construction is pursued to completion with reasonable diligence and conforms to usual construction practices in the area. If during the course of construction upon any Lot there is excessive accumulation of debris of any kind which would render the Lot or any portion thereof unsanitary, unsightly, offensive, or detrimental to it or any other portion of the Property, then the ACC may contract for or cause such debris to be removed, and the Owner of the Lot shall be liable for all reasonable expenses incurred in connection therewith.

ARTICLE 4

STREET LANDSCAPE

4.1 Owner's Obligation to Maintain Street Landscape. Each Owner shall be responsible, at such Owner's sole cost and expense, for maintaining mowing, replacing, pruning, and irrigating the landscaping between the boundary of such Owner's Lot and the edge of the pavement of any adjacent right-of-way, street, alley, or Common Area (the **"ST Landscape Area"**) unless the responsibility for maintaining the ST Landscape Area or any portion thereof has been assumed by the Association, in the Board's sole discretion, in a Recorded written instrument identifying all or any portion of the ST Landscape Area to be maintained (the "**Association Landscape Area"**). If the Association assumes such responsibility as set forth herein, Owner may neither perform any maintenance in the Association Landscape Area nor construct any Residences or Improvements therein. Otherwise specifically, and not by way of limitation, each Owner, at such Owner's sole cost and expense, shall be required to maintain, irrigate and replace any trees located within the ST Landscape Area. No landscaping, including trees, may be removed from or installed within the ST Landscape Area without the advance written consent of the Board. In the event an Owner fails to properly and on a timely basis (both standards to be determined by the Board in the Board's sole and absolute discretion) mow, replace, prune, and/or irrigate any landscaping, including trees, in such Owner's ST Landscape Area, such failure shall constitute a violation of the Dedicatory Instruments and the Board may cause such landscaping, including trees, to be mowed, replaced, pruned and/or irrigated in a manner determined by the Board, in its sole and absolute discretion. If the Board causes such landscaping, including trees, to be mowed, replaced, pruned and irrigated, the Owner otherwise responsible therefor shall be personally liable to the Association for all costs and expenses incurred by the Association for effecting such work. If such Owner fails to pay such costs and expenses upon demand by the Association, such costs and expenses (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, at the rate of one and one-half percent (1½%) per month) shall be assessed against and chargeable to the Owner's Lot(s). Any such amounts assessed and chargeable against a Lot hereunder shall be secured by the liens reserved herein for Assessments and may be collected by any means provided herein for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s). **EACH OWNER AND RESIDENT SHALL INDEMNIFY AND HOLD HARMLESS THE ASSOCIATION AND ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION INCLUDING ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" AS USED HEREIN DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.**

ARTICLE 5

COMPLIANCE; LIABILITY; RELEASE

5.1 **Compliance with Restrictions.** Each Owner, his or her family, Residents of a Lot, Residents, and the guests, invitees, and licensees of the preceding shall comply strictly with the provisions of the Dedicatory Instruments as the same may be amended from time to time. Failure to comply with any of the Dedicatory Instruments shall constitute a violation of the Dedicatory Instruments and may result in a fine against the Owner in accordance with Section 8.11 of this Declaration, and shall give rise to a cause of action to recover sums due for damages or injunctive relief, or both, maintainable by the Declarant, the Board on behalf of the Association, the ACC, or by an aggrieved Owner. The result of every act or omission that violates any provision of the Dedicatory Instruments is a nuisance, and any remedy allowed by law against a nuisance, either public or private, is applicable against the violation. Without limiting any rights or powers of the Association, the Board may (but shall not be obligated to) remedy or attempt to remedy any violation of any of the provisions of the Dedicatory Instruments, and the Owner whose violation has been so remedied shall be personally liable to the Association for all costs and expenses of effecting (or attempting to effect) such remedy. If such Owner fails to pay such costs and expenses upon demand by the Association, such costs and expenses (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, at the rate of one and one-half percent (1-1/2%) per month) shall be assessed against and chargeable to the Owner's Lot(s). Any such amounts assessed and chargeable against a Lot shall be secured by the liens reserved in this Declaration for Assessments and may be collected by any means provided in this Declaration for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s). **EACH SUCH OWNER SHALL RELEASE AND HOLD HARMLESS THE ASSOCIATION AND ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION (INCLUDING ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" AS USED HEREIN DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.**

5.2 **Liability of Owners for Damage to Common Area.** No Owner shall in any way alter, modify, add to or otherwise perform any work upon the Common Area without the prior written approval of the Board and the Declarant during the Development Period. Each Owner shall be liable to the Association for any and all damages to: (i) the Common Area and any Improvements constructed thereon; or (ii) any Residences or Improvements constructed on any Lot, the maintenance of which has been assumed by the Association, which damages were caused by the neglect, misuse or negligence of such Owner or Owner's family, or by any tenant or other Resident of such Owner's Lot, or any guest or invitee of such Owner or Resident. The full cost of all repairs of such damage shall be an Individual Assessment against such Owner's Lot, secured by a lien against such Owner's Lot and collectable in the same manner as provided in Section 8.10 of this Declaration.

5.3 **Release. EACH OWNER HEREBY RELEASES AND HOLDS HARMLESS THE ASSOCIATION, DECLARANT, THE ACC AND THEIR AFFILIATES, OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF SUCH OWNER'S USE OF ANY COMMON AREA.**

Neither the Association nor Declarant shall assume any responsibility or liability for any personal injury or property damage which is occasioned by use of any Common Area, and in no circumstance shall words or actions by the Association or Declarant constitute an implied or express representation or warranty regarding the fitness or condition of any Common Area.

ARTICLE 6
FLAT CREEK CASTROVILLE PROPERTY OWNERS' ASSOCIATION

6.1 Organization. The Association is a nonprofit corporation created for the purposes, charged with the duties, and vested with the powers of a Texas non-profit corporation and a property owners' association, established and governed by the Certificate, the Declaration, the Bylaws, and any other applicable Dedicatory Instruments. Neither the Certificate nor Bylaws shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration (unless amended or changed by Declarant during the Development Period). Unless expressly provided in the Dedicatory Instruments, the Association acts through a Majority of the Board. Certain acts and activities of the Association and the Board shall be approved by the Declarant during the Development Period. If Declarant approval is required, Declarant's approval shall be evidenced in writing.

6.2 Mandatory Membership. Any person or entity, upon becoming an Owner, shall automatically become a Member of the Association. Membership shall be appurtenant to and shall run with the ownership of the Lot that qualifies the Owner thereof for membership, and membership may not be severed from the ownership of the Lot, or in any way transferred, pledged, mortgaged or alienated, except together with the title to such Lot. Within thirty (30) days after acquiring legal title to a Lot, if requested by the Board, an Owner shall provide the Association with: (i) a copy of the Recorded deed by which the Owner has acquired title; (ii) the Owner's address, email address, phone number, and driver's license number, if any; (iii) any Mortgagee's name and address; and (iv) the name, phone number, and email address of any Resident other than the Owner.

6.3 Governance. Subject to the Development Period and the Bylaws, the Board shall consist of at least three (3) persons elected at the annual meeting of the Association, or at a special meeting called for such purpose.

6.4 Voting Allocation. The number of votes which may be cast to elect directors of the Board (except as provided by Section 6.3) and on all other matters the Board and Members may vote on shall be calculated as set forth in the Bylaws.

6.5 Powers. The Association shall have the powers of a Texas nonprofit corporation. Subject to the Development Period, the Association shall have the power to do and perform any and all acts that may be necessary or proper, for or incidental to, the exercise of any of the express powers granted to it by Applicable Law or this Declaration. Without in any way limiting the generality of the two preceding sentences, the Board, acting on behalf of the Association, shall have the following powers at all times:

6.5.1 Rules and Regulations, Bylaws, and Community Manual. To make, establish and promulgate, and in its discretion to amend from time to time, or repeal and re-enact, such rules, regulations, policies, Bylaws, and Community Manual not in conflict with this Declaration (and applicable Dedicatory Instruments), as the Board deems proper, covering any and all aspects of the Property or the Common Area (including the operation, maintenance and preservation thereof) or the Association. Any Rules and Regulations, policies, Bylaws, and Community Manual and any modifications thereto proposed by the Board shall be approved in advance and in writing by the Declarant until expiration or termination of the Development Period.

6.5.2 Insurance. To obtain and maintain in effect, policies of insurance that, in the opinion of the Board, are reasonably necessary or appropriate to carry out the Association's functions.

6.5.3 Records. To keep books and records of the Association's affairs, and to make such books and records, together with current copies of the Dedicatory Instruments available for inspection by the Owners, Mortgagees, and insurers or guarantors of any Mortgage upon written request during normal business hours. The Board shall adopt policies regarding records retention and records production and copying.

6.5.4 Assessments. To levy and collect Assessments, as provided in Article 8 below.

6.5.5 Right of Entry and Enforcement. The Association may enter at any time without notice in an emergency (or in the case of a non-emergency, after twenty-four (24) hours written notice), without being liable to any Owner or Resident, upon any Lot and into any Improvement thereon for the purpose of enforcing the Dedicatory Instruments or for the purpose of maintaining or repairing any area, Improvement or other facility or removing any item to conform to the Dedicatory Instruments. The expense incurred by the Association in connection with the entry upon any Lot and the removal or maintenance and repair work conducted therefrom, thereon or therein shall be a personal obligation of the Owner so entered, shall be deemed an Individual Assessment against such Lot, shall be secured by a lien upon such Lot, and shall be enforced in the same manner and to the same extent as provided in Article 8 hereof for Assessments. The Association shall have the power and authority from time to time, in its own name and on its own behalf, or in the name of and on behalf of any Owner who consents thereto, to commence and maintain actions and suits to enforce, by mandatory injunction or otherwise, or to restrain and enjoin, any breach or threatened breach of the Dedicatory Instruments. The Association is also authorized to settle claims, enforce liens and take all such action as it may deem necessary or expedient to enforce the Dedicatory Instruments; provided, however, that the Board shall never be authorized to expend any Association funds for the purpose of bringing suit against Declarant, or its successors or assigns. The Association may not alter or demolish any Improvements on any Lot other than Common Area in enforcing these Dedicatory Instruments before a judicial order authorizing such action has been obtained by the Association, or before the written consent

of the Owner(s) has been obtained. **EACH SUCH OWNER AND RESIDENT SHALL RELEASE AND HOLD HARMLESS THE ASSOCIATION, ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION (INCLUDING ANY COST, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.**

6.5.6 Legal and Accounting Services. To retain and pay for legal and accounting services necessary or proper in the operation of the Association.

6.5.7 Conveyances. To grant and convey to any person or entity the real property and/or other interest, including fee title, leasehold estates, easements, rights-of-way or mortgages, out of, in, on, over, or under any Common Area for the purpose of constructing, erecting, operating or maintaining the following:

(i) Parks, parkways or other recreational facilities or structures;

(ii) Roads, streets, sidewalks, signs, street lights, walks, driveways, trails and paths;

(iii) Lines, cables, wires, conduits, pipelines or other devices for utility purposes;

(iv) Sewers, water systems, storm water drainage systems, sprinkler systems and pipelines; and/or

(v) Any similar Improvements or facilities.

Nothing set forth above, however, shall be construed to permit use or occupancy of any Improvement or other facility in a way that would violate applicable use and occupancy restrictions imposed by the Dedicatory Instruments or by Applicable Law. In addition, until expiration or termination of the Development Period, any grant or conveyance under this Section shall be approved in advance and in writing by the Declarant.

6.5.8 Manager. To retain and pay for the services of a person or firm (the **"Manager"**), which may include Declarant or any affiliate of Declarant, to manage and operate the Association, including its property, to the extent deemed advisable by the Board. Personnel may be employed directly by the Association or may be furnished by the Manager. To the extent permitted by Applicable Law, the Board may delegate any other duties, powers, and functions to the Manager. In

addition, the Board may adopt transfer fees, resale certificate fees, or any other fees associated with the provision of management services to the Association or its Members.

THE MEMBERS HEREBY RELEASE THE ASSOCIATION AND THE MEMBERS OF THE BOARD AND COMMITTEE MEMBERS FROM LIABILITY FOR ANY OMISSION OR IMPROPER EXERCISE BY THE MANAGER OF ANY SUCH DUTY, POWER OR FUNCTION SO DELEGATED.

6.5.9 Property Services. To pay for water, sewer, garbage removal, streetlights, landscaping, gardening and all other utilities, services, repair and maintenance for any portion of the Property, Common Area, private or public recreational facilities, easements, roads, roadways, rights-of-ways, signs, parks, parkways, median strips, sidewalks, paths, trails, ponds, canals, and lakes.

6.5.10 Other Services and Properties. To obtain and pay for any other property and services, and to pay any other taxes or assessments that the Association or the Board is required or permitted to secure or to pay for pursuant to Applicable Law or under the terms of the Dedicatory Instruments or as determined by the Board.

6.5.11 Construction on Common Area. To construct new Improvements or additions to any property owned, leased, or licensed by the Association, subject to the approval of the Board (and the Declarant until expiration or termination of the Development Period).

6.5.12 Contracts. To enter into Bulk Rate Contracts or other contracts or licenses with Declarant or any third party on such terms and provisions as the Board may determine, to operate and maintain any Common Area or other property, or to provide any service, including but not limited to cable, utility, or telecommunication services, or perform any function on behalf of Declarant, the Board, the Association, or the Members. During the Development Period, all Bulk Rate Contracts shall be approved in advance and in writing by the Declarant.

6.5.13 Property Ownership. To acquire, own and dispose of all manner of real and personal property, including habitat, whether by grant, lease, easement, gift or otherwise. During the Development Period, all acquisitions and dispositions of the Association hereunder shall be approved in advance and in writing by the Declarant.

6.5.14 Allocation of Votes. To determine votes when permitted pursuant to this Article.

6.5.15 Membership Privileges. To establish Rules and Regulations governing and limiting the use of the Common Area and any Improvements thereon.

6.6 Conveyance of Common Area to the Association. The Association may acquire, hold, and dispose of any interest in tangible and intangible personal property and real property. Declarant and its assignees reserve the right, from time to time and at any time, to designate, convey, assign, or transfer by written and Recorded instrument portions of the Property being held by the Declarant for the benefit of the Association, in the sole and absolute discretion of the Declarant. Upon the Recording of such designation,

the portion of the Property identified therein shall be considered Common Area for the purpose of this Declaration and the Association shall have an easement over and across the Common Area as necessary or required to discharge the Association's obligations under this Declaration, subject to any terms and limitations to such easement set forth in the designation. Declarant and its assignees may also assign, transfer or convey to the Association interests in real or personal property within or for the benefit of the Property, for the Property and the general public, or otherwise, as determined in the sole and absolute discretion of the Declarant. All or any real or personal property assigned, transferred and/or conveyed by the Declarant to the Association shall be deemed accepted by the Association upon Recordation, and without further action by the Association, and shall be considered Common Area without regard to whether such real or personal property is designated by the Declarant as Common Area. If requested by the Declarant, the Association shall execute a written instrument, in a form requested by the Declarant, evidencing acceptance of such real or personal property; provided, however, execution of a written consent by the Association shall in no event be a precondition to acceptance by the Association. The assignment, transfer, and/or conveyance of real or personal property to the Association may be by deed without warranty, may reserve easements in favor of the Declarant or a third party designated by Declarant over and across such property, and may include such other provisions, including restrictions on use, determined by the Declarant, in the Declarant's sole and absolute discretion. Property assigned, transferred, and/or conveyed to the Association may be improved or unimproved and may consist of fee simple title, easements, leases, licenses, or other real or personal property interests. Upon Declarant's written request, the Association shall re-convey to Declarant any unimproved real property that Declarant originally conveyed to the Association for no payment. Declarant and/or its assignees may construct and maintain upon portions of the Common Area such facilities and may conduct such activities which, in Declarant's sole opinion, may be required, convenient, or incidental to the construction or sale of Residences and Improvements on the Property, including, but not limited to, business offices, signs, model homes, and sales offices. Declarant and its assignees shall have an easement over and across the Common Area for access and shall have the right to use such facilities and to conduct such activities at no charge.

6.7 Indemnification. To the fullest extent permitted by Applicable Law but without duplication (and subject to) any rights or benefits arising under the Certificate or Bylaws of the Association, the Association shall indemnify any person who was, or is, a party, or is threatened to be made a party to any threatened pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that such person is, or was, a director, officer, committee member, employee, servant or agent of the Association against expenses, including attorneys' fees, reasonably incurred by such person in connection with such action, suit or proceeding if it is found and determined by the Board or a court of competent jurisdiction that he or she: (i) acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association; or (ii) with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by settlement, or upon a plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that the person did not act in good faith or in a manner which was reasonably believed to be in, or not opposed to, the best interests of the Association or, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

6.8 Insurance. The Board may purchase and cause to be maintained, at the expense of the Association, insurance on behalf of any person who is acting as a director, officer, committee member, employee, servant or agent of the Association against any liability asserted against or incurred by such person in their capacity as a director, officer, committee member, employee, servant or agent of the Association, or arising out of such person's status as such, whether or not the Association would have the power to indemnify such person against such liability or otherwise.

6.9 Bulk Rate Contracts. Without limitation on the generality of the Association powers set out hereinabove (except that during the Development Period, all Bulk Rate Contracts shall be approved in advance and in writing by the Declarant), the Association shall have the power to enter into Bulk Rate Contracts at any time and from time to time. The Association may enter into Bulk Rate Contracts with any service providers chosen by the Board (including Declarant, and/or any entities in which Declarant, or the owners or partners of Declarant are owners or participants, directly or indirectly). The Bulk Rate Contracts may be entered into on such terms and provisions as the Board may determine in its sole and absolute discretion. The Association may, at its option and election, add the charges payable by such Owner under such Bulk Rate Contract to the Assessments against such Owner's Lot. In this regard, it is agreed and understood that, if any Owner fails to pay any charges due by such Owner under the terms of any Bulk Rate Contract, then the Association shall be entitled to collect such charges by exercising the same rights and remedies it would be entitled to exercise under this Declaration with respect to the failure by such Owner to pay Assessments, including without limitation the right to foreclose the lien against such Owner's Lot which is reserved under the terms and provisions of this Declaration. In addition, in the event of nonpayment by any Owner of any charges due under any Bulk Rate Contract and after the lapse of at least twelve (12) days since such charges were due, the Association may, upon five (5) days' prior written notice to such Owner (which may run concurrently with such twelve (12) day period), in addition to all other rights and remedies available pursuant to Applicable Law, terminate, in such manner as the Board deems appropriate, any utility service or other service provided at the cost of the Association and not paid for by such Owner (or the Resident of such Owner's Lot) directly to the applicable service or utility provider. Such notice shall consist of a separate mailing or hand delivery at least five (5) days prior to a stated date of termination, with the title "termination notice" or similar language prominently displayed on the notice. The notice shall include the office or street address where the Owner (or the Resident of such Owner's Lot) can make arrangements for payment of the bill and for re-connection or re-institution of service. No utility or cable television service shall be disconnected on a day, or immediately preceding a day, when personnel are not available for the purpose of collection and reconnecting such services.

6.10 Community Services and Systems. The Declarant, or a designee of the Declarant, is specifically authorized, but not required, to install, provide, maintain or furnish, or to enter into contracts with other persons to install, provide, maintain or furnish, central telecommunication receiving and distribution systems (e.g., cable television, high speed data/Internet/intranet services, and security monitoring) and utility services (e.g., electricity, solar, gas, water), and related components, including associated infrastructure, equipment, hardware, and software to serve all or any portion of the Property (**"Community Services and Systems"**). The Community Services and Systems may be located on Common Area and on or in any Improvements constructed upon the Common Area, and an easement is herein reserved in favor of Declarant or its designee for the purpose of installing, operating, managing, maintaining, upgrading and modifying the Community Services and Systems. In the event the Declarant, or a designee of the Declarant, elects to provide any of the Community Services and Systems to all or any

portion of the Property, the Declarant or designee of the Declarant, may enter into an agreement with the Association with respect to such services. In the event Declarant, or any designee of the Declarant, enters into a contract with a third party for the provision of any Community Services and Systems to serve all or any portion of the Property, the Declarant or the designee of the Declarant may assign any or all of the rights or obligations of the Declarant or the designee of the Declarant under the contract to the Association or any individual or entity. Any such contracts may provide for installation, operation, management, maintenance, and upgrades or modifications to the Community Services and Systems as the Declarant or its designee determines appropriate. **Each Owner acknowledges that interruptions in Community Services and Systems shall occur from time to time. The Declarant and the Association, or any of their respective affiliates, directors, officers, employees and agents, or any of their successors or assigns shall not be liable for, and no Community Services and Systems user shall be entitled to refund, rebate, discount, or offset in applicable fees for, any interruption in Community Services and Systems and services, regardless of whether or not such interruption is caused by reasons within the service provider's control.**

6.11 Protection of Declarant's Interests. Despite any assumption of control of the Board by Owners other than Declarant, until the expiration or termination of the Development Period, the Board is prohibited from taking any action which would discriminate against Declarant, or which would be detrimental to the sale of Lots or any portion of the Property owned by Declarant. Declarant shall be entitled to determine, in its sole and absolute discretion, whether any such action discriminates or is detrimental to Declarant. Unless the Declarant agrees otherwise in advance and in writing, the Board shall be required to continue the same level and quality of maintenance, operations and services as that provided immediately prior to assumption of control of the Board by Owners other than Declarant until the expiration or termination of the Development Period.

6.12 Administration of Common Area. The administration of the Common Area by the Association shall be in accordance with the provisions of Applicable Law and the Dedicatory Instruments, and of any other agreements, documents, amendments or supplements to the foregoing which may be duly adopted or subsequently required by any institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans (including, for example, the Federal Home Loan Mortgage Corporation) designated by Declarant or by any governmental or quasi-governmental agency having regulatory jurisdiction over the Common Area or by any title insurance company selected by Declarant to insure title to any portion of the Common Area.

6.13 Right of Action by Association. The Association shall not have the power to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings: (i) in the name of or on behalf of any Owner (whether one or more); or (ii) pertaining to a Claim, as defined in Section 14.1 below, relating to the design or construction of Residences or Improvements on a Lot (whether one or more).

6.14 Maintenance Agreement with City. The Development Agreement (as well as the City's Code of Ordinances per Section 100-77 as of the date hereof) requires a Maintenance Agreement (as defined in the Development Agreement) between the Association and the City (among other requirements). The Association shall comply with its obligations under the Development Agreement and shall enter into the Maintenance Agreement in accordance therewith (and in accordance with City's Code of Ordinances

Section 100-77). The form of the Maintenance Agreement being Exhibit F attached to the Development Agreement.

In general, the Development Agreement provides:

> Upon Association creation, the Association shall enter into a Maintenance Agreement with the City, pursuant to which the Association shall agree to the MOA Maintenance Obligations (whose responsibility shall solely be the Association's, notwithstanding any ownership by the City of the improvements or real property upon which such maintenance is required to be performed). The Developer shall provide in the Association's organization documents that *the Association shall annually levy and collect fees from Owners that are, at a minimum and based on annual budget adopted by the Association prior to the beginning of its fiscal year, sufficient to satisfy the annual MOA Maintenance Obligations*. The Maintenance Agreement shall provide that the Association shall perform the MOA Maintenance Obligations in accordance with the applicable provisions of the Governing Regulations, subject to oversight and inspection by the City, and provide to the Association permission to perform the MOA Maintenance Obligations, as and to the extent reasonably necessary, on City-owned property. Upon reasonable request, the City shall have the right to inspect the financial reports, audits, and budget of the Association.

As used in this Section, the terms Governing Regulations, MOA, and MOA Maintenance Obligations shall have the meaning assigned to them by the Development Agreement.

ARTICLE 7

INSURANCE; RESTORATION; MECHANIC'S AND MATERIALMEN'S LIEN

7.1 Insurance. Each Owner shall be required to purchase and maintain commercially standard insurance on the Residences and all insurable Improvements located upon such Owner's Lot. The Association shall not be required to maintain insurance on the Residences or Improvements constructed upon any Lot. The Association's Board, or its duly authorized agent, shall obtain blanket all-risk casualty insurance for all insurable Improvements on the Common Area, or if blanket all-risk coverage is not reasonably available, an insurance policy providing fire and extended coverage. The Board may also obtain a public liability policy covering the Common Area, insuring the Association and its Members for all damages or injury caused by the negligence of the Association, its agents, the Members or Residents, in such amount as the Board deems appropriate. In addition to the other insurance discussed in herein, the Board may also obtain (i) worker's compensation insurance, and the Board shall obtain such insurance if and to the extent required by law, (ii) directors' and officers' liability coverage, and (iii) a fidelity bond or fidelity insurance on directors, officers, employees, and other Persons handling or responsible for the Association's funds. The Association may obtain any other insurance as it may deem necessary and in its discretion. Such insurance policies shall be in such amount or amounts as the Board deems appropriate. Insurance premiums for such policies described herein shall be a common expense to be included in the

Assessments levied by the Association. The acquisition of insurance by the Association shall be without prejudice to the right and obligation of any Owner to obtain additional individual insurance.

7.2 Restoration. In the event of any fire or other casualty, unless otherwise approved by the ACC, the Owner shall: (i) promptly repair, restore and replace any damaged or destroyed structures, Residence, or Improvements on their Lot to their same exterior condition existing prior to the damage or destruction thereof or (ii) in the case of substantial or total damage or destruction of any structure, Residence, or Improvement, remove all such damaged structures , Residence, or Improvements and debris from the Lot/Property within sixty (60) days after the occurrence of such damage. Such repair, restoration or replacement shall be commenced and completed in a good and workmanlike manner using exterior materials substantially similar to those originally used in the structures damaged or destroyed. To the extent that the Owner fails to commence such repair, restoration or replacement of substantial or total damage or destruction within one hundred and twenty (120) days after the occurrence of such damage or destruction, and thereafter prosecute the same to completion, or if the Owner does not clean up any debris resulting from any damage within sixty (60) days after the occurrence of such damage, the Association may commence, complete or effect such repair, restoration, replacement, removal or clean-up, and such Owner shall be personally liable to the Association for the cost of such work; provided, however, that if the Owner is prohibited or delayed under Applicable Law from commencing such repair, restoration, replacement or clean-up, the rights of the Association under this provision shall not arise until the expiration of thirty (30) days after such prohibition or delay is removed. If the Owner fails to pay such cost upon demand by the Association, the cost thereof (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, then at the rate of one and one-half percent (1½%) per month) shall be added to the Assessment chargeable to the Owner's Lot. Any such amounts added to the Assessments chargeable against a Lot shall be secured by the liens reserved in the Declaration for Assessments and may be collected by any means provided in this Declaration for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot. **EACH OWNER, BY ACCEPTING TITLE TO ALL OR ANY PORTION OF THE PROPERTY, HEREBY RELEASES AND HOLDS HARMLESS THE ASSOCIATION AND ITS OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION, EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR COST OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" AS USED HEREIN DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.**

7.3 Mechanic's and Materialmen's Lien. Each Owner whose structure, Residence, or Improvement is repaired, restored, replaced or cleaned up by the Association, pursuant to the rights granted under this Article, hereby grants to the Association an express mechanic's and materialmen's lien for the reasonable cost of such repair, restoration, replacement or clean up of the damaged or destroyed Residence or Improvement to the extent that the cost of such repair, restoration, replacement, or clean up exceeds any insurance proceeds allocable to such repair, restoration, replacement, or clean up and delivered to the Association. Upon written request by the Board, and before the commencement of any reconstruction,

repair, restoration, replacement or clean up, such Owner shall execute all documents sufficient to effectuate such mechanic's and materialmen' s lien in favor of the Association.

ARTICLE 8
COVENANT FOR ASSESSMENTS

8.1 Assessments. The Association may levy Assessments to promote the recreation, health, safety, and welfare of the Residents, to fund operating expenses of the Association, and to improve and maintain the Common Areas.

8.1.1 Established by the Board. Assessments established by the Board pursuant to the provisions of this Article shall be levied against each Lot in amounts determined pursuant to Section 8.7 below. The total amount of Assessments shall be determined by the Board pursuant to Section 8.3 through Section 8.6.

8.1.2 Declarant Subsidy. Declarant may, but is not obligated to, reduce Assessments which would otherwise be levied against Lots for any fiscal year by the payment of a subsidy to the Association. Any subsidy paid to the Association by Declarant may be treated as a contribution or a loan, in Declarant's sole and absolute discretion. The payment of a subsidy in any given year shall not obligate Declarant to continue payment of a subsidy to the Association in future years.

8.2 Maintenance Fund. The Board shall establish a maintenance fund into which shall be deposited all monies paid to the Association and from which disbursements shall be made in performing the functions of the Association under this Declaration. The funds of the Association may be used for any purpose authorized by the Dedicatory Instruments and Applicable Law.

8.3 Regular Assessments. Prior to the beginning of each fiscal year (as defined in the Bylaws), the Board shall prepare a budget for the purpose of determining amounts sufficient to pay the estimated net expenses of the Association (the **"Regular Assessments"**) which sets forth: (i) an estimate of the expenses to be incurred by the Association during such year in performing its functions and exercising its powers under the Dedicatory Instruments, including, but not limited to, the cost of all management, repair and maintenance, the cost of providing any lighting, the cost of administering and enforcing the Dedicatory Instruments, and (ii) an estimate of the amount needed to maintain a reasonable provision for contingencies and an appropriate replacement reserve, and shall give due consideration to any expected income and any surplus from the prior year's fund. Assessments sufficient to pay such estimated net expenses shall then be levied at the level of Assessments set by the Board in its sole and absolute discretion, and the Board's determination shall be final and binding so long as it is made in good faith. If the sums collected prove inadequate for any reason, including nonpayment of any Assessment, the Association may at any time, and from time to time, levy further Assessments in the same manner. All such Regular Assessments shall be due and payable to the Association annually in advance, on or before the first (1st) day of December of each year (preceding the beginning of the next fiscal year), or in such other manner as the Board may designate in its sole and absolute discretion. Annual written notice of the Regular Assessment shall be sent to every Owner at least thirty (30) days before its effective date. Until changed by the Board, the annual Regular

Assessment shall be **$500.00 per Lot.** *The Regular Assessment shall include any obligation required pursuant to Section 6.14.*

8.4 Working Capital Assessment. Each Owner (other than Declarant) shall pay a one-time working capital assessment (the "Working Capital Assessment") to the Association in such amount, if any, as may be determined by the Declarant, until expiration or termination of the Development Period, and the Board thereafter. The Working Capital Assessment hereunder shall be due and payable to the Association by the transferee immediately upon each transfer of title to the Lot, including upon transfer of title from one Owner of such Lot to any subsequent purchaser or transferee thereof. Such Working Capital Assessment need not be uniform among all Lots, and the Declarant or the Board is expressly authorized to levy Working Capital Assessments of varying amounts depending on the size, use and general character of the Lots then being made subject to such levy. The Association may use the working capital to discharge operating expenses. The levy of any Working Capital Assessment shall be effective only upon the Recordation of a written notice, signed by the Declarant or a duly authorized officer of the Association, setting forth the amount of the Working Capital Assessment.

Notwithstanding the foregoing provisions, the following transfers shall be exempt from the Working Capital Assessment: (a) foreclosure of a deed of trust lien, tax lien, or the Association's Assessment lien; (b) transfer to, from, or by the Association; (c) voluntary transfer by an Owner to one or more co-Owners, or to the Owner's spouse, child, or parent; and (d) any other exemption described in Section 13.20. In the event of any dispute regarding the application of the Working Capital Assessment to a particular Owner, Declarant, until expiration or termination of the Development Period, shall determine application of an exemption in its sole and absolute discretion. The Working Capital Assessment shall be in addition to, not in lieu of, any other Assessments levied in accordance with this Article and shall not be considered an advance payment of such Assessments. The Declarant during the Development Period, and thereafter the Board, shall have the power to waive the payment of any Working Capital Assessment attributable to a Lot (or all Lots) by the Recordation of a waiver, which waiver may be temporary or permanent.

8.5 Special Assessments. In addition to the Regular Assessments provided for above, the Board may levy special assessments (the **"Special Assessments"**) whenever in the Board's opinion such Special Assessments are necessary to enable the Board to carry out the functions of the Association under the Dedicatory Instruments. The amount of any Special Assessments shall be at the reasonable discretion of the Board. In addition to the Special Assessments authorized above, the Association may, in any fiscal year, levy a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area. Any Special Assessment levied by the Association for the purpose of defraying, in whole or in part, costs of any construction, reconstruction, repair or replacement of capital improvement upon the Common Area shall be levied against all Lots based on a per-Lot basis (not including exempt Lots pursuant to Sections 8.7.2 and 8.7.3). Any Special Assessments, pursuant to this Section, shall be approved by a vote of the Majority of the Members at a meeting in accordance with the Bylaws; and written notice of the terms of the Special Assessment shall be sent to every Owner at least thirty (30) days before its effective date.

8.6 Individual Assessments. In addition to any other Assessments, the Board may levy an individual assessment (the **"Individual Assessment"**) against the Owner's Lot. Individual Assessments may include, but are not limited to: interest, late charges, and collection costs on delinquent Assessments;

reimbursement for costs incurred in bringing an Owner or the Owner's Lot into compliance with the Declaration; fines for violations of the Dedicatory Instruments; transfer-related fees and resale certificate fees; fees for estoppel letters and project documents; insurance deductibles; reimbursement for damage or waste caused by willful or negligent acts of the Owner, the Owner's guests, invitees or Residents of the Lot; common expenses that benefit fewer than all of the Lots, which may be assessed according to benefit received; fees or charges levied against the Association on a per-Lot basis (not including exempt Lots pursuant to Sections 8.7.2 and 8.7.3); and "pass through" expenses for services to Lots provided through the Association and which are equitably paid by each Lot according to the benefit received.

8.7 Amount of Assessment.

8.7.1 Assessments to be Levied. Unless otherwise provided in this Declaration, the Board shall levy Assessments against each Lot and such Assessments hereunder shall be levied uniformly against each Lot. Unless otherwise provided herein to the contrary, a Lot becomes subject to Assessments on conveyance of the Lot by Declarant.

8.7.2 Declarant Exemption. Notwithstanding any provision herein to the contrary, no Assessments shall be levied upon Lots owned by Declarant or any portion of the Property owned by Declarant.

8.7.3 Other Exemptions. Notwithstanding any provision herein to the contrary, (A) Declarant may, in its sole discretion, elect to: (i) exempt any un-platted or unimproved portion of the Property or any Lot from any Assessments levied or charged pursuant to this Article; or (ii) delay the levy of Assessments against any un-platted, unimproved, or improved portion of the Property; and (B) Declarant or the Board may also exempt any portion of the Property which is dedicated and accepted by public authority from Assessments.

Additionally, the following areas shall be exempt from the Assessments provided for in this Article:

(i) all area dedicated and accepted by a public authority; and

(ii) the Common Area.

8.8 Late Charges. If any Assessment is not paid by the due date applicable thereto, the Owner responsible for the payment may be required by the Board, at the Board's election at any time, and from time to time, to pay a late charge in such amount as the Board may designate, and the late charge (and any reasonable handling costs) shall be levied as an Individual Assessment against the Lot owned by such Owner, collectible in the manner as provided for collection of Assessments, including foreclosure of the lien against such Lot; provided, however, such charge shall never exceed the maximum charge permitted under Applicable Law. Any Assessment not paid by the thirtieth (30th) day after it is due is late/delinquent.

8.9 Owner's Personal Obligation; Interest. Assessments levied as provided for herein shall be the personal and individual debt of the Owner of the Lot against which are levied such Assessments. No Owner may exempt himself/herself from liability for such Assessments. In the event of default in the payment of any such Assessment, the Owner of the Lot shall be obligated to pay interest on the amount of the Assessment at the highest rate allowed by applicable usury laws then in effect on the amount of the

Assessment from the due date therefor (or if there is no such highest rate, then at the rate of one and one half percent (1 1/2%) per month), together with all costs and expenses of collection, including reasonable attorney's fees. Such amounts shall be levied as an Individual Assessment against the Lot owned by such Owner. Each Assessment, together with such interest thereon and costs of collection as herein provided, shall be secured by a lien hereby granted and conveyed by Declarant to the Association against each such Lot. The Association may enforce payment of such Assessments in accordance with the provisions of this Article. **BY ACCEPTANCE OF A DEED TO A LOT, EACH OWNER GRANTS THE LIEN, TOGETHER WITH THE POWER OF SALE, TO THE ASSOCIATION TO SECURE ASSESSMENTS.**

8.10 Assessment Lien and Foreclosure. The payment of all sums assessed in the manner provided in this Article is, together with late charges as provided in Section 8.8 and interest as provided in Section 8.9 hereof and all costs of collection, including attorney's fees as herein provided, secured by the continuing Assessment lien granted to the Association pursuant to Section 8.1.2 above, and shall bind each Lot in the hands of the Owner thereof, and such Owner's heirs, devisees, personal representatives, successors or assigns. The aforesaid lien shall be superior to all other liens and charges against such Lot, except only for: (i) tax and governmental assessment liens; (ii) all sums secured by a first mortgage lien or first deed of trust lien of record, to the extent such lien secures sums borrowed for the acquisition or improvement of the Lot in question and (iii) home equity loans or home equity lines of credit which are secured by a second mortgage lien or second deed of trust lien of record; provided that, in the case of subparagraphs (ii) and (iii) above, such Mortgage was Recorded before the delinquent Assessment was due. The Association shall have the power to subordinate the aforesaid Assessment lien to any other lien. Such power shall be entirely discretionary with the Board, and such subordination may be signed by an officer, agent or attorney of the Association. To the extent authorized under Applicable Law, the Association may, at its option and without prejudice to the priority or enforceability of the Assessment lien granted hereunder, prepare a written notice of Assessment lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by such lien and a description of the Lot. Such notice may be signed by one of the officers, agents, or attorneys of the Association and shall be Recorded. **EACH OWNER, BY ACCEPTING A DEED OR OWNERSHIP INTEREST TO A LOT SUBJECT TO THIS DECLARATION, SHALL BE DEEMED CONCLUSIVELY TO HAVE GRANTED A POWER OF SALE TO THE ASSOCIATION TO SECURE AND ENFORCE THE ASSESSMENT LIEN GRANTED HEREUNDER. THE ASSESSMENT LIENS AND RIGHTS TO FORECLOSURE THEREOF SHALL BE IN ADDITION TO AND NOT IN SUBSTITUTION OF ANY OTHER RIGHTS AND REMEDIES THE ASSOCIATION MAY HAVE BY LAW AND UNDER THIS DECLARATION, INCLUDING THE RIGHTS OF THE ASSOCIATION TO INSTITUTE SUIT AGAINST SUCH OWNER PERSONALLY OBLIGATED TO PAY THE ASSESSMENT AND/OR FOR FORECLOSURE OF THE AFORESAID LIEN.** In any foreclosure proceeding, such Owner shall be required to pay the costs, expenses and reasonable attorney's fees incurred. The Association shall have the power to bid (in cash or by credit against the amount secured by the lien) on the property at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. Upon the written request of any Mortgagee, the Association shall report to said Mortgagee any unpaid Assessments remaining unpaid for longer than sixty (60) days after the same are due. The lien hereunder shall not be affected by the sale or transfer of any Lot; except, however, that in the event of foreclosure of any lien superior to the Assessment lien, the lien for any Assessments that were due and payable before the foreclosure sale shall be extinguished, provided that past-due Assessments shall be paid out of the proceeds

of such foreclosure sale only to the extent that funds are available after the satisfaction of the indebtedness secured by the Mortgage. The provisions of the preceding sentence shall not, however, relieve any subsequent Owner (including any Mortgagee or other purchaser at a foreclosure sale) from paying Assessments becoming due and payable after the foreclosure sale. Upon payment of all sums secured by a lien of the type described in this Section 8.10, the Association shall upon the written request of the Owner, and at such Owner's cost, execute a release of lien relating to any lien for which written notice has been Recorded as provided above, except in circumstances in which the Association has already foreclosed such lien. Such release shall be signed by an officer, agent, or attorney of the Association. In addition to the lien hereby retained, in the event of nonpayment by any Owner of any Assessment and after the lapse of at least twelve (12) days since such payment was due, the Association may, upon five (5) days' prior written notice (which may run concurrently with such twelve (12) day period) to such Owner, in addition to all other rights and remedies available pursuant to Applicable Law, terminate, in such manner as the Board deems appropriate, any utility or cable service provided through the Association and not paid for directly by an Owner or Resident to the utility or service provider. Such notice shall consist of a separate mailing or hand delivery at least five (5) days prior to a stated date of disconnection, with the title "termination notice" or similar language prominently displayed on the notice. The notice shall include the office or street address where the Owner or the Owner's Resident can make arrangements for payment of the bill and for reconnection of service. Utility or cable service shall not be disconnected on a day, or immediately preceding a day, when personnel are not available for the purpose of collection and reconnecting such services. Except as otherwise provided by Applicable Law, the sale or transfer of a Lot shall not relieve the Owner of such Lot or such Owner's transferee from liability for any Assessments thereafter becoming due or from the lien associated therewith. If an Owner conveys its Lot and on the date of such conveyance Assessments against the Lot remain unpaid, or said Owner owes other sums or fees under this Declaration to the Association, the Owner shall pay such amounts to the Association out of the sales price of the Lot, and such sums shall be paid in preference to any other charges against the Lot other than liens superior to the Assessment lien and charges in favor of the State of Texas or a political subdivision thereof for taxes on the Lot which are due and unpaid. The Owner conveying such Lot shall remain personally liable for all such sums until the same are fully paid, regardless of whether the transferee of the Lot also assumes the obligation to pay such amounts. The Board may adopt an administrative transfer fee to cover the expenses associated with updating the Association's records upon the transfer of a Lot to a third party; provided, however, that no transfer fee shall be due upon the transfer of a Lot from Declarant to a third party.

8.11 Fines and Damages Assessment.

8.11.1 Fines and Fees. As permitted by Applicable Law, the Board may assess fines against an Owner for violations of the Dedicatory Instruments which have been committed by an Owner, a Resident, or the Owner's or Resident's guests, agents or invitees. Any fine and/or charge levied in accordance with this Section 8.11.1 shall be considered an Individual Assessment pursuant to this Declaration. Each day of violation may be considered a separate violation if the violation continues after written notice to the Owner. The Board may assess damage charges against an Owner for pecuniary loss to the Association from property damage or destruction of Common Area or any facilities caused by the Owner, Resident, or their guests, agents, or invitees. The Manager shall have authority to send written notices to alleged violators, informing them of their violations and asking them to comply with the Rules and Regulations and/or informing them of potential or probable fines or damage Assessments. The Board shall adopt policies regarding the levying of fines, the enforcement of fines, and the schedule of fines in accordance with Applicable Law.

8.11.2 Lien Created. The payment of each fine and/or damage charge levied by the Board against a Lot, together with interest as provided in Section 8.9 hereof and all costs of collection, including attorney's fees as herein provided, is secured by the lien granted to the Association pursuant to this Declaration. The fine and/or damage charge shall be considered an Assessment for the purpose of this Article and shall be enforced in accordance with the terms and provisions governing the enforcement of Assessments pursuant to this Article 8. **BY ACCEPTANCE OF A DEED TO A LOT, EACH OWNER GRANTS THE LIEN, TOGETHER WITH THE POWER OF SALE, TO THE ASSOCIATION TO SECURE ASSESSMENTS.**

8.12 Alternative Payment Schedule. In accordance with Applicable Law, the Board shall adopt policies for alternative payment schedules for Assessments, allowing Members to pay Assessments under a schedule that extends for between three (3) and eighteen (18) months. Notwithstanding any provision herein to the contrary, a Member making payments on an alternative payment schedule shall not incur additional monetary penalties, other than any applicable interest and costs of administering the plan.

8.13 Remedial Options. Without limiting any provision herein:

(1) if the Association complies with all applicable notice requirements, an Owner is liable to the Association for all costs and reasonable attorney's fees incurred by the Association in collecting delinquent Assessments, foreclosing the Association's lien, and enforcing the Dedicatory Instruments;
(2) the Association may bring an action against an Owner to collect delinquent Assessments, foreclose the Association's lien, or enforce or enjoin a violation of the Dedicatory Instruments;
(3) an Owner may bring an action against another Owner to enforce or enjoin a violation of the Dedicatory Instruments; and
(4) an Owner is liable to the Association for damage to Common Areas caused by the Owner or the Owner's family, Residents, guests, agents, independent contractors, and invitees in accordance with law.

ARTICLE 9
ARCHITECTURAL CONTROL COMMITTEE

Declarant has a substantial interest in ensuring that the Residences and Improvements within the Property maintain and enhance Declarant's reputation as a community developer and do not impair Declarant's ability to market and sell all or any portion of the Property. The Declarant acts as the ACC and the ACC is not a committee of the Association until the Declarant has assigned its right to appoint and remove all ACC members to the Association/Board in a Recorded written instrument. Until Declarant has delegated its right to appoint and remove all members of the ACC to the Board as provided in Section 9.1.1 below: (1) the ACC shall be acting solely in Declarant's interest and shall owe no duty to any other Owner or the Association; and (2) notwithstanding any provision in this Declaration to the contrary, Declarant may exercise the rights of the ACC or appoint a single person to exercise the rights of the ACC (this right includes the Declarant's right to appoint and remove any such single person from time to time, with or without cause, in its sole and absolute discretion).

9.1 Architectural Control Committee. Unless otherwise provided herein, the ACC is established as a committee of the Association to assist the Association in ensuring that all Residences and Improvements (including, but not limited to, landscaping) within the Property are aesthetically compatible and conform to the Dedicatory Instruments.

9.1.1 Composition. The ACC shall be composed of not more than three (3) persons (who need not be Members or Owners) appointed as provided below, who shall review Residences and Improvements proposed to be made by any Owner other than Declarant. Declarant shall have the right to appoint and remove (with or without cause) all members of the ACC. Declarant may assign its right to appoint all members of the ACC to the Association by Recorded written instrument, and thereafter, the Board shall have the right to appoint and remove (with or without cause) all members of the ACC. Any assignment by Declarant of the right to appoint and remove all members of the ACC may be withdrawn until the expiration of the Development Period. If Declarant withdraws its assignment of the right to appoint and remove all members of the ACC, then on the date of such withdrawal, Declarant shall have the right to appoint and remove (with or without cause) all members of the ACC. Declarant's right to appoint all members of the ACC shall automatically be assigned to the Association upon the expiration of twenty-four (24) months after the expiration of the Development Period. Declarant, at its option, may create and assign specific duties and responsibilities to one or more sub-committees consisting of members and/or nonmembers of the ACC. In the event responsibilities and duties are assigned to a sub- committee, those responsibilities and duties shall no longer be discharged by the ACC unless the sub-committee exercising such duties and responsibilities is dissolved by Declarant. The right to create, dissolve, and appoint members of such sub-committees shall reside exclusively with Declarant until such time as Declarant has assigned its right to appoint members of the ACC to the Association. The ACC shall have the right to employ consultants and advisors as it deems necessary or appropriate. ACC members serve until replaced or they resign or otherwise no longer able to serve.

9.1.2 Submission and Approval of Plans and Specifications. **NO RESIDENCE OR IMPROVEMENT MAY BE ERECTED ON ANY LOT, OR THE EXTERIOR ALTERED, UNLESS PLANS, SPECIFICATIONS, AND ANY OTHER DOCUMENTS REQUESTED BY THE ACC HAVE BEEN SUBMITTED TO AND APPROVED BY THE ACC IN WRITING (UNLESS SUCH RESIDENCE OR IMPROVEMENT IS OTHERWISE CONDUCTED BY THE DECLARANT).** Construction plans and specifications or, when an Owner desires solely to re-subdivide or consolidate Lots, a proposal for such re-subdivision or consolidation, shall be submitted in accordance with the Design Guidelines or any additional rules adopted by the ACC together with any review fee which is imposed by the ACC in accordance with Section 9.1.3 to the ACC. No re-subdivision or consolidation shall be made, nor any Residence or Improvement placed or allowed on any Lot, until the plans and specifications and the Homebuilder which the Owner intends to use to construct the proposed structure or Improvement have been approved in writing by a Majority of the members of the ACC. The ACC may, in reviewing such plans and specifications consider any information that it deems proper; including, without limitation, any permits, environmental impact statements or percolation tests that may be required by the ACC or any other entity; and harmony of external design and location in relation to surrounding structures, topography, vegetation, and finished grade elevation. The ACC may postpone its review of any plans and specifications submitted for approval pending receipt of any information or material which the ACC, in its sole discretion, may

require. Site plans shall be approved by the ACC prior to the clearing of any Lot, or the construction of any Residences and Improvements. The ACC may refuse to approve plans and specifications for proposed Residences and Improvements, or for the re-subdivision or consolidation of any Lot on any grounds that, in the sole and absolute discretion of the ACC, are deemed sufficient, including, but not limited to, purely aesthetic grounds. At the minimum, the plans and specifications, submitted pursuant to this Section, shall show exterior design, height, building materials, color scheme, location of any Residence and Improvement depicted horizontally and vertically, and the general plan of landscaping, all in the form and detail the ACC may require.

9.1.3 Design Guidelines. Declarant shall have the right, but shall have no obligation to, adopt Design Guidelines (in addition to those provided herein) and, during the Development Period, shall have the power from time to time, to adopt, amend, modify, or supplement the Design Guidelines. Upon expiration or termination of the Development Period, the ACC, or any sub-committee thereof created pursuant to Section 9.1.1, shall have the power from time to time, to adopt, to amend, modify, or supplement the Design Guidelines; provided, however, that any amendment to the Design Guidelines made by a sub-committee shall only apply to the Residences and Improvements under the jurisdiction of such sub-committee, and during the Development Period, any such amendment, modification or supplement shall be approved in advance and in writing by the Declarant. In the event of any conflict between the terms and provisions of the Design Guidelines and the terms and provisions of this Declaration, the terms and provisions of this Declaration shall control (except for the Landscaping Design Guidelines specifically provided in Section 9.1.3.1; such Landscaping Design Guidelines shall control in the event of a conflict with a provision of the Declaration, provided, however, all shall be read in concert, with all reasonable effort made to reconcile their respective provisions). In addition, the ACC shall have the power and authority to impose a fee for the review of plans, specifications and other documents and information submitted to it pursuant to the terms of this Declaration. Such charges shall be held by the ACC and used to defray the administrative expenses incurred by the ACC in performing its duties hereunder; provided, however, that any excess funds held by the ACC shall be distributed to the Association at the end of each calendar year. The ACC shall not be required to review any plans until a complete submittal package, as required by this Declaration (and the Design Guidelines, as applicable), is assembled and submitted to the ACC. Within thirty (30) days after the submission of plans and specifications pursuant to this Section, the ACC shall notify the submitting person/Owner of any other documents or information required by the ACC. In the absence of timely notice from the ACC requesting additional documents or other information, the submission shall be deemed complete on the thirtieth (30^{th}) day after submission. The ACC shall have the authority to adopt such additional procedural and substantive rules and guidelines (including, without limitation, the imposition of any requirements for certificates of compliance or completion relating to any Residence and Improvement and the right to approve in advance any contractor selected for the construction of any Residence and Improvement), not in conflict with this Declaration (and any applicable Dedicatory Instruments), as it may deem necessary or appropriate in connection with the performance of its duties hereunder. The Design Guidelines and any other standards adopted pursuant to this Section 9.1.3 (including Section 9.1.3.1) shall be effective beginning on the Recorded date.

9.1.3.1 **Landscaping Design Guidelines.** Notwithstanding any provision herein to the contrary, the landscaping for any development of a Lot shall comply (at the minimum) with **Exhibits**

C-1 and **C-2** attached hereto and incorporated herein for all purposes and shall be reviewed for written approval by the ACC prior to the development of a Lot.

9.1.4 Actions of the Architectural Control Committee. The ACC may, by resolution unanimously adopted in writing, designate one or more of its members, or an agent acting on its behalf, to take any action or perform any duties for and on behalf of the ACC, except the granting of variances. In the absence of such designation, the vote of a Majority of all of the members of the ACC shall constitute an act of the ACC.

9.1.5 Failure to Approve. In the event that any plans and specifications are submitted to the ACC as provided herein, and the ACC fails to approve such plans and specifications for a period of thirty (30) days following such submission of a complete submittal package, denial of such plans and specifications by the ACC shall be provided by written notice in accordance with Texas Property Code Section 209.00505.

9.1.6 Variances. The Board may grant variances, in its sole and absolute discretion, from compliance with any of the provisions of the Design Guidelines or this Declaration. All variances shall be evidenced in writing and shall be signed by at least a Majority of the Board. **EACH VARIANCE SHALL ALSO BE RECORDED;** provided however, that failure to Record a variance shall not affect the validity thereof or give rise to any claim or cause of action against the ACC, including the Declarant or its designee, the Association, or the Board. If a variance is granted, no violation of the covenants, conditions, or restrictions contained in this Declaration or the Design Guidelines, if any, shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such variance shall not operate to waive or amend any of the terms and provisions of this Declaration or the Design Guidelines, if any, for any purpose except as to the particular property and in the particular instance covered by the variance, and such variance shall not be considered to establish a precedent for any future waiver, modification, or amendment of the terms and provisions of this Declaration or the Design Guidelines, if any. Notwithstanding the above provisions in this Section 9.1.6, a variance shall not be approved unless prior written approval is also received from the Declarant during the Development Period and, under no circumstance, shall a variance be granted if it violates the Development Agreement and Development Documents while such are in full force and effect.

9.1.7 Duration of Approval. The approval of the ACC of any plans and specifications, and any variances granted by the Board, shall be valid for a period of one hundred and twenty (120) days only. If construction in accordance with such plans and specifications or variance is not commenced within such one hundred and twenty (120) day period and diligently prosecuted to completion within either: (i) one year after issuance of approval of such plans and specifications; or (ii) such other period thereafter as determined by the ACC, in its sole and absolute discretion, the Owner shall be required to resubmit such plans and specifications to the ACC or written request for a variance to the Board, and the ACC or the Board, as applicable, shall have the authority to re- evaluate such in accordance with this Section 9.1.7 and may, in addition, consider any change in circumstances which may have occurred since the time of the original approval.

9.1.8 No Waiver of Future Approvals. The approval of the ACC or Board to any plans or specifications for any work done or proposed in connection with any matter requiring the approval or consent of the ACC or Board shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any plans and specifications on any other matter, subsequently or additionally submitted for approval by the same or a different person, nor shall such approval or consent be deemed to establish a precedent for future approvals by the ACC or Board.

9.1.9 Appeal. An Owner may appeal any action of the ACC to the Board. The appealing Owner shall give written notice of the appeal to the Board within thirty (30) days after the ACC's action. The Board shall determine the appeal within thirty (30) days after timely notice of appeal is given. The determination by the Board is final.

9.1.10 Records. The ACC shall maintain written records of all requests submitted to it and of all actions taken. The Board shall maintain written records of all appeals of ACC actions and all determinations made.

9.1.11 Non-Liability. **NEITHER DECLARANT, THE BOARD, THE ARCHITECTURAL CONTROL COMMITTEE, NOR ANY MEMBER SHALL BE LIABLE TO ANY OWNER OR TO ANY OTHER PERSON FOR ANY LOSS, DAMAGE OR INJURY ARISING OUT OF THE PERFORMANCE OF THE ARCHITECTURAL CONTROL COMMITTEE'S DUTIES UNDER THIS DECLARATION. MOREOVER, THE DECLARANT, THE ASSOCIATION, THE BOARD, THE ACC, AND THEIR MEMBERS SHALL NOT BE LIABLE TO ANY PERSON SUBMITTING REQUESTS FOR APPROVAL OR TO ANY OWNER BY REASON OF ANY ACTION, FAILURE TO ACT, APPROVAL, DISAPPROVAL, OR FAILURE TO APPROVE OR DISAPPROVE ANY REQUEST.**

ARTICLE 10
MORTGAGE PROVISIONS

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Lots within the Property. The provisions of this Article apply to the Declaration and the Bylaws of the Association.

10.1 Notice of Action. An institutional holder, insurer, or guarantor of a first Mortgage which provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Lot to which its Mortgage relates (thereby becoming an **"Eligible Mortgage Holder"**)), shall be entitled to timely written notice of:

(i) Any condemnation loss or any casualty loss which affects a material portion of the Property or which affects any Lot on which there is an eligible Mortgage held, insured, or guaranteed by such Eligible Mortgage Holder;

(ii) Any delinquency in the payment of Assessments or charges owed for a Lot subject to the Mortgage of such Eligible Mortgage Holder, where such delinquency has continued for a period of sixty (60) days, or any other violation of the Dedicatory Instruments relating to such Lot or the Owner or Resident which is not cured within sixty (60) days; or

(iii) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

10.2 Examination of Books. The Association shall permit Mortgagees to examine the books and records of the Association during normal business hours.

10.3 Taxes, Assessments and Charges. All taxes, Assessments and charges that may become liens prior to first lien mortgages under Applicable Law shall relate only to the individual Lots and not to any other portion of the Property.

ARTICLE 11
EASEMENTS AND COMMON AREAS

11.1 Easements - General. Neither Declarant nor any utility company or authorized political subdivision using the easements referred to herein shall be liable for any damages done by them or their assigns, agents, employees or servants, to fences, shrubbery, trees, flowers, improvements or other property of the Owner situated on the land covered by such easements as a result of construction, maintenance or repair work conducted by such parties or their assigns, agents, employees or servants. Declarant expressly reserves the right to grant easements over, under and across any Lot in the Properties for the installation and maintenance of utility and drainage facilities; provided, however, any easement created by the Declarant pursuant to this provision shall not materially adversely affect the use and enjoyment of any Residence or the value of any Residence. Declarant further reserves unto itself, its agents, employees, servants, successors and assigns, the right of ingress and egress, on, over, in, and across the Properties in order to complete development of the Properties and the construction of all Residences. The rights reserved by Declarant in this paragraph shall be used in such a manner as not to unreasonably interfere with the use and enjoyment of any Residence in the Properties.

11.2 Right of Ingress and Egress. Declarant, its agents, employees, designees, successors and assigns shall have a right of ingress and egress over and the right of access to the Common Area to the extent necessary to use the Common Area and the right to such other temporary uses of the Common Area as may be required or reasonably desirable (as determined by Declarant in its sole discretion) in connection with the construction and development of the Property. The Property shall be subject to a perpetual non-exclusive easement for the installation and maintenance of, including the right to read meters, service or repair lines and equipment, and to do everything and anything necessary to properly maintain and furnish the Community Systems and the facilities pertinent and necessary to the same, which easement shall run in favor of Declarant. Declarant shall have the right, but not the obligation, to install and provide the Community Systems and to provide the services available through the Community Systems to any and all

Lots within the Property. Neither the Association nor any Owner shall have any interest therein. Any or all of such services may be provided either directly through the Association and paid for as part of the Assessments or directly to Declarant, any affiliate of Declarant, or a third party, by the Owner who receives the services. The Community Systems shall be the property of Declarant unless transferred by Declarant, whereupon any proceeds of such transfer shall belong to Declarant. Declarant shall have the right but not the obligation to convey, transfer, sell or assign all or any portion of the Community Systems or all or any portion of the rights, duties or obligations with respect thereto, to the Association or to any person or entity. The rights of Declarant with respect to the Community Systems installed by Declarant and the services provided through such Community Systems are exclusive, and no other person or entity may provide such services through the Community Systems installed by Declarant without the prior written consent of Declarant. In recognition of the fact that interruptions in cable television and other Community Systems services shall occur from time to time, no person or entity described above shall in any manner be liable, and no user of any Community System shall be entitled to any refund, rebate, discount or offset in applicable fees, for any interruption in Community Systems services, regardless of whether or not same is caused by reasons within the control of the then-provider of such services.

11.3 Reserved Easements. All dedications, limitations, restrictions and reservations shown on any Plat and all grants and dedications of easements, rights-of-way, restrictions and related rights made by Declarant or any third party prior to the Property becoming subject to this Declaration are incorporated herein by reference and made a part of this Declaration for all purposes as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant. Declarant reserves the right to relocate, make changes in, and additions to said easements, rights-of-way, dedications, limitations, reservations and grants for the purpose of most efficiently and economically developing the Property.

11.4 Roadway and Utility Easements. Declarant hereby reserves for itself and its assigns a perpetual non-exclusive easement over and across the Property for: (i) the installation, operation and maintenance of utilities and associated infrastructure to serve the Property and any other property owned by Declarant; (ii) the installation, operation and maintenance of cable lines and associated infrastructure for sending and receiving data and/or other electronic signals, security and similar services to serve the Property and any other property owned by Declarant; (iii) the installation, operation and maintenance of, walkways, pathways and trails, drainage systems, street lights and signage to serve the Property and any other property owned by Declarant; and (iv) the installation, location, relocation, construction, erection and maintenance of any streets, roadways, or other areas to serve the Property and any other property owned by Declarant. Declarant shall be entitled to unilaterally assign the easements reserved hereunder to any third party who owns, operates or maintains the facilities and Improvements described in (i) through (iv) of this Section. In addition, Declarant may designate all or any portion of the easements or facilities constructed therein as Common Area.

11.5 Entry and Fencing Easement. Declarant reserves for itself and the Association, an easement over and across the Property and any Common Area for the installation, maintenance, repair or replacement of certain subdivision entry facilities, walls, and/or fencing which serves the Property, the Common Area or any other property owned by the Declarant. Declarant shall have the right, from time to time, to Record a written notice which identifies the fencing and/or subdivision entry facilities fencing to

which the easement reserved hereunder applies. Declarant may designate all or any portion of the fencing and/or subdivision entry facilities as Common Area.

11.6 Landscape, Monumentation and Signage Easement. Declarant hereby reserves for itself and the Association, an easement over and across the Property and the Common Area for the installation, maintenance, repair or replacement of landscaping, monumentation and signage which serves the Property, the Common Area or any other property owned by the Declarant. Declarant shall have the right, from time to time, to Record a written notice which identifies the landscaping, monumentation or signage to which the easement reserved hereunder applies. Declarant may designate all or any portion of the landscaping, monumentation or signage as Common Area.

11.7 Easement for Special Events. The Declarant reserves for itself and the Association, and their successors, assigns, and designees, a perpetual, nonexclusive easement over the Common Area, for the purpose of conducting educational, cultural, artistic, musical and entertainment activities; and other activities of general community interest at such locations and times as the Declarant or the Association, in their reasonable discretion, deem appropriate. Members of the public may have access to such events. **EACH OWNER, BY ACCEPTING A DEED OR OTHER INSTRUMENT CONVEYING ANY INTEREST IN A LOT SUBJECT TO THIS DECLARATION ACKNOWLEDGES AND AGREES THAT THE EXERCISE OF THIS EASEMENT MAY RESULT IN A TEMPORARY INCREASE IN TRAFFIC, NOISE, GATHERING OF CROWDS, AND RELATED INCONVENIENCES, AND EACH OWNER AGREES ON BEHALF OF ITSELF AND THE RESIDENTS TO TAKE NO ACTION, LEGAL OR OTHERWISE, WHICH WOULD INTERFERE WITH THE EXERCISE OF SUCH EASEMENT.**

11.8 Solar Equipment Easement. Declarant hereby reserves for itself and the Association, and their successors, assigns, and designees, a perpetual, nonexclusive easement over and across the Property and Common Area for the installation, maintenance, repair or replacement of a rooftop solar electric generating system designed to deliver electric power to a particular Residence built on a Lot or Common Area. Declarant shall have the right, from time to time, to Record a written notice which identifies the solar equipment to which the easement reserved hereunder applies. Declarant shall be entitled to unilaterally assign the easements reserved hereunder to any third party.

11.9 Cellular Tower and Telecommunications Easement. Declarant hereby grants and reserves for itself and its assigns, an exclusive, perpetual and irrevocable easement, license and right to use any portion of the Common Area, or any portion of the Property which Declarant intends to designate as Common Area (the **"CTT Easement Area")** for the construction, installation, use, maintenance, repair, replacement, improvement, removal and operation of CTT Equipment. Declarant or its assignee shall have the right, from time to time, but no obligation, to Record a written notice which identifies the portion of the Common Area to which the CTT Easement Area pertains, and Declarant, or its assignee, may fence, install landscaping, or otherwise install improvements restricting access to the CTT Easement Area identified in such Recorded instrument. Neither the Association, nor any Owner other than the Declarant or its assignee hereunder, may use the CTT Easement Area in any manner which interferes with operation of the CTT Equipment. Declarant hereby reserves for itself and its assigns the right to use, sell, lease or assign all or any portion of the CTT Easement Area, for the construction, installation, use, maintenance, repair, replacement, improvement, removal and operation of the CTT Equipment. In addition, Declarant hereby

reserves for itself and its assigns a non-exclusive, perpetual and irrevocable easement over the Property for access to and from the CTT Easement Area and to construct, install, use, maintain, repair, replace, improve, remove, and operate, or allow others to do the same, any utility lines servicing the CTT Equipment. Declarant also reserves for itself and its assigns the right to select and contract with any third-party for the construction, installation, use, maintenance, repair, replacement, improvement, removal and operation of the CTT Equipment and to provide any telecommunication, cellular, video or digital service associated therewith. Declarant shall have and hereby reserves for itself and its assigns the sole and exclusive right to collect and retain any and all income and/or proceeds received from or in connection with use or services provided by the CTT Equipment and the rights described in this Section. The rights reserved to Declarant under this Section shall benefit only Declarant and its assigns, and no other Owner or successor-in-title to any portion of the Property shall have any rights to income derived from or in connection with the rights and easements granted in this Section, except as expressly approved in writing by Declarant. **EACH OWNER AND RESIDENT HEREBY RELEASES AND HOLDS HARMLESS THE DECLARANT AND ITS ASSIGNS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF ANY ACTS, ACTIONS OR ACTIVITIES PERMITTED BY DECLARANT ITS ASSIGNS UNDER THIS SECTION (INCLUDING ANY COST, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.** The provisions of this Section shall not be amended without the written and acknowledged consent of Declarant or the assignee of all or any portion of Declarant's rights hereunder.

11.10 Easement to Inspect and Right to Correct. For a period of ten (10) years after the expiration of the Development Period, Declarant reserves for itself and for the Declarant's architect, engineer, other design professionals, Homebuilder and general contractor the right, but not the duty, to inspect, monitor, test, redesign, correct, and relocate any structure, Improvement, or condition that may exist on any portion of the Property, including the Lots, and a perpetual nonexclusive easement of access throughout the Property to the extent reasonably necessary to exercise this right. The party exercising such rights shall promptly repair, at its sole expense, any damage resulting from the exercise of this right. By way of illustration but not limitation, relocation of mechanical or electrical facilities may be warranted by a change of circumstance, imprecise siting of the original facilities, or the desire or necessity to comply more fully with Applicable Law. This Section 11.10 may not be construed to create a duty for Declarant, the Association, or any architect, engineer, other design professionals, Homebuilder or general contractor, and may not be amended without Declarant's advanced written consent. **IN SUPPORT OF THIS RESERVATION, EACH OWNER, BY ACCEPTING AN INTEREST IN OR TITLE TO A LOT, HEREBY GRANTS TO DECLARANT AN EASEMENT OF ACCESS AND ENTRY OVER, ACROSS, UNDER, AND THROUGH THE PROPERTY, INCLUDING WITHOUT LIMITATION, ALL COMMON AREAS AND THE OWNER'S LOT AND ALL IMPROVEMENTS THEREON FOR THE PURPOSES CONTAINED IN THIS SECTION.**

11.11 Owner's Rights of Access and Enjoyment. Subject to the further provisions of this Section, every Member shall have a right and easement of enjoyment in and to all of the Common Area and

an access easement by and through any Common Area, and such right shall be appurtenant to and shall pass with the title to the Lot owned by such Member. Such rights shall be subject to the following: (a) The Association shall have the right to charge reasonable admission and other fees for the use of any facility situated upon the Common Area. (b) The Association shall have the right, without the approval of the Members, to borrow money and to mortgage, pledge, deed in trust, or hypothecate any or all of the Common Area as security for money borrowed or debts incurred. (c) The Association shall have the right to take such steps as are reasonably necessary to protect the Common Area against foreclosure of any such mortgage. (d) The Association shall have the right to suspend the enjoyment rights of any Member for any period during which any Assessment or other amount owed by such Member to the Association remains unpaid in excess of thirty (30) days. (e) The Association shall have the right to establish reasonable Rules and Regulations governing the Members' use and enjoyment of the Common Area, and to suspend the enjoyment rights of any Member for any period not to exceed sixty (60) days for any infraction of such Rules and Regulations. (f) The Association shall have the right, without the approval by the Members, to sell or convey all or any part of the Common Area and the right, to grant or dedicate easements in portions of the Common Area to public or private utility companies. (g) The Association shall have the right to enter into agreements with one or more persons pursuant to which individuals who are not Members of the Association are granted the right to use the Common Area and the facilities located thereupon upon payment of such fees as may be determined by the Board. (h) The right of the Declarant, or the Declarant's designee, to cause such Improvements and features to be constructed upon the Common Area, as determined from time to time by the Declarant, in the Declarant's sole and absolute discretion. (i) The right of the Declarant, during the Development Period, and the Board thereafter, to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for any purpose. (j) The right of the Declarant, during the Development Period, and the Board thereafter to grant easements or licenses over and across the Common Area.

Each Member shall have the right to extend his right of enjoyment to the Common Area to the members of his family, Residents, and to such guests or other persons as may be permitted by the Association. An Owner shall be deemed to have made a delegation of all rights to use the Common Area to the Residents of any rented/leased Residence.

AN OWNER MAY NOT ERECT OR ALTER ANY IMPROVEMENT ON, OR CLEAR, LANDSCAPE, OR DISTURB, ANY COMMON AREA EXCEPT AS APPROVED BY THE BOARD.

11.12 Easements for Utilities and Public Services. (a) There is hereby granted to the Association, and to any other public authority or agency, utility district, or public or private utility company, a perpetual easement upon, over, under, and across (i) the Common Area, and (ii) those portions of all Lots as are reasonably necessary, for the purpose of installing, replacing, repairing, maintaining, and using master television antenna and/or cable systems, security and similar systems, and all utilities, including, but not limited to, storm sewers, drainage systems and retention ponds, electrical, gas, telephone, water and sewer lines, street lights, street signs and traffic signs; provided, however, that such easements shall not unreasonably affect the ability to develop, market or the value of any Lot. To the extent possible, utility lines and facilities serving the Properties and located therein shall be located underground. By virtue of any such easement and facilities, it shall be expressly permitted for the providing utility company or other supplier or servicer, with respect to the portions of the Properties encumbered, (i) to erect and maintain pipes, lines, manholes, pumps, and other necessary equipment and facilities, (ii) to cut and remove any trees, bushes, or shrubbery, (iii) to excavate or fill, or (iv) to take any other similar action reasonably

necessary to provide economical and safe installation, maintenance, repair, replacement, and use of such utilities and systems. (b) There is also hereby granted to the City and to such other governmental authority or agency as shall from time to time have jurisdiction over the Properties (or any portion thereof) with respect to law enforcement and fire protection, the perpetual, non-exclusive right and easement upon, over and across all of the Properties (including the Common Areas) for purposes of performing such duties and activities related to law enforcement and fire protection in the Properties (and Common Areas) as shall be required or appropriate from time to time by such governmental authorities under Applicable Law. More specifically, this Declaration grants the city, other public agencies, political subdivisions, and public utilities written permission for access to the Common Areas at any time and without liability when on official business, as well as permission to remove any obstructions, if necessary, to obtain timely and practical access; any cost of such removal may be assessed to the Association, and in turn, may be assessed by the Association as an Individual Assessment to the Owner of the obstruction.

11.13 Easements for Association. There is hereby granted a general right and easement to the Association, its directors, officers, agents, and employees, including, but not limited to, any Manager employed by the Association and any employees of such Manager, to enter upon any Lot or any portion thereof in the performance of their respective duties or the enforcement of the provisions of this Declaration without liability for trespass. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance written notice to the Owner or Resident of the Residence directly affected thereby.

ARTICLE 12
DEVELOPMENT RIGHTS

12.1 Development by Declarant. It is contemplated that the Property shall be developed pursuant to a plan, which may, from time to time, be amended or modified. Declarant reserves the right, but shall not be obligated, to pursue the development, construction and marketing of the Property, the right to direct the size, shape, and composition of the Property, the right to create and/or designate Lots and Common Areas and to subdivide all or any portion of the Property pursuant to the terms of this Section 12.1, subject to any limitations imposed on portions of the Property by any applicable Plat. These rights may be exercised with respect to any portions of the Property and the Common Area. As each area is developed or dedicated, Declarant may designate the use, classification and such additional covenants, conditions and restrictions as Declarant may deem appropriate for that area.

12.2 Special Declarant Rights. Notwithstanding any provision of this Declaration to the contrary, at all times, Declarant shall have the right and privilege: (i) to erect and maintain advertising signs (illuminated or non-illuminated), sales flags, other sales devices and banners for the purpose of aiding the sale of Lots in the Property; (ii) to maintain Residences and Improvements upon Lots as sales, model, management, business and construction offices; and (iii) to maintain and locate construction trailers and construction tools and equipment within the Property and the Common Area. The construction, placement or maintenance of Residences and Improvements by Declarant shall not be considered a nuisance, and Declarant hereby reserves the right and privilege for itself to conduct the activities enumerated in this Section 12.2 until twenty-four (24) months after expiration or termination of the Development Period.

12.3 Addition of Land. Declarant may, at any time and from time to time (in its sole and absolute discretion), add additional lands to the Property. Upon the Recording of a notice of addition of land, such land shall be considered part of the Property for purposes of this Declaration, and such added lands shall be considered part of the Property subject to this Declaration and the terms, covenants, conditions, restrictions and obligations set forth in this Declaration, and the rights, privileges, duties and liabilities of the persons subject to this Declaration shall be the same with respect to such added land as with respect to the lands originally covered by this Declaration.

12.3.1 To add lands to the Property, Declarant shall be required only to Record a notice of addition of land containing the following provisions:

A reference to this Declaration, which reference shall state the document number or volume and initial page number wherein this Declaration is Recorded;

A statement that such land shall be considered Property for purposes of this Declaration, and that all of the terms, covenants, conditions, restrictions and obligations of this Declaration shall apply to the added land; and

A legal description of the added land.

12.3.2 The Owners of land in annexed property under this Section shall be entitled to use the Common Area in the same manner and to the same extent of the Owners of all other property subject to the jurisdiction of the Association. Such additional property shall be impressed with and subject to Assessments imposed hereby on an uniform basis, consistent with provisions of this Declaration.

12.4 Withdrawal of Land. Declarant may, at any time and from time to time (in its sole and absolute discretion), reduce or withdraw from the Property, and remove and exclude from the burden of this Declaration and the jurisdiction of the Association any portion of the Property. Upon any such withdrawal and removal this Declaration and the covenants conditions, restrictions and obligations set forth herein shall no longer apply to the portion of the Property withdrawn. To withdraw lands from the Property hereunder, Declarant shall be required only to Record a notice of withdrawal of land containing the following provisions:

12.4.1 A reference to this Declaration, which reference shall state the document number or volume and initial page number wherein this Declaration is Recorded;

12.4.2 A statement that the provisions of this Declaration shall no longer apply to the withdrawn land; and

12.4.3 A legal description of the withdrawn land.

12.5 Notice of Plat Recordation. Declarant may, at any time and from time to time, file a notice of Plat Recordation (a **"Notice of Plat Recordation"**). A Notice of Plat Recordation is Recorded for the purpose of more clearly identifying specific Lots subject to the terms and provisions of this Declaration after portions of the Property is made subject to a Plat. Declarant shall have no obligation to Record a Notice

of Plat Recordation and failure to Record a Notice of Plat Recordation shall in no event remove any portion of the Property from the terms and provisions of this Declaration.

12.6 Assignment of Declarant's Rights. Notwithstanding any provision in this Declaration to the contrary, Declarant may, by written instrument, assign, in whole or in part, any of its privileges, exemptions, rights and duties under this Declaration to any person or entity and may permit the participation, in whole, in part, exclusively, or non-exclusively, by any other person or entity in any of its privileges, exemptions, rights and duties hereunder.

ARTICLE 13
GENERAL PROVISIONS

13.1 Term. The terms, covenants, conditions, restrictions, easements, charges, and liens set out in this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by the Association, and every Owner, including Declarant, and their respective legal representatives, heirs, successors, and assigns, for a term beginning on the date this Declaration is Recorded, and continuing through and including January 1, 2065, after which time this Declaration shall be automatically extended for successive periods of ten (10) years unless a change (the word "change" meaning a termination, or change of term or renewal term) is approved in a resolution adopted by a Majority vote of Members owning at least sixty-seven percent (67%) of the Lots subject to the Declaration, voting in person or by proxy at a meeting duly called for such purpose, written notice of which shall be given to all Members at least thirty (30) days in advance and shall set forth the purpose of such meeting; provided, however, that such change shall be effective only upon the Recording of a certified copy of such resolution.

13.2 Eminent Domain. In the event it becomes necessary for any public authority to acquire all or any part of the Common Area for any public purpose during the period this Declaration is in effect, the Board is hereby authorized to negotiate with such public authority for such acquisition and to execute instruments necessary for that purpose. Should acquisitions by eminent domain become necessary, only the Board need be made a party, and in any event the proceeds received shall be held by the Association for the benefit of the Owners. In the event any proceeds attributable to acquisition of Common Area are paid to Owners, such payments shall be allocated on a per-Lot basis (not including exempt Lots pursuant to Sections 8.7.2 and 8.7.3) and paid jointly to the Owners and the holders of Mortgages or deeds of trust on the respective Lot.

13.3 Amendment. This Declaration may be amended or terminated by the Recording of an instrument executed and acknowledged by: (i) the Declarant acting alone, in its sole and absolute discretion (during the Development Period); or (ii) the president and secretary of the Association setting forth the amendment and certifying that such amendment has been approved by a Majority vote of Members owning at least sixty-seven percent (67%) of the Lots subject to the Declaration – provided that no amendment shall be effective without the written consent of Declarant, its successors or assigns, during the Development Period. This Section 13.3 may be subject to Texas Property Code Section 209.013 to the extent it applies to an amendment of this Declaration; such Section 209.013 provides, "A dedicatory instrument created by a developer of a residential subdivision or by a property owners' association in which the developer has a majority of the voting rights or that the developer otherwise controls under the terms of the dedicatory instrument may not be amended during the period between the time the developer loses the majority of the

voting rights or other form of control of the property owners' association and the time a new board of directors of the association assumes office following the loss of the majority of the voting rights or other form of control."

13.4 Enforcement. Except as otherwise provided herein, any Owner of a Lot, at such Owner's own expense, Declarant and the Association shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, charges and other terms now or hereafter imposed by the Dedicatory Instruments. The Association and/or the Declarant may initiate, defend or intervene in any action brought to enforce any Dedicatory Instruments. Such right of enforcement shall include both damages for and injunctive relief against the breach of any provision hereof. Every act or omission whereby any Dedicatory Instruments are violated, in whole or in part, is hereby declared to be a nuisance and may be enjoined or abated by any Owner of a Lot (at such Owner's own expense), Declarant or the Association. Any violation of any Applicable Law pertaining to the ownership, occupancy, or use of any portion of the Property is hereby declared to be a violation of this Declaration and subject to all of the enforcement procedures set forth herein. Failure to enforce any right, provision, covenant, or condition set forth in the Dedicatory Instruments shall not constitute a waiver of the right to enforce such right, provision, covenants or condition in the future. Failure of the Declarant or the Association to enforce the terms and provisions of the Dedicatory Instruments shall in no event give rise to any claim or liability against the Declarant, the Association, or any of their partners, directors, officers, or agents. **EACH OWNER, BY ACCEPTING TITLE TO ALL OR ANY PORTION OF THE PROPERTY, HEREBY RELEASES AND SHALL HOLD HARMLESS EACH OF THE DECLARANT, THE ASSOCIATION, AND THEIR PARTNERS, DIRECTORS, OFFICERS, OR AGENTS FROM AND AGAINST ANY DAMAGES, CLAIMS OR LIABILITY ASSOCIATED WITH THE FAILURE OF THE DECLARANT OR THE ASSOCIATION TO ENFORCE THE DEDICATORY INSTRUMENTS.**

13.5 No Warranty of Enforceability. Declarant makes no warranty or representation as to the present or future validity or enforceability of the Dedicatory Instruments. Any Owner acquiring a Lot in reliance on one or more of the Dedicatory Instruments shall assume all risks of the validity and enforceability thereof and, by acquiring the Lot, agrees to hold Declarant harmless therefrom.

13.6 Severability. If any provision of this Declaration is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect the validity of any other provision of this Declaration, or, to the extent permitted by Applicable Law, the validity of such provision as applied to any other person or entity.

13.7 Conflicts. If there is any irreconcilable conflict between the provisions of this Declaration, the Certificate, the Bylaws, or any Rules and Regulations adopted pursuant to the terms of such documents, the provisions of this Declaration, the Certificate, the Bylaws, and the Rules and Regulations, in such order, shall govern; provided, however, all shall be read in concert, with all reasonable effort made to reconcile their respective provisions. Notwithstanding the foregoing, the terms and provisions of this Declaration (and Dedicatory Instruments) are subordinate to Applicable Law. Generally, the terms and provisions of this Declaration (and Dedicatory Instruments) are enforceable to the extent they do not violate or conflict with Applicable Law.

13.8 Gender. Whenever the context so requires, all words herein in the male gender shall be deemed to include the female or neuter gender, all singular words shall include the plural, and all plural words shall include the singular.

13.9 Acceptance by Owners. EACH OWNER OF A LOT OR OTHER REAL PROPERTY INTEREST IN THE PROPERTY, BY THE ACCEPTANCE OF A DEED OF CONVEYANCE, OR EACH SUBSEQUENT PURCHASER, ACCEPTS THE SAME SUBJECT TO ALL TERMS, RESTRICTIONS, CONDITIONS, COVENANTS, RESERVATIONS, EASEMENTS, LIENS AND CHARGES, AND THE JURISDICTION RIGHTS AND POWERS CREATED OR RESERVED BY THIS DECLARATION OR TO WHOM THIS DECLARATION IS SUBJECT, AND ALL RIGHTS, BENEFITS AND PRIVILEGES OF EVERY CHARACTER HEREBY GRANTED, CREATED, RESERVED OR DECLARED. FURTHERMORE, EACH OWNER AGREES THAT NO ASSIGNEE OR SUCCESSOR TO DECLARANT HEREUNDER SHALL HAVE ANY LIABILITY FOR ANY ACT OR OMISSION OF DECLARANT WHICH OCCURRED PRIOR TO THE EFFECTIVE DATE OF ANY SUCH SUCCESSION OR ASSIGNMENT. ALL IMPOSITIONS AND OBLIGATIONS HEREBY IMPOSED SHALL CONSTITUTE COVENANTS RUNNING WITH THE LAND WITHIN THE PROPERTY, AND SHALL BIND ANY PERSON HAVING AT ANY TIME ANY INTEREST OR ESTATE IN THE PROPERTY, AND SHALL INURE TO THE BENEFIT OF EACH OWNER IN LIKE MANNER AS THOUGH THE PROVISIONS OF THIS DECLARATION WERE RECITED AND STIPULATED AT LENGTH IN EACH AND EVERY DEED OF CONVEYANCE.

13.10 Damage and Destruction. The Association shall undertake the following actions subsequent to damage or destruction to all or any part of the Common Area covered by insurance:

13.10.1 Claims. Promptly after damage or destruction by fire or other casualty to all or any part of the Common Area covered by insurance, the Board, or its duly authorized agent, shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair of the damage. Repair, as used in this Section, means repairing or restoring the Common Area to substantially the same condition as existed prior to the fire or other casualty.

13.10.2 Repair Obligations. Any damage to or destruction of the Common Area shall be repaired unless a Majority of the Board decides within sixty (60) days after the casualty not to repair. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made available.

13.10.3 Restoration. In the event that it should be determined by the Board that the damage or destruction of the Common Area shall not be repaired and no alternative Improvements are authorized, then the affected portion of the Common Area shall be restored to its natural state and maintained as an undeveloped portion of the Common Area by the Association in a neat and attractive condition.

13.10.4 Special Assessment. If insurance proceeds are paid to restore or repair any damaged or destroyed Common Area, and such proceeds are not sufficient to defray the cost of such repair or restoration, the Board shall levy a Special Assessment, as provided in Article 8, against all Owners' Lots.

13.10.5 Proceeds Payable to Owners. In the event that any proceeds of insurance policies are paid to Owners as a result of any damage or destruction to any Common Area, such payments shall be allocated based on a per-Lot basis (not including exempt Lots pursuant to Sections 8.7.2 and 8.7.3) and paid jointly to the Owners and the holders of Mortgages or deeds of trust on their Lots.

13.11 No Partition. Except as may be permitted in this Declaration or amendments thereto, no physical partition of the Common Area or any part thereof shall be permitted, nor shall any person acquiring any interest in the Property or any part thereof seek any such judicial partition unless the portion of the Property or Common Area in question has been removed from the provisions of this Declaration pursuant to Section 12.4 above. This Section 13.11 shall not be construed to prohibit the Board from acquiring and disposing of tangible personal property or from acquiring title to real property that may or may not be subject to this Declaration.

13.12 View Impairment. Neither Declarant nor the Association guarantee or represent that any view over and across the Lots, or any open space or Common Area within the Property shall be preserved without impairment. Neither the Declarant, the ACC, nor the Association shall have any obligation to relocate, prune, thin trees or perform other landscaping. The Association (with respect to any Common Area) shall have the right to add trees and other landscaping from time to time, subject to Applicable Law. There shall be no express or implied easements for view purposes or for the passage of light and air.

13.13 Safety and Security. Each Owner and Resident of a Lot, and their respective guests and invitees, shall be responsible for their own personal safety and the security of their property within the Property and the Common Area. The Association may, but shall not be obligated to, maintain or support certain activities within the Property and the Common Area designed to promote or enhance the level of safety or security which each person provides for himself or herself and his or her property. However, neither the Association nor Declarant shall in any way be considered insurers or guarantors of safety or security within the Property or the Common Area, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

No representation or warranty is made that any systems or measures, including security monitoring systems or any mechanism or system for limiting access to the Property or the Common Area, cannot be compromised or circumvented; or that any such system or security measures undertaken shall in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands, and shall be responsible for informing any Residents of such Owner's Lot that the Association, its Board and committees, and the Declarant are not insurers or guarantors of security or safety and that each person within the Property assumes all risks of personal injury and loss or damage to the Property, including any Residences or Improvements constructed upon any Lot and the contents thereof, resulting from acts of third parties.

13.14 Notices. ANY NOTICE PERMITTED OR REQUIRED TO BE GIVEN TO ANY PERSON BY THIS DECLARATION SHALL BE IN WRITING AND MAY BE DELIVERED EITHER PERSONALLY OR BY MAIL, OR AS OTHERWISE REQUIRED BY APPLICABLE LAW. NOTICE BY MAIL IS DEEMED DELIVERED (WHETHER ACTUALLY RECEIVED OR NOT) WHEN PROPERLY DEPOSITED WITH THE UNITED STATES POSTAL SERVICE, ADDRESSED (A) TO A MEMBER, AT THE MEMBER'S LAST KNOWN ADDRESS ACCORDING TO THE ASSOCIATION'S RECORDS, AND (B) TO THE ASSOCIATION, THE BOARD, THE ACC, OR A MANAGING AGENT AT THE ASSOCIATION'S PRINCIPAL OFFICE OR ANOTHER ADDRESS DESIGNATED IN A NOTICE TO THE MEMBERS. UNLESS OTHERWISE REQUIRED BY LAW OR THE DEDICATORY INSTRUMENTS, ACTUAL NOTICE, HOWEVER DELIVERED, IS SUFFICIENT. SUCH ADDRESS MAY BE CHANGED FROM TIME TO TIME BY NOTICE IN WRITING GIVEN BY SUCH PERSON TO THE ASSOCIATION.

13.15 Mining and Drilling. Except for the Third Party Oil, Gas and Mineral Interests defined below, no other portion of the Property may be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate, or earth. This provision shall not be construed to prevent the excavation of rocks, stones, sand, gravel, aggregate, or earth or the storage of such material for use as fill provided that such activities are conducted in conjunction with the construction of Improvements and/or the development of the Property by the Declarant. Furthermore, this provision shall not be interpreted to prevent the drilling of water wells approved in advance by the Board which are required to provide water to all or any portion of the Property. All water wells shall also be approved in advance by the Board and any applicable regulatory authority. This Section 13.15 shall not apply to minerals, resources and groundwater, or some portion thereof or some interest therein, that may have been conveyed or reserved by third parties prior to Declarant's ownership of the Property (the **"Third Party Oil, Gas and Mineral Interests"**). No representation or warranty, express or implied, is made as to the ownership of the minerals, resources and groundwater or any portion thereof or any interest therein.

13.16 Declarant and Board Fine Authority; Corrective Action. Declarant (during the Development Period) or Board may assess fines against an Owner for violations of the Dedicatory Instruments which have been committed by an Owner, a Resident, or any guests, agents, family members, or invitees of an Owner or Resident. The Declarant/Board uses fines to discourage violations of the Dedicatory Instruments, and to encourage compliance when a violation occurs - not to punish violators or generate revenue for the Declarant. Although a fine may be an effective and efficient remedy for certain types of violations or violators, it is only one (1) of several methods available to the Declarant or Board for enforcing the Dedicatory Instruments. An Owner is liable for fines levied by the Declarant or Board for violations of the Dedicatory Instruments by the Owner, a Resident, or any guests, agents, family members or invitees of the Owner or Resident. Regardless of who commits the violation, the Declarant or Board shall direct its communications to the Owner, although the Declarant or Board may send copies of its notices to the Residents. Any fines pursuant to this section shall comply with any Enforcement Policy, adopted by the Association and amended from time to time.

Notwithstanding the provisions contained herein, where a violation of the Dedicatory Instruments is determined to exist, the Manager for the Association, with the approval of the Board, may undertake to

cause the violation to be corrected, removed or otherwise abated by qualified contractors if the Association, in its reasonable judgment, determines that such violation may be readily corrected, removed, or abated without undue expense and without breach of the peace. Such corrective action shall also be in accordance with this Declaration, the Bylaws, any Enforcement Policy, and any other Dedicatory Instruments, adopted by the Association and amended from time to time.

13.17 Management Certificate. The Association shall comply with Texas Property Code Section 209.004 regarding management certificates (and amended management certificates).

13.18 Merger and Consolidation. Upon a merger or consolidation of the Association with another non-profit corporation organized for the same or similar purposes, the Association's properties, rights, and obligations may be transferred to the surviving or consolidated association, or alternatively, the properties, rights and obligations of another association may be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants, conditions and restrictions established by this Declaration, together with the covenants, conditions and restrictions applicable to the properties of the other association as one scheme. No merger or consolidation shall be permitted except with the approval by two-thirds (2/3rds) vote of the Class "A" Members present in person or by proxy at a meeting called for such purpose and, until the termination of the Class "B" Membership, the Declarant.

13.19 Dissolution. The Association may be dissolved with the approval by two-thirds (2/3rds) vote of the Class "A" Members present in person or by proxy at a meeting called for such purpose and, until the termination of the Class "B" Membership, the Declarant. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

13.20 Notice of Sale or Transfer of Title. In the event that an Owner sells or otherwise transfers title to his or her Lot, such Owner shall provide the Association with a copy of the executed instrument of conveyance and give the Association written notice of the name and address of the (f) purchaser or transferee, the date of such transfer of title, and such other information as the Board of Directors may reasonably require. Until such written notice is received by the Association, the transferor shall continue to be jointly and severally responsible for all obligations of the Owner of the Lot hereunder, including payment of Assessments, notwithstanding the transfer of title to the Lot. The Board may require payment of a transfer fee to defray the costs incurred in changing its records to reflect the new Owner; provided, however, the following transfers are exempt from such fees:

(i) by the Declarant;

(ii) by a Homebuilder;

(iii) by a co-Owner to any Person who was a co-Owner immediately prior to such transfer;

(iii) to the Owner's estate, surviving spouse, or child upon the death of the Owner;

(iv) to any entity wholly owned by the grantor;

(v) to a Mortgagee or the designee of a Mortgagee in lieu of foreclosure or upon foreclosure of a Mortgage;

(vi) to an interim Owner in connection with an employer relocation agreement; or

(vii) any other exemption described in Section 8.4.

ARTICLE 14
DISPUTE RESOLUTION

14.1 Introduction and Definitions. The Association, the Owners, Declarant, Homebuilders, and all persons subject to this Declaration, and each person not otherwise subject to this Declaration who agrees to submit to this Article by written instrument delivered to the Claimant, which may include, but is not limited to, a Homebuilder, a general contractor, sub-contractor, design professional, or other person who participated in the design or construction of Lots, Common Area, or any Improvement within, serving or forming a part of the Property (individually, a **"Party"** and collectively, the **"Parties"**) agree to encourage the amicable resolution of disputes involving the Property and the Common Area to avoid the emotional and financial costs of litigation and arbitration if at all possible. Accordingly, each Party hereby covenants and agrees that this Article applies to all Claims as hereafter defined. Notwithstanding anything contained in this Article, any Claim brought by an Owner related to a Residence that is subject to a warranty agreement provided by the Declarant or Homebuilder shall not be subject to this Article and shall be governed by the warranty agreement, unless the Parties agree to have the dispute governed by this Article. This Article may only be amended with the prior written approval of the Declarant, the Association (acting through a Majority of the Board), and Owners holding 100% of the votes in the Association. As used in this Article only, the following words, when capitalized, have the following specified meanings:

(i) **"Claim"** means:

(A) Claims relating to the rights and/or duties of Declarant, the Association, or the ACC, under the Dedicatory Instruments.

(B) Claims relating to the acts or omissions of the Declarant, the Association or a Board member or officer of the Association during Declarant's control and administration of the Association, and any claim asserted against the ACC.

(C) Claims relating to the design or construction of the Common Area or any Improvements located within or on Common Area.

(ii) **"Claimant"** means any Party having a Claim against any other Party.

(iii) **"Respondent"** means any Party against which a Claim has been asserted by a Claimant.

14.2 Mandatory Procedures. Claimant may not initiate any proceeding before any judge, jury, arbitrator or any judicial or administrative tribunal seeking redress of resolution of its Claim until Claimant has complied with the procedures of this Article. As provided in Section 14.8 below, a Claim shall be resolved by binding arbitration.

14.3 Claim Affecting Common Areas. In accordance with Section 14.1 of this Declaration, the Association does not have the power or right to institute, defend, intervene in, settle, or compromise litigation, arbitration or other proceedings: (i) in the name of or on behalf of any Lot Owner (whether one or more); or (ii) pertaining to a Claim, as defined in Section 14.1 above, relating to the design or construction of Improvements on a Lot (whether one or more). Additionally, no Lot Owner shall have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings relating to the design or construction of the Common Area. Each Lot Owner, by accepting an interest in or to title to a Lot, hereby grants to the Association the exclusive right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings relating to the design or construction of the Common Area. In the event the Association asserts a Claim related to the Common Area, as a precondition to providing the Notice defined in Section 14.5, initiating the mandatory dispute resolution procedures set forth in this Article, or taking any other action to prosecute a Claim related to the Common Area, the Association shall:

14.3.1 Obtain Owner Approval of Engagement. Unless otherwise approved by Members holding eighty percent (80%) of the votes in the Association, the Association, acting through its Board, shall in no event have the authority to engage a law firm or attorney to prosecute a Claim relating to the design or construction of the Common Area if the agreement between the Association and law firm or attorney includes any provision or requirement that would obligate the Association to pay any costs, expenses, fees, or other charges to the law firm or attorney, including but not limited to, costs, expenses, fees, or other charges payable by the Association: (i) if the Association terminates the engagement with the law firm or attorney or engages another firm or third-party to assist with the Claim; (ii) if the Association agrees to settle the Claim for a cash payment or in exchange for repairs or remediation performed by the Respondent or any other third-party; (iii) if the Association agrees to pay interest on any costs or expenses incurred by the law firm or attorney; and/or for consultants, expert witnesses, and/or general contractors hired by the law firm or attorney. For avoidance of doubt, it is intended that Members holding eighty percent (80%) of the votes in the Association shall approve the law firm and attorney who shall prosecute the Claim and the written agreement between the Association and the law firm and/or attorney.

The approval of the Members required under this Section shall be obtained at a meeting of Members called in accordance with the Bylaws. The notice of Member meeting shall be provided pursuant to the Bylaws but the notice shall also include: (a) the name of the law firm and attorney; (b) a copy of the proposed written agreement between the Association and the law firm and/or attorney; (c) a narrative summary of the types of costs, expenses, fees, or other charges that may be required to be paid by the Association; (d) the conditions upon which such types of costs, expenses, fees, or other charges are required to be paid by the Association; (e) an estimate of the costs, expenses, fees, or other charges that may be required to be paid by the Association if the conditions for payment occur, which estimate shall be expressed as a range for each type of cost, expense, fee, or other charge; and (f) a description of the process the law

firm and/or attorney shall use to evaluate the Claim and whether destructive testing shall be required (i.e., the removal of all or portions of the Common Area or Improvements on the Property). If destructive testing shall be required or is likely to occur, the notice shall include a description of the destructive testing, likely locations of the destructive testing, whether the Owner's use of their Lots or the Common Area shall be affected by such testing, and if the destructive testing occurs the means or method the Association shall use to repair the Common Area or Improvements affected by such testing and the estimated costs thereof. The notice required by this paragraph shall be prepared and signed by a person other than the law firm or attorney who is a party to the proposed agreement being approved by the Members. In the event Members holding eighty percent (80%) of the votes in the Association approve the law firm and/or attorney who shall prosecute the Claim and the written agreement between the Association and the law firm and/or attorney, the Board shall have the authority to engage the law firm and/or attorney and enter into the written agreement approved by the Members.

14.3.2 Provide Notice of the Inspection. As provided in Section 14.3.3 below, a Common Area Report is required which is a written inspection report issued by the Inspection Company. Before conducting an inspection that is required to be memorialized by the Common Area Report, the Association shall have provided at least ten (10) days prior written notice of the date on which the inspection shall occur to each Respondent which notice shall identify the Inspection Company preparing the Common Area Report, the specific Common Areas to be inspected, and the date and time the inspection shall occur. Each Respondent may attend the inspection, personally or through an agent.

14.3.3 Obtain a Common Area Report. The Common Area Report shall be obtained by the Association - a written independent third-party report for the Common Area (the **"Common Area Report"**) from a professional engineer licensed by the Texas Board of Professional Engineers with an office located in Medina County, Texas (the **"Inspection Company"**). The Common Area Report shall include: (i) a description with photographs of the Common Area subject to the Claim; (ii) a description of the present physical condition of the Common Area subject to the Claim; (iii) a detailed description of any modifications, maintenance, or repairs to the Common Area performed by the Association or a third-party, including any Respondent; and (iv) specific and detailed recommendations regarding remediation and/or repair of the Common Area subject to the Claim. For the purpose of subsection (iv) of the previous sentence, the specific and detailed recommendations shall also include the specific process, procedure, materials, and/or Improvements necessary and required to remediate and/or repair the deficient or defective condition identified in the Common Area Report and the estimated costs necessary to effect such remediation and/or repairs. The estimate of costs required by the previous sentence shall be obtained from third-party contractors with an office located in Medina County, Texas, and each such contractor providing the estimate shall hold all necessary or required licenses from the Texas Department of Licensing and Regulation or otherwise required by Applicable Law for the work to which the cost estimate relates.

The Common Area Report shall not satisfy the requirements of this Section and is not an "independent" report if: (a) the Inspection Company has an arrangement or other agreement to provide consulting and/or engineering services with the law firm or attorney that presently represents the Association or proposes to represent the Association; (b) the costs and expenses for preparation of the Common Area Report are not required to be paid directly by the Association to the Inspection Company at the time the Common Area Report is finalized and delivered to the Association; or (c) the law firm or

attorney that presently represents the Association or proposes to represent the Association has agreed to reimburse (whether unconditional or conditional and based on the satisfaction of requirements set forth in the Association's agreement with the law firm or attorney) the Association for the costs and expenses for preparation of the Common Area Report. For avoidance of doubt, an "independent" report means that the Association has independently contracted with the Inspection Company on an arms-length basis based on customary terms for the preparation of engineering reports and that the Association shall directly pay for the report at the time the Common Area Report is finalized and delivered to the Association.

14.3.4 Provide a Copy of Common Area Report to all Respondents and Owners. Upon completion of the Common Area Report, and in any event no later than three (3) days after the Association has been provided a copy of the Common Area Report, the Association shall provide a full and complete copy of the Common Area Report to each Respondent and to each Owner. The Association shall maintain a written record of each Respondent and Owner who was provided a copy of the Common Area Report which shall include the date the report was provided. The Common Area Report shall be delivered to each Respondent by hand- delivery and to each Owner by mail.

14.3.5 Provide a Right to Cure Defects and/or Deficiencies Noted on Common Area Report. Commencing on the date the Common Area Report has been completed and continuing for a period of ninety (90) days thereafter, each Respondent shall have the right to: (i) inspect any condition identified in the Common Area Report; (ii) contact the Inspection Company for additional information necessary and required to clarify any information in the Common Area Report; and (iii) correct any condition identified in the Common Area Report. As provided in Section 11.9 above, the Declarant has an easement throughout the Property for itself, and its successors, assigns, architects, engineers, other design professionals, each Homebuilder, other builders, and general contractors that may be utilized during such ninety (90) day period and any additional period needed thereafter to correct a condition identified in the Common Area Report.

14.3.6 Hold Owner Meeting and Obtain Approval. In addition to obtaining approval from Members for the terms of the attorney or law firm engagement agreement, the Association shall obtain approval from Members holding eighty percent (80%) of the votes in the Association to provide the Notice described in Section 14.5, initiate the mandatory dispute resolution procedures set forth in this Article, or take any other action to prosecute a Claim, which approval from Members shall be obtained at a meeting of Members called in accordance with the Bylaws. The notice of meeting required hereunder shall be provided pursuant to the Bylaws but the notice shall also include: (i) the nature of the Claim, the relief sought, the anticipated duration of prosecuting the Claim, and the likelihood of success; (ii) a copy of the Common Area Report; (iii) a copy of any engagement letter between the Association and the law firm and/or attorney selected by the Association to assert or provide assistance with the Claim; (iv) a description of the attorney fees, consultant fees, expert witness fees, and court costs, whether incurred by the Association directly or for which the Association may be liable as a result of prosecuting the Claim; (v) a summary of the steps previously taken by the Association to resolve the Claim; (vi) a statement that initiating the lawsuit or arbitration proceeding to resolve the Claim may affect the market value, marketability, or refinancing of a Lot while the Claim is prosecuted; and (vii) a description of the manner in which the Association proposes to fund the cost of prosecuting the Claim. The notice required by this paragraph shall be prepared and signed by a person who is not (a) the attorney who represents or shall represent the Association in the Claim; (b) a member of the law firm of the attorney who represents or shall

represent the Association in the Claim; or (c) employed by or otherwise affiliated with the law firm of the attorney who represents or shall represent the Association in the Claim. In the event Members approve providing the Notice described in Section 14.5, or taking any other action to prosecute a Claim, the Members holding a Majority of the votes in the Association, at a special meeting called in accordance with the Bylaws, may elect to discontinue prosecution or pursuit of the Claim.

14.3.7 Provide Officer Certification. Within ten (10) days after a vote of Members called pursuant to this Article, the secretary or another officer of the Association shall provide to Declarant and any Respondent (if different than Declarant): (i) a true and correct copy of the meeting notice provided to Members, for the meeting at which such vote was taken; (ii) copies of the ballots cast at such meeting (whether in person, electronic, or by proxy); (iii) a certification, executed by the issuing officer of the Association that: (a) the information set forth in (i) and (ii) hereinabove is true and correct; (b) the meeting notice provided to Members was provided in accordance with this Article; and (c) the vote was held in accordance with the Bylaws and this Article.

14.4 Claim by Lot Owners. Pursuant to Section 14.3 above, an Owner does not have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings relating to the design or construction of the Common Area. In the event that a court of competent jurisdiction or arbitrator determines that an Owner does have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings relating to the design or construction of the Common Area, such Owner shall be required, since a Claim affecting the Common Area could affect all Owners, as a precondition to providing the Notice defined in Section 14.5, initiating the mandatory dispute resolution procedures set forth in this Article, or taking any other action to prosecute a Claim, to comply with the requirements imposed by the Association in accordance with Section 14.3.2 (Provide Notice of Inspection), Section 14.3.3 (Obtain a Common Area Report), Section 14.3.4 (Provide a Copy of Common Area Report to all Respondents and Owners), Section 14.3.5 (Provide Right to Cure Defects and/or Deficiencies Noted on Common Area Report), Section 14.3.6 (Owner Meeting and Approval), Section 14.3.7 (Officer Certification), and Section 14.5 (Notice). Additionally, class action proceedings are prohibited, and no Owner shall be entitled to prosecute, participate, initiate, or join any litigation, arbitration or other proceedings as a class member or class representative in any such proceedings under this Declaration.

14.5 Notice. Claimant shall notify Respondent in writing of the Claim (the **"Notice"**), stating plainly and concisely: (i) the nature of the Claim, including date, time, location, persons involved, and Respondent's role in the Claim; (ii) the basis of the Claim (i.e., the provision of the Dedicatory Instruments or other authority out of which the Claim arises); (iii) what Claimant wants Respondent to do or not do to resolve the Claim; and (iv) that the Notice is given pursuant to this Section. For Claims governed by Chapter 27 of the Texas Property Code, the time period for negotiation in Section 14.6 below, is equivalent to the sixty (60) day period under Section 27.004 of the Texas Property Code. If a Claim is subject to Chapter 27 of the Texas Property Code, the Claimant and Respondent are advised, in addition to compliance with Section 14.6, to comply with the terms and provisions of Section 27.004 of the Texas Property Code during such sixty (60) day period. Section 14.6 does not modify or extend the time period set forth in Section 27.004 of the Texas Property Code. Failure to comply with the time periods or actions specified in Section 27.004 of the Texas Property Code could affect a Claim if the Claim is subject to Chapter 27 of the Texas Property Code. The one hundred and twenty (120) day period for mediation set forth in Section 14.7 below,

is intended to provide the Claimant and Respondent with sufficient time to resolve the Claim in the event resolution is not accomplished during negotiation. If the Claim is not resolved during negotiation, mediation pursuant to Section 14.7 is required without regard to the monetary amount of the Claim.

If the Claimant is the Association, the Notice shall also include: (a) if the Claim relates to the design or construction of the Common Area, a true and correct copy of the Common Area Report and any and all other reports, studies, analyses, and recommendations obtained by the Association related to the Common Area; (b) a copy of any engagement letter between the Association and the law firm and/or attorney selected by the Association to assert or provide assistance with the Claim; (c) if the Claim relates to the design or construction of the Common Area, reasonable and credible evidence confirming that Members holding eighty percent (80%) of the votes in the Association approved the law firm and attorney and the written agreement between the Association and the law firm and/or attorney in accordance with Section 14.3.1; (d) a true and correct copy of the special meeting notice provided to Members in accordance with Section 14.3.6 above; and (e) reasonable and credible evidence confirming that Members holding eighty percent (80%) of the votes in the Association approved providing the Notice. If the Claimant is not the Association and pertains to the Common Areas, the Notice shall also include a true and correct copy of the Common Area Report.

14.6 Negotiation. Claimant and Respondent shall make every reasonable effort to meet in person to resolve the Claim by good faith negotiation. Within sixty (60) days after Respondent's receipt of the Notice, Respondent and Claimant shall meet at a mutually acceptable place and time to discuss the Claim. If the Claim involves all or any portion of the Property, then at such meeting or at some other mutually-agreeable time, Respondent and Respondent's representatives shall have full access to the Property that is subject to the Claim for the purposes of inspecting the Property.

14.7 Mediation. If the parties negotiate, but do not resolve the Claim through negotiation within one-hundred twenty (120) days from the date of the Notice (or within such other period as may be agreed on by the parties), Claimant shall have thirty (30) additional days within which to submit the Claim to mediation under the auspices of a mediation center or individual mediator on which the parties mutually agree. The mediator shall have at least five (5) years of experience serving as a mediator and shall have technical knowledge or expertise appropriate to the subject matter of the Claim. If Claimant does not submit the Claim to mediation within the 30-day period, Respondent shall submit the Claim to mediation in accordance with this Section 14.7. If the Parties do not settle the Claim within thirty (30) days after submission to mediation, Respondent or Claimant may initiate arbitration proceedings in accordance with Section 14.8.

14.8 Binding Arbitration-Claims. All Claims shall be settled by binding arbitration. Claimant or Respondent may, by summary proceedings (e.g., a plea in abatement or motion to stay further proceedings), bring an action in court to compel arbitration of any Claim not referred to arbitration as required by this Section.

14.8.1 Governing Rules. If a Claim has not been resolved after mediation in accordance with Section 14.7, the Claim shall be resolved by binding arbitration in accordance with the terms of this Section 14.8 and the American Arbitration Association (the **"AAA"**) Construction Industry Arbitration Rules and

Mediation Procedures and, if applicable, the rules contained in the AAA Supplementary Procedures for Consumer Related Disputes, as each are supplemented or modified by the AAA (collectively, the Construction Industry Arbitration Rules and Mediation Procedures and AAA Supplementary Procedures for Consumer Related Disputes are referred to herein as the **"AAA Rules"**). In the event of any inconsistency between the AAA Rules and this Section 14.8, this Section 14.8 shall control. Judgment upon the award rendered by the arbitrator shall be binding and not subject to appeal, but may be reduced to judgment or enforced in any court having jurisdiction. Notwithstanding any provision to the contrary or any applicable rules for arbitration, any arbitration with respect to Claims arising hereunder shall be conducted by a panel of three (3) arbitrators, to be chosen as follows:

(i) One arbitrator shall be selected by Respondent, in its sole and absolute discretion;

(ii) One arbitrator shall be selected by the Claimant, in its sole and absolute discretion; and

(iii) One arbitrator shall be selected by mutual agreement of the arbitrators having been selected by Respondent and the Claimant, in their sole and absolute discretion.

14.8.2 Exceptions to Arbitration; Preservation of Remedies. No provision of, nor the exercise of any rights under, this Section 14.8.2 shall limit the right of Claimant or Respondent, and Claimant and the Respondent shall have the right during any Claim, to seek, use, and employ ancillary or preliminary remedies, judicial or otherwise, for the purposes of realizing upon, preserving, or protecting upon any property, real or personal, that is involved in a Claim, including, without limitation, rights and remedies relating to: (i) exercising self-help remedies (including set-off rights); or (ii) obtaining provisions or ancillary remedies such as injunctive relief, sequestration, attachment, garnishment, or the appointment of a receiver from a court having jurisdiction before, during, or after the pendency of any arbitration. The institution and maintenance of an action for judicial relief or pursuit of provisional or ancillary remedies or exercise of self-help remedies shall not constitute a waiver of the right of any party to submit the Claim to arbitration nor render inapplicable the compulsory arbitration provisions hereof.

14.8.3 Statute of Limitations. All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding under this Section.

14.8.4 Scope of Award; Modification or Vacation of Award. The arbitrator shall resolve all Claims in accordance with Applicable Law. The arbitrator may grant any remedy or relief that the arbitrator deems just and equitable and within the scope of this Section 14.8.4 and subject to Section 14.9 below; provided, however, attorney's fees and costs may not be awarded by the arbitrator to either Claimant or Respondent. In addition, for a Claim, or any portion of a Claim governed by Chapter 27 of the Texas Property Code, or any successor statute, in no event shall the arbitrator award damages which exceed the damages a Claimant would be entitled to under Chapter 27 of the Texas Property Code, except that the arbitrator may not award attorney's fees and/or costs to their Claimant or Respondent. In all arbitration proceedings, the arbitrator shall make specific, written findings of fact and conclusions of law. In all arbitration proceedings the parties shall have the right to seek vacation or modification of any award that is based in whole, or in part, on: (i) factual findings that have no legally or factually sufficient evidence, as those terms are defined in Texas law; (ii) conclusions of law that are erroneous; (iii) an error of Applicable

Law; or (iv) a cause of action or remedy not expressly provided under Applicable Law. In no event may an arbitrator award speculative, special, exemplary, treble, or punitive damages for any Claim.

14.8.5 Other Matters. To the maximum extent practicable, an arbitration proceeding hereunder shall be concluded within one hundred and eighty (180) days of the filing of the Claim for arbitration. Arbitration proceedings hereunder shall be conducted in Medina County, Texas. Unless otherwise provided by this Section 14.8.5, the arbitrator shall be empowered to impose sanctions and to take such other actions as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the Texas Rules of Civil Procedure and Applicable Law. Claimant and Respondent agree to keep all Claims and arbitration proceedings strictly confidential, except for disclosures of information required in the ordinary course of business of the parties or by Applicable Law. In no event shall Claimant or Respondent discuss with the news media or grant any interviews with the news media regarding a Claim or issue any press release regarding any Claim without the written consent of the other parties to the Claim.

14.9 Allocation Of Costs. Notwithstanding any provision in this Declaration to the contrary, each Party bears all of its own costs incurred prior to and during the proceedings described in the Notice, Negotiation, Mediation, and Arbitration sections above, including its attorney's fees. Respondent and Claimant shall equally divide all expenses and fees charged by the mediator and arbitrator.

14.10 General Provisions. A release or discharge of Respondent from liability to Claimant on account of the Claim does not release Respondent from liability to persons who are not party to Claimant's Claim.

14.11 Period of Limitation.

14.11.1 For Actions by an Owner or Resident. The exclusive period of limitation for any of the Parties to bring any Claim, shall be the earliest of: (i) for Claims alleging construction defect or defective design, two (2) years and one (1) day from the date that the Owner or Resident discovered or reasonably should have discovered evidence of the Claim; (ii) for Claims other than those alleging construction defect or defective design, four (4) years and one (1) day from the date that the Owner or Resident discovered or reasonably should have discovered evidence of the Claim; or (iii) the applicable statute of limitations for such Claim. In the event that a court of competent jurisdiction determines that an Owner does have the power or right to institute, defend, intervene in, settle or compromise litigation, arbitration or other proceedings relating to the design or construction of the Common Area, the exclusive period of limitation for a Claim of construction defect or defective design of the Common Areas, shall be the earliest of: (a) two (2) years and one (1) day from the date that the Owner or the Association discovered or reasonably should have discovered evidence of the Claim; or (b) the applicable statute of limitations for such Claim. In no event shall this Section 14.11.1 be interpreted to extend any period of limitations.

14.11.2 For Actions by the Association. The exclusive period of limitation for the Association to bring any Claim, including, but not limited to, a Claim of construction defect or
defective design of the Common Areas, shall be the earliest of: (i) for Claims alleging construction defect or defective design, two (2) years and one (1) day from the date that the Association or its Manager, Board members, officers or agents discovered or reasonably should have discovered evidence of the Claim; (ii) for Claims other than those alleging construction defect or defective design of the Common Areas, four (4) years

and one (1) day from the date that the Association or its Manager, Board members, officers or agents discovered or reasonably should have discovered evidence of the Claim; or (iii) the applicable statute of limitations for such Claim. In no event shall this Section 14.11.2 be interpreted to extend any period of limitations.

14.12 Funding the Resolution of Claims. The Association shall levy a Special Assessment to fund the estimated costs to resolve a Claim pursuant to this Article. The Association may not use its annual operating income or reserve funds to fund the costs to resolve a Claim unless the Association has previously established and funded a dispute resolution fund.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Declarant executes this **DECLARATION** as of the _____ day of _____ 20_____.

BY:

KF Flat Creek, LP,

a Texas limited partnership

BY:

King Fish Development, LLC,

a Texas limited liability company,

its General Partner

By: _____

Name: _____

Title: _____

Date: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____, the ___ _____ of King Fish Development, LLC, a Texas limited liability company, the general partner of KF Flat Creek, LP, a Texas limited partnership, on behalf of said limited liability company and limited partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this __day of_____ 202_.

[SEAL]

_____
Notary Public, State of Texas
Printed Name: _____
My Commission Expires: _____

EXHIBIT A

METES AND BOUNDS DESCRIPTION

EXHIBIT B

PRELIMINARY CONCEPT PLAN

(as may be amended from time to time)

EXHIBIT C -1

LANDSCAPING DESIGN GUIDELINES

- **Landscaping Requirements for 50' Lots:**
  - Minimum of 100 square foot mulched landscape bed in the front yard.
  - Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
  - Minimum of ten (10) one (1) gallon plants in the front yard.
  - Minimum of six (6) three (3) gallon plants in the front yard.
  - Minimum of one (1) two-inch (2") caliper hardwood tree shall be planted within the rear yard inside of any fencing.
  - Minimum of one (1) two-inch (2") caliper hardwood tree shall be planted within the front yard or side yard in front of any fencing.
  - Landscape irrigation system for entire front and rear yard shall be installed.
  - Any Lots which are corner lots or side open space lots shall include the following:
    - Minimum of 100 square foot mulched landscape bed in the front yard.
    - Minimum of 100 square foot mulched landscape bed in the side yard.
    - Front yard and rear yard shall be fully sodded, except for landscape bed(s).
    - Minimum of fifteen (15) one (1) gallon plants in the front yard.
    - Minimum of ten (10) five (5) gallon plants in the front yard.
    - Minimum of three (3) two-inch (2") caliper hardwood trees, planted not less than twelve feet (12') apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
    - Minimum of six (6) one (1) gallon plants in the side yard.
    - Minimum of five (5) five (5) gallon plants in the side yard.
    - Landscape irrigation system for entire front yard, side yard and rear yard shall be installed.

- **Landscaping Requirements for 60' Lots:**
  - Minimum of 125 square foot mulched landscape bed in the front yard.
  - Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
  - Minimum of twelve (12) one (1) gallon plants in the front yard.
  - Minimum of eight (8) three (3) gallon plants in the front yard.
  - Minimum of one (1) two-inch (2") caliper hardwood tree shall be planted within the rear yard inside of any fencing.
  - Minimum of two (2) two-inch (2") caliper hardwood trees shall be planted within the front yard or side yard in front of any fencing.
  - Landscape irrigation system for entire front and rear yard shall be installed.
  - Any Lots which are corner lots or side open space lots shall include the following:
    - Minimum of 125 square foot mulched landscape bed in the front yard.
    - Minimum of 125 square foot mulched landscape bed in the side yard.
    - Front yard and rear yard shall be fully sodded, except for landscape bed(s).
    - Minimum of eighteen (18) one (1) gallon plants in the front yard.
    - Minimum of twelve (12) five (5) gallon plants in the front yard.
    - Minimum of three (3) two-inch (2") caliper hardwood trees, planted not less than twelve feet (12') apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
    - Minimum of eight (8) one (1) gallon plants in the side yard.
    - Minimum of seven (7) five (5) gallon plants in the side yard.
    - Landscape irrigation system for entire front yard, side yard and rear yard shall be installed.

EXHIBIT C – 2

LANDSCAPING DESIGN GUIDELINES

• **Landscaping Requirements for 70' Lots:**

o Minimum of 150 square foot mulched landscape bed in the front yard.
o Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
o Minimum of fifteen (15) one (1) gallon plants in the front yard.
o Minimum of ten (10) three (3) gallon plants in the front yard.
o Minimum of one (1) two-inch (2") caliper hardwood tree shall be planted within the rear yard inside of any fencing.
o Minimum of two (2) two-inch (2") caliper hardwood trees shall be planted within the front yard or side yard in front of any fencing.
o Landscape irrigation system for entire front and rear yard shall be installed.
o Any Lots which are corner lots or side open space lots shall include the following:
- Minimum of 150 square foot mulched landscape bed in the front yard.
- Minimum of 150 square foot mulched landscape bed in the side yard.
- Front yard and rear yard shall be fully sodded, except for landscape bed(s).
- Minimum of twenty (20) one (1) gallon plants in the front yard.
- Minimum of fourteen (14) five (5) gallon plants in the front yard.
- Minimum of three (3) two-inch (2") caliper hardwood trees, planted not less than twelve feet (12') apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
- Minimum of eight (8) one (1) gallon plants in the side yard.
- Minimum of seven (7) five (5) gallon plants in the side yard.
- Landscape irrigation system for entire front yard, side yard and rear yard shall be installed.

EXHIBIT D

SUMMARY OF DEDICATORY INSTRUMENTS

DEDICATORY INSTRUMENTS	
Declaration (Recorded)	Creates obligations that are binding upon the Association and all present and future Owners of Property.
Certificate of **Formation** (Recorded, and as filed under the Texas Secretary of State File No. 805638687)	Establishes the Association as a Texas nonprofit corporation.
Bylaws (Recorded)	Governs the Association's internal affairs, such as elections, meetings, etc.
Alternative Payment Plan Guidelines (Recorded)	Guidelines establishing an alternative payment schedule by which an Owner may make partial payments to the Association for delinquent Assessments or any other amount owed to the Association.
Records Production and Copying Policy (Recorded)	Governs the reasonable examination of books and records of the Association.
Records Retention Policy (Recorded)	Identifies how long each document of the Association is retained.
Management Certificate (Recorded and electronically filed with the Texas Real Estate Commission)	Provides information about the management of the Association.
Community Manual (if adopted, Recorded)	Establishes Rules and Regulations and policies governing the Association.
Design Guidelines (Recorded)	Governs the design and architectural standards for the construction of Residences, Improvements and/or any modifications thereto. The Declarant shall have no obligation to adopt the Design Guidelines.
Rules and Regulations (if adopted, Recorded)	Regulates the use of property, activities, and conduct within the Property or the Common Area.
Board Resolutions (if adopted, Recorded)	Establishes rules, policies, and procedures for the Property, Owners and Association.
Enforcement Policy (Recorded)	Establishes a policy regarding the levying of fines by the Association.
Development Agreement (Recorded)	Provides certain regulatory terms for the Property's residential development, including associated public infrastructure and other public and private improvements.
Maintenance Agreement (Recorded)	Provides the terms for the Association's ongoing maintenance of public parkland and storm drainage improvements.

[redacted] 123.23 Acres, called Tract 1 – Page 1 of 2

State of Texas
County of Medina

Field notes for a tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 1/2 inch steel rod monument, found for the Northwest corner of said 153.76 acre tract of land, being the Northeast corner of a 278.896 acre tract of land, described in volume 875, page 486, of the Deed Records, Medina County, Texas, and lying on the South line of a 297.28 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018001053, of the Official Public Records, Medina County, Texas, said point of beginning being the Northwest corner of this tract of land;

Thence South 89° 29' 57" East, 1150.67 feet, along the North line of said 154.17 acre tract of land, being the South line of said 297.28 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said 154.17 acre tract of land, being the Northwest corner of Tract 1, of the John Fischer Estate Lands Division, described in an instrument, recorded in Volume 290, Page 949 of the Official Public Records of Medina County, Texas, said point being the Northeast corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

South 00° 01' 14' West, 1417.67 feet, being the West line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for Southwest corner of said Tract 1, being the Northwest corner of a 41.58 acre tract of land, called Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 05' 34" West, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 2, being the Northwest corner of a 41.46 acre tract of land, called Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 00' 30" East, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 3, being the Northwest corner of a 48.41 acre tract of land, called Tract 4, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 13' 48" East, 805.06 feet, along the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, said point being an angle point of this tract of land;

South 00° 12' 35" West, 437.26 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of Tract 5, of said John Fischer Estate Lands Division, the Southeast corner of a 123.23 acre tract of land, surveyed this same day, and the Northeast corner of a 30.53 acre tract of land, surveyed this same day, said point being the Southeast corner of this tract of land;

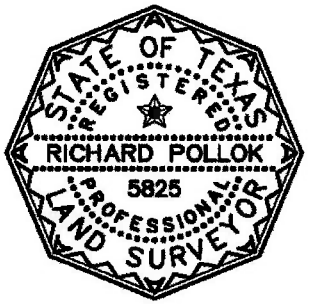
Thence South 89° 46' 17" West, 1152.72 feet, across said 154.17 acre tract of land, along the North line of said 30.53 acre tract of land, to a point marked by a 5/8 inch steel rod monument, with a cap stamped Rakowitz Engineering and Surveying, set on the West line of said 154.17 acre tract of land, for the Northwest corner of said 30.53 acre tract of land, and lying on the East line of said 278.896 acre tract of land, said point being the Southwest corner of this tract of land;

Thence North 00° 01' 54" East, 4671.00 feet, along the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 123.23 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.





Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

State of Texas
County of Medina

Field notes for a tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 4, being the Northeast corner of Tract 7, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, and lying on the West line of a 36.1 acre tract of land, described in an instrument, recorded in Clerk's File No. 2019007476, Deed Records, Medina County, Texas, said point of beginning being the Southeast corner of this tract of land;

Thence South 89° 44' 30" West, 1193.70 feet, along the South line of said Tract 4, being the North line of said Tract 7 and continuing along the North line of Tract 6, of said John Fischer Estate Lands Division, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 4, being the Northwest corner of said Tract 6, said point being a reentrant corner of this tract of land;

Thence South 00° 00' 47" West, 308.57 feet, along an East line of said Tract 4, being the West line of said Tract 6, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 4, being the Northeast corner of Tract 5, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 89° 46' 17" West, 801.70 feet, along the South line of said Tract 4, being the North line of said Tract 5, to a point marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of said Tract 5, The Southeast corner of a 123.23 acre tract of land, surveyed this same day, the Northeast corner of a 30.53 acre tract of land, surveyed this same day, and lying on the East line of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, Medina County, Texas, said point being the Southwest corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

North 00° 12' 35" East, 437.26 feet, being the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, being an angle point for said 154.17 acre tract of land, an angle point of said 123.23 acre tract of land, said point being an angle point of this tract of land;

North 00° 13' 48" West, 805.06 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 4, being the Southwest corner of Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 00' 30" West, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 3, being the Southwest corner of Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 05' 34" East, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 2, being the Southwest corner of Tract 1, of said John Fischer Estate Lands Division, said point being the Northwest corner of this tract of land;

Thence North 89° 46' 37" East, 1254.28 feet, along the North line of said Tract 2, being the South line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 2, being the Southeast corner of said Tract 1, and lying on the West line of a 50.96 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01' 54" East, 470.56 feet, along an East line of said Tract 2, being the West line of said 50.96 acre tract of land, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 2, being the Southwest corner of said 50.96 acre tract of land, said point being a reentrant corner of this tract of land;

Thence South 89° 54' 29" East, 721.96 feet, along a North line of said Tract 2, being the South line of said 50.96 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said Tract 2, being the Northwest corner of a 4.17 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being the Northeast corner of this tract of land;

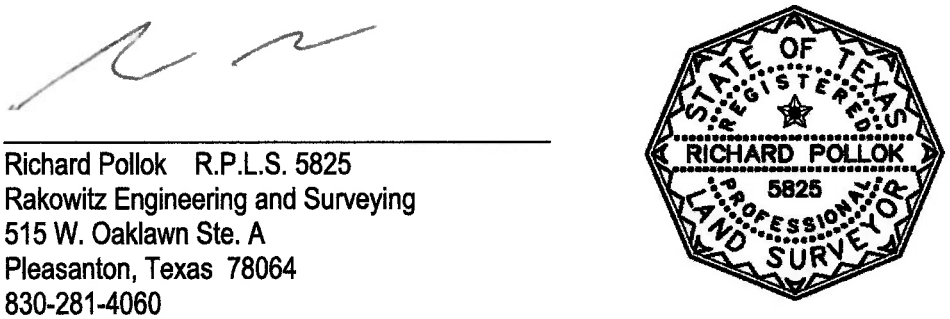
Thence South 00° 37' 18" East, 612.81 feet, along the East line of said Tract 2, being the West line of said 4.17 acre tract of land, and a 10.07 acre tract of land, described in an instrument, recorded in Clerk's File No. 2017005350, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 2, being the Northeast corner of said Tract 3, said point being an angle point of this tract of land;

Thence South 00° 29' 41" East, 907.75 feet, along the East line of said Tract 3, being the West line of said 10.07 acre tract of land, and a 6.587 acre tract of land, described in an instrument, recorded in Volume 321, Page 615, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of Tract 2, being the Northeast corner of said Tract 4, said point being an angle point of this tract of land;

Thence South 00° 16' 27" East, 934.20 feet, along the East line of said Tract 4, being the West line of said 6.587 acre tract of land, and continuing along the West line of a 0.925 acre tract of land, described in an instrument, recorded in Volume 403, Page 139, Deed Records, Medina County, Texas, and continuing along the West line of said 36.1 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 254.69 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.

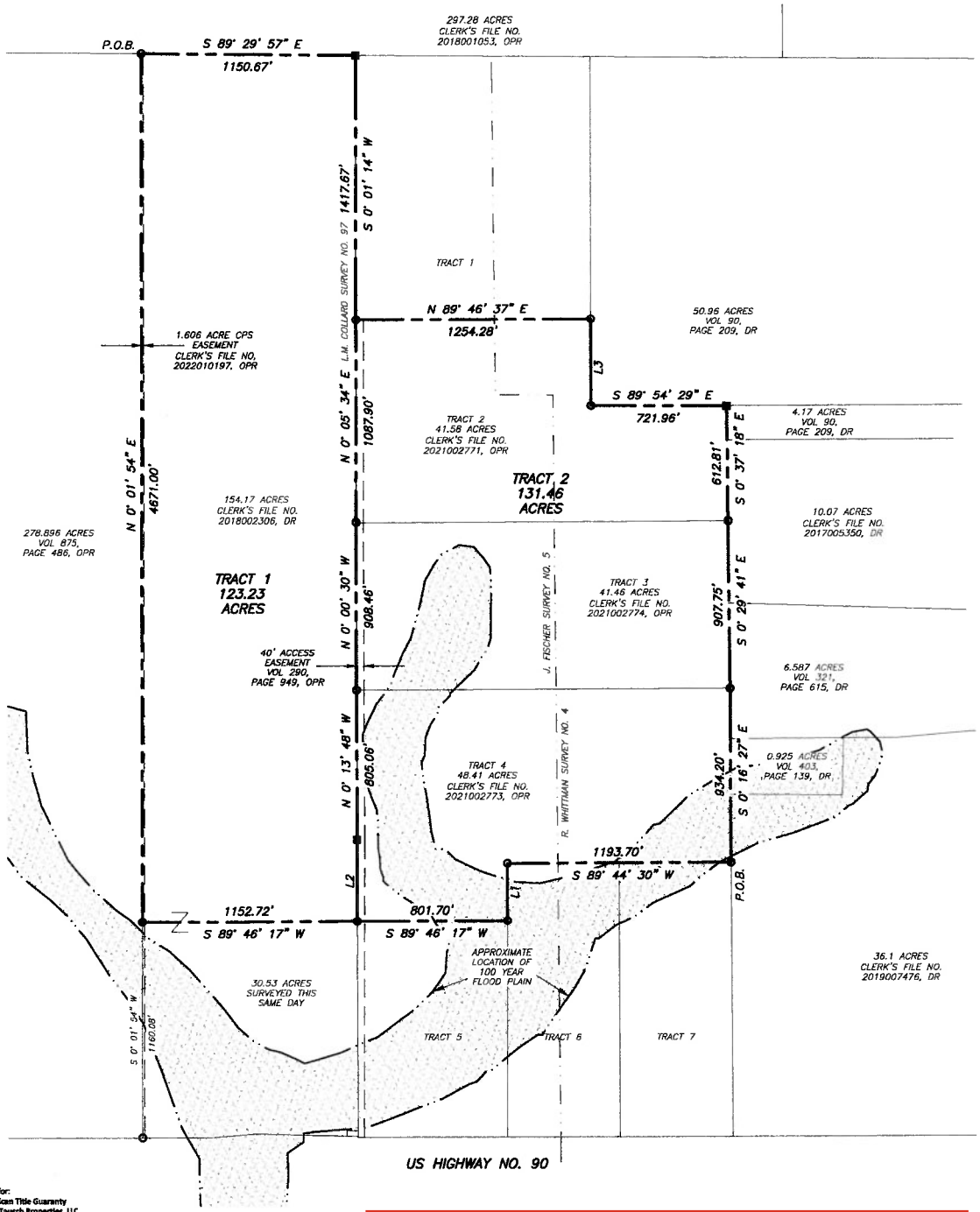


Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

PLAT OF SURVEY

OF

A 123.23 ACRE TRACT OF LAND, CALLED TRACT 1, BEING A PORTION OF A 153.76 ACRE TRACT OF LAND, CALLED 154.17, AND A 131.46 ACRE TRACT OF LAND, CALLED TRACT B, BEING ALL OF A 41.58 ACRE TRACT OF LAND, CALLED TRACT 2, ALL OF A 41.46 ACRE TRACT OF LAND, CALLED TRACT 3, AND ALL OF A 48.41 ACRE TRACT OF LAND, CALLED TRACT 4, OF THE JOHN FISCHER ESTATE LANDS DIVISION, LYING IN THE JOSEPH FISCHER SURVEY NO. 5, ABSTRACT NO. 1269, THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, AND THE ROMANUS WHITMAN SURVEY NO. 4, ABSTRACT NO. 1348, MEDINA COUNTY, TEXAS



1" = 400'

THE BASIS OF BEARING ON THIS PLAT IS GRID NORTH, TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83 (2011), SOUTH CENTRAL ZONE

Line Table		
Line #	Length	Direction
L1	308.57	S0° 09' 47"W
L2	437.26	N0° 12' 35"E
L3	470.56	S0° 01' 54"E

LEGEND

- Set 5/8 inch steel rod monument with cap stamped Rakowitz Engineering & Surveying
- Found 5/8 inch steel rod monument
- TxDot brass disk monument
- Fence corner post
- A calculated point
- Boundary line
- Adjoiner
- Barbed wire fence
- OHE — OHE — Overhead electric

Prepared for:
First American Title Guaranty
Dickerson Tausch Properties, LLC
Crown Money, LLC
KF Flat Creek, LP

REFERENCES:

DEED:
Clerk's File No. 2021002771, OPR
Clerk's File No. 2018002906, OPR
Clerk's File No. 2021002773, OPR
Clerk's File No. 2021002774, OPR
Flood plain panel #48325C0530D
Issued date: 5-15-2020

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that this plat was prepared from an actual survey done by me or under my direct supervision, and that to the best of my knowledge and belief it is a true and correct representation of said survey. This survey substantially complies with the current Texas Society of Professional Surveyors Manual of Practice requirements for a Category 1A, Condition 2.

STATE OF TEXAS
REGISTERED
RICHARD POLLOK
5825
PROFESSIONAL
LAND SURVEYOR

[redacted]

Rakowitz
ENGINEERING & SURVEYING
830.281.4080 515 W. OAKLAWN STE A PLEASANTON, TX 78064

Date of survey: April 25,
Update of survey: August 1
Job No. 22-2818B

DEVELOPMENT SUMMARY						
AREA/PHASE	LAND USE	AREA (Ac.)	DENSITY (DU/Ac.)	UNITS/LOTS	OPEN SPACE REQ. (Ac.)	OPEN SPACE PROVIDED (Ac.)
AM	AMENITY CENTER	10.70				10.70
OS	OPEN SPACE AREAS	6.29				6.29
FLP	FLOODPLAIN	15.01				15.01
LDA	LOCAL DRAIN AREAS	4.49				-
DET	DETENTION AREAS	9.21				-
RES-1	SINGLE-FAMILY RESIDENTIAL	16.99	4.24	72	3.40	0.17
RES-2	SINGLE-FAMILY RESIDENTIAL	16.14	3.66	59	3.23	0.16
RES-3	SINGLE-FAMILY RESIDENTIAL	15.94	4.77	76	3.19	0.16
RES-4	SINGLE-FAMILY RESIDENTIAL	64.41	3.66	236	12.88	0.64
RES-5	SINGLE-FAMILY RESIDENTIAL	76.92	2.94	226	15.38	0.77
ROW	ARTERIAL RIGHT OF WAY	14.24				
CS	CITY SERVICES-WATERTOWER SITE	4.35				4.35
	TOTAL	254.69		669	38.08	38.25

1.6 AC
1.5 AC
10.7 AC
0.6 AC
1.4 AC
1.2 AC
0.9 AC
0.94 AC
1.0 AC
Roadway by Others
US HIGHWAY 90

KINGFISH
REAL ESTATE | DEVELOPMENT | CONSULTING

FLAT CREEK SUBDIVISION CONCEPTUAL LAND USE SITE PLAN

CITY OF CASTROVILLE - MEDINA COUNTY - TEXAS

August 15, 2023 - Ver M

FLAT CREEK CASTROVILLE PROPERTY OWNERS' ASSOCIATION, INC.

PUBLIC IMPROVEMENT MAINTENANCE AGREEMENT

This Public Improvement Maintenance Agreement (this *Agreement*) is made and entered into on this the ___ day of _____, 202___, by and between **City of Castroville, Texas** (the *City*), a Type A general law municipality, and **Flat Creek Castroville Property Owners' Association** (the *Association*), a Texas property owners association organized and existing under laws of the State of Texas and having the powers and limitations provided under Title 11 of the Texas Property Code, for the purpose for providing the terms for the Association's maintenance of public parkland and storm drainage improvements within the hereinafter-defined District. The City and the Association are herein referred to individually as a *Party* and, together, as the *Parties*.

W I T N E S S E T H

WHEREAS, the City has, pursuant to applicable law, created the **Castroville East Side Public Improvement District No. 2** (the *District*) on approximately 254.69 acres of land located within the City (such land, as more particularly described on Exhibit "A" attached hereto and made a part hereof, the *Land*) to facilitate its development for use as mixed use residential and commercial master planned community (the such development, the *Project*); and

WHEREAS, through the District, the City will provide, by revenues resultant from assessments levied and imposed on certain property within the District, a mechanism for payment of a portion of the costs of certain public improvements within the District that are necessary and incidental to Project development; and

WHEREAS, as a condition to its creation of the District and provision of the aforementioned mechanism to finance a portion of the costs of public improvements within the District, the City requires that the ongoing maintenance obligations of the hereinafter-defined Public Improvements be assumed by a non-City entity associated with the Project or the related costs be paid by or from District-associated resources to prevent these costs resultant from Project development, which the City has facilitated, from becoming a burden on the general revenues of the City and its residents and property owners that do not reside within or directly enjoy the benefits resultant from the District; and

WHEREAS, the Developer has created the Association to provide services related to the developed Project as specified in its bylaws, including the ongoing maintenance of the Public Improvements in accordance with the provisions of this Agreement and payment of the associated costs from its fees collected from property owners within the District and subject to the Association's jurisdiction; and

WHEREAS, entry into this Agreement satisfies the City's condition to the District creation and utilization of its available powers to provide a mechanism for financing a portion of the costs of certain public improvements within the District, as described above; and

WHEREAS, the Parties, for the mutual consideration hereinafter stated, desire to enter into this Agreement, pursuant to which the Association assumes responsibility for maintaining the Public Improvements (which includes payment of the associated costs of such maintenance); and

NOW, THEREFORE, THE PARTIES AGREE TO THE FOLLOWING:

SECTION 1. Definition of Certain Terms. For purposes of this Agreement, the following terms shall have the ascribed meanings:

a. *Consultant's Plan* has the meaning ascribed thereto in the Development Agreement, dated as _____, between the City and the Developer pertaining to the Project.

b. *Developer* shall mean _____, a Texas _____.

c. *Engineer* shall mean _____.

d. *Parkland* shall mean common areas and other land within the District dedicated to the City by the Developer and established as property available to the general public for recreational use (to specifically include promenades, plazas, and bridges over permanent water features).

e. *Public Improvements* shall mean, collectively, the Parkland and the Storm Drainage Improvements.

f. *Storm Drainage Improvements* shall mean trench excavation and embedment, trench safety, concrete box culverts, reinforced concrete pipe, manholes, junction boxes, drainage inlets, headwall and wingwall structures, related earthwork, excavation, erosion control, detention ponds, and all other necessary appurtenances required to capture storm water runoff generated within the District.

SECTION 2. Association Agreement to Maintain Public Improvements.

a. *General*. The Association hereby exclusively agrees, at its sole cost and expense, to maintain the Public Improvements.

b. *Storm Drainage Improvements*. Maintaining Storm Drainage Improvements shall mean keeping in good structural condition all Storm Drainage Improvements and repairing and addressing any defects in or to the Storm Drainage Improvements that, if left unrepaired or unaddressed, might impair their hydraulic capacity or structural soundness, to include:

i. Maintaining access to the Storm Drainage Improvements for maintenance and inspection;

ii. Repairing defects in the storm drainage piping system, including leaking pipe joints, deflection of flexible pipe diameter in excess of 5%, pipe structural failure, or other defects;

iii. Removing obstructions from any inlet and outlet structures;

iv. Repairing concrete channel lining, pilot channels, rock rip-rap (including replacement, as needed, to maintain rock layer thickness, as designed), gabions or any other channel lining material and to repair any defects in the channel lining material including undermining, excessive cracking and settlement, structural failure, or other defects;

v. Repairing channels, ditches and detention or retention ponds and to repair erosion in same by backfilling the eroded area and re-establishing protective vegetation or by armoring the eroded area with gabions, rock rip-rap, concrete or other material approved by the Engineer;

vi. At least annually, removing willows, cottonwoods or other "woody" vegetation from channels, ditches, detention ponds and retention ponds;

vii. As frequently as required to prevent grassy vegetation from exceeding a height of more than one foot, mowing ditches, earthen channels and detention or retention ponds;

viii. Removing, as needed, accumulated debris, trash or sediment (with sediment accumulations in detention ponds not to exceed 18-inches before removal is required); and

ix. Maintaining minimum water levels in Storm Drainage Improvements intended upon construction to permanently hold water (as indicated in the Consultant's Plan).

The Association shall periodically (as needed based on weather conditions, but no less frequently than every 90 days) inspect or cause the inspection of all Storm Drainage Improvements to determine the necessity of action to address needed maintenance or repair. Remedial action shall be taken within 30 days of the Association's awareness of an issue (meaning that the Association shall commence necessary maintenance or repairs within 30 days of such awareness and diligently work toward their completion). At least annually, the Association shall commission the Engineer to complete a written inspection report concerning the condition and functionality of the Storm Drainage Improvements, deliver a copy of such report to the City, and take action, as described above, within 30 days of delivery of such report to address any identified deficiencies in, or recommendations concerning functionality or performance of, the Storm Drainage Improvements.

c. Parkland. Maintaining the Parkland shall mean at all times keeping and maintaining, or causing to be kept and maintained, the Parkland (including any improvements thereon and all other buildings and improvements erected therein) in a good state of appearance and repair (except for reasonable wear and tear), to include:

i. Maintening grass height according to species and variety of grass;

ii. Regularly mowing, aerating, fertilizing, seeding or reseeding, resodding and controlling weeds in areas that are seeded or sodded;

iii. Pruning all trees and shrubs, as needed;

iv. Maintaining an adequate number of trash cans (based on frequency of use and in plentiful quantity to hold all trash usually generated between servicing without overflowing) and emptying the same on at least a daily basis;

v. Sweeping the area on daily basis to remove and keep the area free of trash;

vi. Removing graffiti on any surface withing 24 hours of the incident;

vii. Remediating, upon discovery, insect, rodent, and invasive species infestations;

viii. Cleaning sidewalks and pavilions so that at no time is there an accumulation of sand, dirt, or leaves;

ix. Maintaining playground equipment, play areas, fields, sports courts, lighting systems, and flagpoles to ensure the equipment and spaces are in safe, clean, operating condition and free and clear of hazards and hazardous conditions;

x. Cleaning and sanitizing all restrooms and drinking fountains on a daily basis or more frequently, as and when required;

xi. Stocking all restrooms at a minimum of once per day or more frequently as needs arise;

xii. Providing and maintaining adequate security lighting and signage (to include wayfinding and mile markers on trail systems) free of loose rivets, missing text, graffiti, and other conditions that makes interpretation difficult or impossible;

xiii. Maintaining in good repair any trail system, to include elimination of all trip hazards, remediating impacts of erosion, periodic resurfacing, elimination of buildup of soil or debris that prevents water flow, and maintenance of an 8' vertical clearance; and

xiv. Upon discovery, eliminating user created "trails".

The Association shall, as frequently as necessary to maintain a safe and sanitary environment, inspect or cause the inspection of all Parkland to determine the necessity of action to address needed maintenance or repair. Remedial action shall be taken as and when needed and shall be diligently continued through satisfactory conclusion to address matters requiring attention with respect to Parkland maintenance.

SECTION 3. Annual Budget. The Association shall annually budget for the anticipated costs of maintaining the Public Improvements, which shall include (i) the costs of any necessary repair plan herein described coming due in the reporting period covered by such annual budget and (ii) adequate annual reserves to provide sufficient available sources of periodic major maintenance and capital repair and replacement of Public Improvements. Until such time as the Association has obtained sufficient experience to formulate the anticipated Public Improvements maintenance costs unassisted (herein determined to mean preparation of at least three annual budgets after the warranties for dedicated Public Improvements have expired), the Association shall enlist the Engineer's assistance in preparing the Public Improvements maintenance cost component of its annual budget.

SECTION 4. Payment of Public Improvements Maintenance Costs. To pay the costs of maintaining the Public Improvements, the Association shall either (i) charge an annual fee to its property owners or (ii) collect funds from the Developer in an amount at least equal to such budgeted annual maintenance costs. In determining the annual fee, the Association may take into account other funds then-available to the Association to pay such annual Public Improvements maintenance costs including funds collected from the Developer. In the event that unforeseen circumstances shall arise during the course of a financial reporting that necessitate additional funding to pay the costs of maintaining Public Improvements (including reimbursement of the City for costs of emergency repairs made pursuant to Section 5 below), the Association shall either (i) impose upon its property owners a special assessment (which is a charge on such property owners separate and distinct from any assessment thereon levied by the City pursuant to Chapter 372, as amended, Texas Local Government Code) or (ii) collect funds from the Developer in an aggregate amount sufficient to pay such unanticipated and unbudgeted Public Improvements maintenance costs.

SECTION 5. City Inspection of Public Improvements; Emergency Repairs. The City may, from time to time, but not more frequently than every 12 months, review the state of repair, condition, and cleanliness of the Public Improvements and provide a written report of its findings to the Association. If the City, in its review, finds the condition of the Public Improvements to not meet its standards for other similar public improvements owned and maintained by the City or in accordance with their original specifications applicable at the time of their respective construction , then the City shall detail and deliver in writing to the Association the specific instances of failure. The Association shall have 30 days from

receipt of this written notice to address or object to the specific failures in Public Improvements maintenance identified by the City.

If the City is made aware of emergency safety conditions relative to a Public Improvement, the City will notify the Association and request that the necessary repairs to mitigate the identified safety condition(s) be completed. Upon notification, the Association shall have 3 days to mitigate the identified safety condition(s). If, however the Association is unable to or fails to begin addressing the identified safety condition(s) within a reasonable time after notification, then the City may make repairs to Public Improvements as needed and without further notification to the Association or the owners of property within the District to address the conditions of emergency or safety. Within 30 days of completion of emergency repairs to Public Improvements, the City shall notify the Association of the reasons for its making the repairs and the costs thereof.

SECTION 6. City Funding of Public Improvements Maintenance Costs. The Parties intend that Association revenues realized in accordance with Section 4 hereof shall be sufficient to cover the costs of the Public Improvements. The Parties acknowledge, however, that the City may include as a component of its "maintenance assessment" levied and imposed on assessable property within the District pursuant to the District's Service and Assessment Plan, prepared and updated from time to time by the City Council of the City in accordance with applicable Texas law, the costs of maintaining the Public Improvements in the event the Association is unable or unwilling to fulfill its duties and obligations pursuant to the terms of this Agreement.

SECTION 7. Power and Authority. Each Party represents to the other that it has full power and authority to execute, deliver and perform its obligations hereunder and that the respective governing body of each Party has taken all necessary action on its part required to authorize the execution and delivery hereof and its performance hereunder.

SECTION 8. Notices. Except as otherwise provided herein, it shall be sufficient service of any notice, request, demand, authorization, direction, consent, waiver or other paper required or permitted by this Agreement to be made, given or furnished to or filed with the following persons, if the same shall be delivered in person or duly mailed by first-class mail, postage prepaid or duly transmitted by electronic mail, at the following physical or email addresses:

(a) **To Association at:**

Flat Creek Castroville Property Owners' Association, Inc.,
a Texas non-profit corporation
2611 N Loop 1604 W, Suite 100
San Antonio, Texas 78258

with a copy to:

KF Flat Creek, LP,
a Texas limited partnership
2722 West Bitters Road, Suite 106
San Antonio, Texas 78248

with a copy to:

Melissa Killen
Killen, Griffin & Farrimond, PLLC
10101 Reunion Place, Suite 250
San Antonio, Texas 78216
Email: melissa@kgftx.com

(b) **To City at:**

City of Castroville, Texas
Attn: City Administrator
1209 Fiorella Street
Castroville, Texas 78009

with a copy to:

Clay Binford
McCall, Parkhurst & Horton L.L.P.
112 E. Pecan Street, Suite 1310
San Antonio, Texas 78205
Phone: 210-225-2819
Email: cbinford@mphlegal.com

If, because of the temporary or permanent suspension of mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such delivery of notice in lieu thereof as shall be made with the approval of the City shall constitute a sufficient notice.

SECTION 9. Severability. If any terms or provisions of this Agreement or the application of any terms or provisions of this Agreement to a particular situation, are held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this Agreement or the application of such terms or provisions of this Agreement to other situations, will remain in full force and effect unless amended or modified by mutual consent of the Parties; provided that, if the invalidation, voiding or unenforceability would deprive either Party of material benefits derived from this Agreement, or make performance under this Agreement unreasonably difficult, then the Parties will meet and confer and will make good faith efforts to amend or modify this Agreement in a manner that is mutually acceptable to the Parties.

SECTION 10. Amendment. No amendment, modification, or alteration of the terms of this Agreement will be binding unless it is in writing, dated subsequent to the date of this Agreement, and duly executed by the Parties.

SECTION 11. Binding Agreement; Successors and Assigns. This Agreement will be binding upon and inure to the benefit of each of the Parties and their respective successors and permitted assigns.

SECTION 12. Correction of Technical Errors. If, by reason of inadvertence, and contrary to the intention of the Parties, errors are herein made in the legal descriptions or the references thereto or within any exhibit with respect to the legal descriptions, in the boundaries of any parcel in any map or drawing which is an exhibit, or in the typing of this Agreement or any of its exhibits or any other similar matters, the Parties by mutual agreement may correct such error by memorandum executed by them without the necessity of amendment of this Agreement.

SECTION 13. Governing Law and Venue. The laws of the State and the rules and regulations issued pursuant thereto shall govern the validity, construction, enforcement, and interpretation of this Agreement, without regard to conflict of law provisions. All claims, disputes and other matters in question arising out of or relating to this Agreement, or the breach thereof, shall be decided by proceedings instituted and litigated in a State court of competent jurisdiction sitting in Medina County, Texas, and the Parties hereto expressly consent to the venue and jurisdiction of such court. Any provision included or incorporated herein by reference that conflicts with said laws, rules and regulations shall be null and void and shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise.

SECTION 14. No Waiver of Sovereign Immunity. NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED TO WAIVE THE SOVEREIGN IMMUNITY OF THE CITY. THE CITY IS ENTERING INTO THIS AGREEMENT IN ITS GOVERNMENTAL FUNCTION AND CAPACITY AND THIS AGREEMENT DOES NOT CONSTITUTE AN EXERCISE OF THE CITY'S REGULATORY POWERS (E.G., REGULATORY APPROVALS OR IN ANY OTHER REGULATORY CAPACITY). THE ASSOCIATION ACKNOWLEDGES THAT THE CITY CANNOT CONTRACT IN ANY MANNER REGARDING THE EXERCISE, AND NOTHING CONTAINED HEREIN CONSTITUTES THE CITY'S EXERCISE, OF ITS REGULATORY POWERS OR A WAIVER OF ITS SOVEREIGN IMMUNITY PROTECTIONS.

SECTION 15. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed original and all of which, when taken together, shall constitute one and the same document.

SECTION 16. No Personal Liability. None of the members of the City Council, the Association's governing body, or any officer, agent, or employee of either Party shall be charged personally by the other Party with any liability, or be held liable to the other Party under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach, of this Agreement.

SECTION 17. Recordation. This Agreement, upon execution by both Parties, shall be recorded in the real property records maintained by the City Clerk of Medina County.

SECTION 18. Effective Term. This Agreement shall be effective as of its date, shall be perpetual and shall encumber and run with the Land.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, this Public Improvement Maintenance Agreement has been duly executed as of the date of the acknowledgement below, to be effective on the date first above written.

BY:

CITY OF CASTROVILLE, TEXAS

By:
Name:
Title:

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the _____day of _____, 202__, by _____, _____of Castroville, Texas, a Type A general law municipality and a political subdivision of the State of Texas, on behalf of Castroville, Texas.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ___ day of _____, 20__

[SEAL]

_____
Notary Public, State of Texas
Printed Name: _____
My Commission Expires: _____

IN WITNESS WHEREOF, this Public Improvement Maintenance Agreement has been duly executed as of the date of the acknowledgement below, to be effective on the date first above written.

BY:

Flat Creek Castroville Property Owners' Association, Inc.,

a Texas nonprofit corporation

By: Approval of Initial Directors:

By: _____

Name: _____
Title: President

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____, the _____ of the Flat Creek Castroville Property Owners' Association, Inc., a Texas nonprofit corporation, on behalf of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ___ day of _____, 20__

[SEAL]

_____
Notary Public, State of Texas
Printed Name: _____
My Commission Expires: _____

CERTIFICATION

I hereby certify that I am the duly elected and acting President of the Association and that this Policy was approved by not less than a majority vote of the Board of Directors and now appears in the books and records of the Association, which is to be recorded in the Official Public Records of Real Property of Medina County, Texas.

TO CERTIFY which witness my hand this _____ day of _____ 20___.

BY:

FLAT CREEK CASTROVILLE PROPERTY OWNERS' ASSOCIATION, INC.,

a Texas nonprofit corporation

By: _____

Name: _____
Title: President

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____, the _____ of the Flat Creek Castroville Property Owners' Association, Inc., a Texas nonprofit corporation, on behalf of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ___ day of _____, 20__

[SEAL]

_____
Notary Public, State of Texas
Printed Name: _____
My Commission Expires: _____

DECLARANT CONSENT

(in accordance with the Declaration and Bylaws for the Flat Creek Castroville Property Owners' Association)

If the Declarant Control Period or Development Period are in effect, the Declarant expressly consents to the adoption of this document, as evidenced by its signature below.

IN WITNESS WHEREOF, the undersigned hereunto expressly consents to this **Public Improvement Maintenance Agreement**, effective as of this _____ day of _____ 20 ___.

BY:

KF Flat Creek, LP,

a Texas limited partnership

BY:

King Fish Development, LLC,

a Texas limited liability company,

its General Partner

By: _____

Name: _____

Title: _____

Date: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared _____, the ___ _____ of King Fish Development, LLC, a Texas limited liability company, the general partner of KF Flat Creek, LP, a Texas limited partnership, on behalf of said limited liability company and limited partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this __day of_____ 202_.

[SEAL]

_____

Notary Public, State of Texas
Printed Name: _____
My Commission Expires: _____

EXHIBIT A

LAND DESCRIPTION
(Metes and Bounds)

AFTER RECORDING, RETURN TO:

Declarant:

KF Flat Creek, LP,
a Texas limited partnership
2722 West Bitters Road, Suite 106
San Antonio, Texas 78248

Association:

Flat Creek Castroville Property Owners' Association, Inc.,
a Texas non-profit corporation
2611 N Loop 1604 W, Suite 100
San Antonio, Texas 78258

with a copy to:

Melissa Killen
Killen, Griffin & Farrimond, PLLC
10101 Reunion Place, Suite 250
San Antonio, Texas 78216
Email: melissa@kgftx.com

[redacted] 123.23 Acres, called Tract 1 – Page 1 of 2

State of Texas
County of Medina

Field notes for a tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 1/2 inch steel rod monument, found for the Northwest corner of said 153.76 acre tract of land, being the Northeast corner of a 278.896 acre tract of land, described in volume 875, page 486, of the Deed Records, Medina County, Texas, and lying on the South line of a 297.28 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018001053, of the Official Public Records, Medina County, Texas, said point of beginning being the Northwest corner of this tract of land;

Thence South 89° 29' 57" East, 1150.67 feet, along the North line of said 154.17 acre tract of land, being the South line of said 297.28 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said 154.17 acre tract of land, being the Northwest corner of Tract 1, of the John Fischer Estate Lands Division, described in an instrument, recorded in Volume 290, Page 949 of the Official Public Records of Medina County, Texas, said point being the Northeast corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

South 00° 01' 14' West, 1417.67 feet, being the West line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for Southwest corner of said Tract 1, being the Northwest corner of a 41.58 acre tract of land, called Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 05' 34" West, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 2, being the Northwest corner of a 41.46 acre tract of land, called Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 00' 30" East, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 3, being the Northwest corner of a 48.41 acre tract of land, called Tract 4, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 13' 48" East, 805.06 feet, along the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, said point being an angle point of this tract of land;

South 00° 12' 35" West, 437.26 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of Tract 5, of said John Fischer Estate Lands Division, the Southeast corner of a 123.23 acre tract of land, surveyed this same day, and the Northeast corner of a 30.53 acre tract of land, surveyed this same day, said point being the Southeast corner of this tract of land;

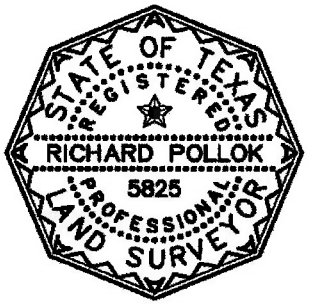
Thence South 89° 46' 17" West, 1152.72 feet, across said 154.17 acre tract of land, along the North line of said 30.53 acre tract of land, to a point marked by a 5/8 inch steel rod monument, with a cap stamped Rakowitz Engineering and Surveying, set on the West line of said 154.17 acre tract of land, for the Northwest corner of said 30.53 acre tract of land, and lying on the East line of said 278.896 acre tract of land, said point being the Southwest corner of this tract of land;

Thence North 00° 01' 54" East, 4671.00 feet, along the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 123.23 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.





Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

State of Texas
County of Medina

Field notes for a tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 4, being the Northeast corner of Tract 7, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, and lying on the West line of a 36.1 acre tract of land, described in an instrument, recorded in Clerk's File No. 2019007476, Deed Records, Medina County, Texas, said point of beginning being the Southeast corner of this tract of land;

Thence South 89° 44' 30" West, 1193.70 feet, along the South line of said Tract 4, being the North line of said Tract 7 and continuing along the North line of Tract 6, of said John Fischer Estate Lands Division, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 4, being the Northwest corner of said Tract 6, said point being a reentrant corner of this tract of land;

Thence South 00° 00' 47" West, 308.57 feet, along an East line of said Tract 4, being the West line of said Tract 6, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 4, being the Northeast corner of Tract 5, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 89° 46' 17" West, 801.70 feet, along the South line of said Tract 4, being the North line of said Tract 5, to a point marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of said Tract 5, The Southeast corner of a 123.23 acre tract of land, surveyed this same day, the Northeast corner of a 30.53 acre tract of land, surveyed this same day, and lying on the East line of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, Medina County, Texas, said point being the Southwest corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

North 00° 12' 35" East, 437.26 feet, being the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, being an angle point for said 154.17 acre tract of land, an angle point of said 123.23 acre tract of land, said point being an angle point of this tract of land;

North 00° 13' 48" West, 805.06 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 4, being the Southwest corner of Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 00' 30" West, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 3, being the Southwest corner of Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 05' 34" East, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 2, being the Southwest corner of Tract 1, of said John Fischer Estate Lands Division, said point being the Northwest corner of this tract of land;

Thence North 89° 46' 37" East, 1254.28 feet, along the North line of said Tract 2, being the South line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 2, being the Southeast corner of said Tract 1, and lying on the West line of a 50.96 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01' 54" East, 470.56 feet, along an East line of said Tract 2, being the West line of said 50.96 acre tract of land, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 2, being the Southwest corner of said 50.96 acre tract of land, said point being a reentrant corner of this tract of land;

Thence South 89° 54' 29" East, 721.96 feet, along a North line of said Tract 2, being the South line of said 50.96 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said Tract 2, being the Northwest corner of a 4.17 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being the Northeast corner of this tract of land;

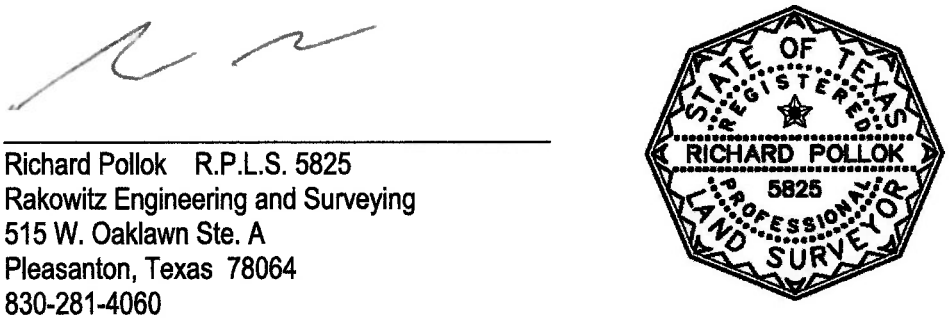
Thence South 00° 37' 18" East, 612.81 feet, along the East line of said Tract 2, being the West line of said 4.17 acre tract of land, and a 10.07 acre tract of land, described in an instrument, recorded in Clerk's File No. 2017005350, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 2, being the Northeast corner of said Tract 3, said point being an angle point of this tract of land;

Thence South 00° 29' 41" East, 907.75 feet, along the East line of said Tract 3, being the West line of said 10.07 acre tract of land, and a 6.587 acre tract of land, described in an instrument, recorded in Volume 321, Page 615, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of Tract 2, being the Northeast corner of said Tract 4, said point being an angle point of this tract of land;

Thence South 00° 16' 27" East, 934.20 feet, along the East line of said Tract 4, being the West line of said 6.587 acre tract of land, and continuing along the West line of a 0.925 acre tract of land, described in an instrument, recorded in Volume 403, Page 139, Deed Records, Medina County, Texas, and continuing along the West line of said 36.1 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 254.69 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.

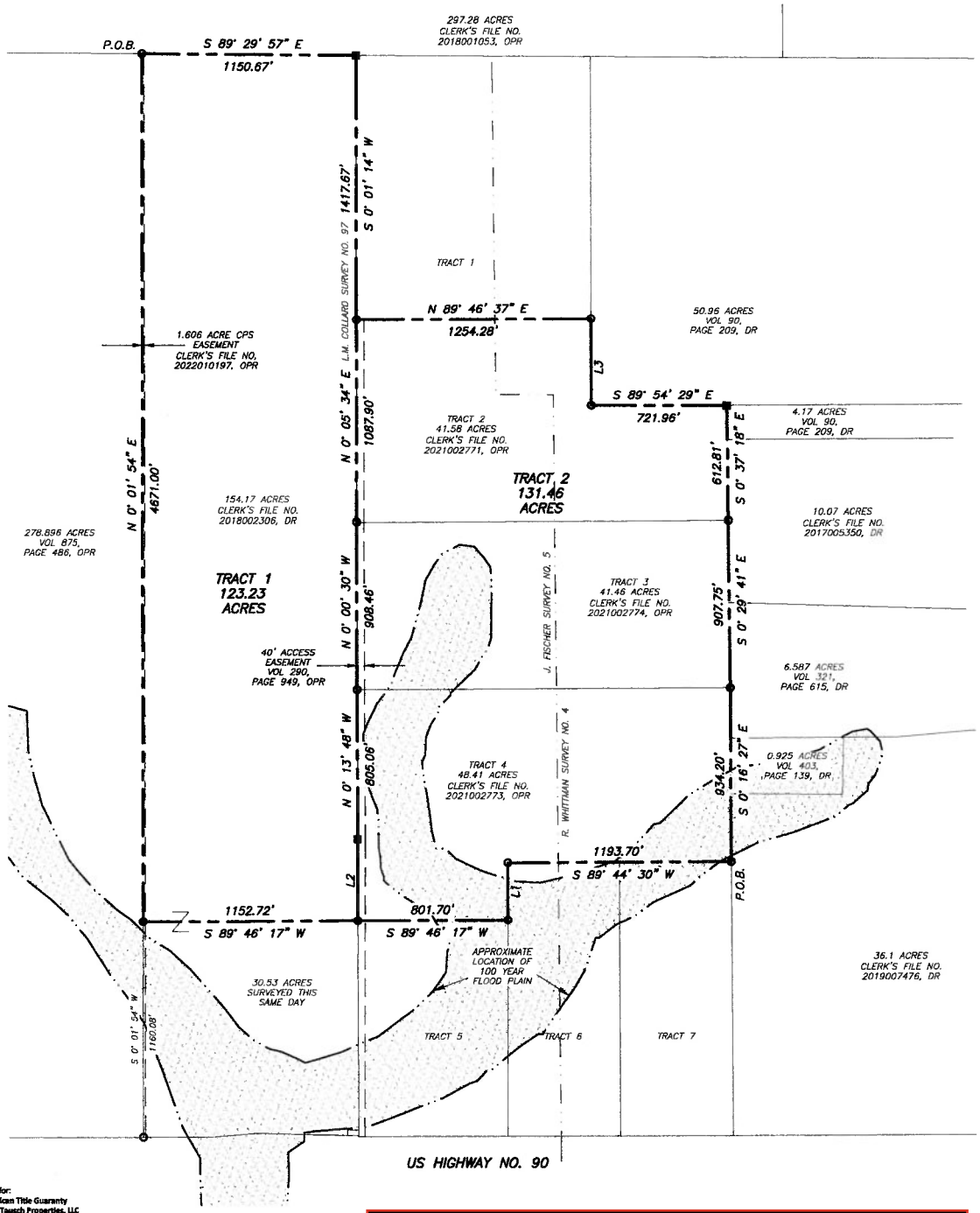


Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

PLAT OF SURVEY

OF

A 123.23 ACRE TRACT OF LAND, CALLED TRACT 1, BEING A PORTION OF A 153.76 ACRE TRACT OF LAND, CALLED 154.17, AND A 131.46 ACRE TRACT OF LAND, CALLED TRACT B, BEING ALL OF A 41.58 ACRE TRACT OF LAND, CALLED TRACT 2, ALL OF A 41.46 ACRE TRACT OF LAND, CALLED TRACT 3, AND ALL OF A 48.41 ACRE TRACT OF LAND, CALLED TRACT 4, OF THE JOHN FISCHER ESTATE LANDS DIVISION, LYING IN THE JOSEPH FISCHER SURVEY NO. 5, ABSTRACT NO. 1269, THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, AND THE ROMANUS WHITMAN SURVEY NO. 4, ABSTRACT NO. 1348, MEDINA COUNTY, TEXAS



1" = 400'

THE BASIS OF BEARING ON THIS PLAT IS GRID NORTH, TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83 (2011), SOUTH CENTRAL ZONE

Line Table		
Line #	Length	Direction
L1	308.57	S0° 09' 47"W
L2	437.26	N0° 12' 35"E
L3	470.56	S0° 01' 54"E

LEGEND

- Set 5/8 inch steel rod monument with cap stamped Rakowitz Engineering & Surveying
- Found 5/8 inch steel rod monument
- TxDot brass disk monument
- Fence corner post
- A calculated point
- Boundary line
- Adjoiner
- Barbed wire fence
- OHE — OHE — Overhead electric

Prepared for:
First American Title Guaranty
Dickerson Tausch Properties, LLC
Crown Money, LLC
KF Flat Creek, LP

REFERENCES:

DEED:
Clerk's File No. 2021002771, OPR
Clerk's File No. 2018002906, OPR
Clerk's File No. 2021002773, OPR
Clerk's File No. 2021002774, OPR
Flood plain panel #48325C0530D
Issued date: 5-15-2020

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that this plat was prepared from an actual survey done by me or under my direct supervision, and that to the best of my knowledge and belief it is a true and correct representation of said survey. This survey substantially complies with the current Texas Society of Professional Surveyors Manual of Practice requirements for a Category 1A, Condition 2.

STATE OF TEXAS
REGISTERED
RICHARD POLLOK
5825
PROFESSIONAL
LAND SURVEYOR

[redacted]

Rakowitz
ENGINEERING & SURVEYING
830.281.4080 515 W. OAKLAWN STE A PLEASANTON, TX 78064

Date of survey: April 25,
Update of survey: August 1
Job No. 22-2818B

Flat Creek HOA

Total Lots	**670**	
70%	**469**	
Projected Closings Per Month	**8**	
Annual Assessment Rate	**$ 500.00**	
Quarterly Assessment Rate	**$ 125.00**	
Working Cap Fee	**$ 500.00**	

INCOME

Income	Buildout Budget	Description
Assessments	$ 335,000.00	
Total Income	**335,000**	

EXPENSES

Administrative		
Audit and Tax Services	$ 400.00	
General Admin	$ 1,000.00	
Management Fee Charged at 70%	$ 21,600.00	
Technology Fee	$ 840.00	
Insurance- G/L & Property/ Umbrella	$ 7,500.00	
Insurance- D&O	$ 3,000.00	
Mailing Expense- General	$ 4,200.00	
Mailing Expense- Violation	$ 2,500.00	
Amenity Expenses		
Pool Mgmt	$ 18,000.00	
Amenity Porter	$ 12,000.00	
Pool Furniture	$ 3,000.00	
Pool Gate Service	$ 1,500.00	
Pool Phone	$ 1,200.00	
Amenity Maint/Repairs	$ 1,500.00	
Kiddie Mulch Replenish	$ 2,400.00	
Amenity Security and Surveilance	$ 1,500.00	
Social Committee	$ 4,000.00	
Maintenance		
Landscape Maintenance- Contract	$ 120,000.00	
Color Change/Monument	$ 5,000.00	
Fence Maint/ Repairs	$ 4,500.00	
Irrigation Maint/ Repairs	$ 2,500.00	
Trail Maintenance	$ 3,500.00	
Open space/extra trail area	$ 12,000.00	
General Repairs	$ 2,500.00	
Utilities		
Electric	$ 8,000.00	
Water	$ 16,000.00	
Seasonal	$ 2,500.00	
Misc Expense		
Transfer to Reserve	$ 72,360.00	
Street Repair/ Fund	$ -	
Expense Accounts Total	**$ 262,640.00**	

Flat Creek HOA

Anticipated Expenses	12 Month	6 Month	3 Month
EXPENSES			
Administrative			
Technology Fee	$ 840.00	$ 420.00	$ 210.00
Set Up Fee	$ 500.00	$ 500.00	$ 500.00
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ 7,500.00	$ 7,500.00
Insurance- D&O	$ 3,000.00	$ 3,000.00	$ 3,000.00
Maintenance			
Landscape Maintenance- Contract	$ 120,000.00	$ 60,000.00	$ 30,000.00
Retention Pond Maintenance	$ 12,000.00	$ 6,000.00	$ 3,000.00
General Repairs	$ 2,500.00	$ 1,250.00	$ 625.00
Utilities			
Electric	$ 8,000.00	$ 4,000.00	$ 2,000.00
Water	$ 16,000.00	$ 8,000.00	$ 4,000.00
Funding Request	**$ 170,340.00**	**$ 90,670.00**	**$ 50,835.00**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		8	24	32	40	48	56	64
Projected Closing Per Month		8	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		-8	-16	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 1,000	$ -	$ -	$ 5,000	$ -	$ -	$ 8,000
Builder Assessments:		$ (500)	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 1,000	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 5,500**	**$ 4,667**	**$ 4,333**	**$ 10,000**	**$ 4,667**	**$ 4,333**	**$ 13,000**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 16	$ 16	$ 80	$ 16	$ 16	$ 128	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 1	$ 2	$ 3	$ 4	$ 5	$ 6	$ 6
Amenity Expenses								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,437**	**$ 20,438**	**$ 20,503**	**$ 20,840**	**$ 20,441**	**$ 20,554**	**$ 20,442**
Deficit Funding Requirement		$ (14,937)	$ (30,709)	$ (46,878)	$ (57,718)	$ (73,493)	$ (89,713)	$ (97,155)

72	80	88	96	104	**104**
8	8	8	8	8	**96**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 11,000	$ -	$ -	**$ 25,000**
$ -	$ -	$ -	$ -	$ -	**$ (500)**
$ 667	$ 333	$ 1,000	$ 667	$ 333	**$ 8,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	**$ 48,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 16,000**	**$ 4,667**	**$ 4,333**	**$ 80,500**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 45	$ 83	$ 83	$ 83	$ 83	**$ 962**
$ 982	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 20,782**
$ 38	$ 70	$ 70	$ 70	$ 70	**$ 808**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ 176	$ -	$ -	$ 224	**$ 400**
$ 16	$ 16	$ 16	$ 16	$ 16	**$ 368**
$ 7	$ 8	$ 9	$ 10	$ 10	**$ 71**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 19,555	**$ 20,620**	**$ 20,445**	**$ 20,446**	**$ 20,670**	**$ 245,391**
$ (112,044)	$ (128,331)	$ (132,775)	$ (148,554)	$ (164,891)	**$ (164,891)**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		112	128	136	144	152	160	168
Projected Closing Per Month		8	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		0	0	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 14,000	$ -	$ -	$ 18,000	$ -	$ -	$ 21,000
Builder Assessments:		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 1,000	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 19,000**	**$ 4,667**	**$ 4,333**	**$ 23,000**	**$ 4,667**	**$ 4,333**	**$ 26,000**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 16	$ 16	$ 288	$ 16	$ 16	$ 336	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 11	$ 13	$ 14	$ 14	$ 15	$ 16	$ 17
Amenity								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,447**	**$ 20,449**	**$ 20,722**	**$ 20,850**	**$ 20,451**	**$ 20,772**	**$ 20,453**
Deficit Funding Requirement		$ (1,447)	$ (17,229)	$ (33,618)	$ (31,468)	$ (47,253)	$ (63,691)	$ (58,144)

176	184	192	200	208	**208**
8	8	8	8	8	**96**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 24,000	$ -	$ -	**$ 77,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 667	$ 333	$ 1,000	$ 667	$ 333	**$ 8,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	**$ 48,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 29,000**	**$ 4,667**	**$ 4,333**	**$ 133,000**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 83	$ 83	$ 83	$ 83	$ 83	**$ 1,000**
$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 21,600**
$ 70	$ 70	$ 70	$ 70	$ 70	**$ 840**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 16	$ 384	$ 16	$ 16	$ 432	**$ 1,568**
$ 18	$ 18	$ 19	$ 20	$ 21	**$ 196**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 20,454	**$ 20,822**	**$ 20,455**	**$ 20,456**	**$ 20,873**	**$ 247,204**
$ (73,931)	$ (90,420)	$ (81,875)	$ (97,665)	$ (114,204)	**$ (114,204)**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		213	226	234	242	250	258	266
Projected Closing Per Month		5	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		0	0	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 26,625	$ -	$ -	$ 30,250	$ -	$ -	$ 33,250
Builder Assessments:		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 625	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 2,500	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 29,750**	**$ 4,667**	**$ 4,333**	**$ 35,250**	**$ 4,667**	**$ 4,333**	**$ 38,250**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 10	$ 16	$ 484	$ 16	$ 16	$ 532	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 21	$ 23	$ 23	$ 24	$ 25	$ 26	$ 27
Amenity								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,451**	**$ 20,459**	**$ 20,927**	**$ 20,860**	**$ 20,461**	**$ 20,978**	**$ 20,463**
Deficit Funding Requirement		$ 9,299	$ (6,493)	$ (23,087)	$ (8,697)	$ (24,492)	$ (41,136)	$ (23,349)

274	282	290	298	306	**306**
8	8	8	8	8	**93**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 36,250	$ -	$ -	**$ 126,375**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 667	$ 333	$ 1,000	$ 667	$ 333	**$ 7,625**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	**$ 46,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 41,250**	**$ 4,667**	**$ 4,333**	**$ 180,500**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 83	$ 83	$ 83	$ 83	$ 83	**$ 1,000**
$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 21,600**
$ 70	$ 70	$ 70	$ 70	$ 70	**$ 840**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 16	$ 580	$ 16	$ 16	$ 628	**$ 2,346**
$ 27	$ 28	$ 29	$ 30	$ 31	**$ 314**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 20,463	**$ 21,028**	**$ 20,465**	**$ 20,466**	**$ 21,079**	**$ 248,100**
$ (39,146)	$ (55,841)	$ (35,056)	$ (50,855)	$ (67,600)	**$ (67,600)**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		314	330	338	346	354	362	370
Projected Closing Per Month		8	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		0	0	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 39,250	$ -	$ -	$ 43,250	$ -	$ -	$ 46,250
Builder Assessments:		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 1,000	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 44,250**	**$ 4,667**	**$ 4,333**	**$ 48,250**	**$ 4,667**	**$ 4,333**	**$ 51,250**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 16	$ 16	$ 692	$ 16	$ 16	$ 740	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 31	$ 33	$ 34	$ 35	$ 35	$ 36	$ 37
Amenity								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,467**	**$ 20,469**	**$ 21,146**	**$ 20,871**	**$ 20,471**	**$ 21,196**	**$ 20,473**
Deficit Funding Requirement		$ 23,783	$ 7,980	$ (8,832)	$ 18,547	$ 2,742	$ (14,120)	$ 16,657

378	386	394	402	410	**410**
8	8	8	8	8	**96**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 49,250	$ -	$ -	**$ 178,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 667	$ 333	$ 1,000	$ 667	$ 333	**$ 8,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	**$ 48,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 54,250**	**$ 4,667**	**$ 4,333**	**$ 234,000**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 83	$ 83	$ 83	$ 83	$ 83	**$ 1,000**
$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 21,600**
$ 70	$ 70	$ 70	$ 70	$ 70	**$ 840**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 16	$ 788	$ 16	$ 16	$ 836	**$ 3,184**
$ 38	$ 39	$ 39	$ 40	$ 41	**$ 438**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 20,474	**$ 21,247**	**$ 20,475**	**$ 20,476**	**$ 21,297**	**$ 249,062**
$ 849	$ (16,064)	$ 17,711	$ 1,901	$ (15,062)	**$ (15,062)**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		418	434	442	450	458	466	474
Projected Closing Per Month		8	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		0	0	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 52,250	$ -	$ -	$ 56,250	$ -	$ -	$ 59,250
Builder Assessments:		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 1,000	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 57,250**	**$ 4,667**	**$ 4,333**	**$ 61,250**	**$ 4,667**	**$ 4,333**	**$ 64,250**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 16	$ 16	$ 900	$ 16	$ 16	$ 948	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 42	$ 43	$ 44	$ 45	$ 46	$ 47	$ 47
Amenity								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,478**	**$ 20,479**	**$ 21,364**	**$ 20,881**	**$ 20,482**	**$ 21,415**	**$ 20,483**
Deficit Funding Requirement		$ 36,772	$ 20,959	$ 3,929	$ 44,298	$ 28,482	$ 11,401	$ 55,168

482	490	498	506	514	**514**
8	8	8	8	8	**96**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 62,250	$ -	$ -	**$ 230,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 667	$ 333	$ 1,000	$ 667	$ 333	**$ 8,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	**$ 48,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 67,250**	**$ 4,667**	**$ 4,333**	**$ 286,000**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 83	$ 83	$ 83	$ 83	$ 83	**$ 1,000**
$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 21,600**
$ 70	$ 70	$ 70	$ 70	$ 70	**$ 840**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 16	$ 996	$ 16	$ 16	$ 1,044	**$ 4,016**
$ 48	$ 49	$ 50	$ 51	$ 51	**$ 563**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 20,484	**$ 21,465**	**$ 20,486**	**$ 20,487**	**$ 21,515**	**$ 250,019**
$ 39,350	$ 22,219	$ 68,983	$ 53,163	$ 35,981	**$ 35,981**

Flat Creek HOA

Residential Assessments:			**$ 500.00**	**$ 125.00**	**Quarterly**			
Builder Assessments:			**$ 250.00**	**$ 62.50**	**Quarterly**			
Working Capital Contribution			**$ 500.00**					
Total Residential Lots		522	538	546	554	562	570	578
Projected Closing Per Month		8	8	8	8	8	8	8
Builder Lot Takedown		0	0	0	0	0	0	0
Total Builder Lots		0	-8	0	0	0	0	0
Prorated Assessments		*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	*$ 125.00*
Prorated Builder Assessments		*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	*$ 62.50*
		Jan	Feb	Mar	Apr	May	Jun	Jul
Residential Assessments		$ 65,250	$ -	$ -	$ 69,250	$ -	$ -	$ 72,250
Builder Assessments:		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Prorated Res Assessments		$ 1,000	$ 667	$ 333	$ 1,000	$ 667	$ 333	$ 1,000
Prorated Builders Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Contribution ($200)		$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ 4,000
Developer Deficit Funding		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Income		**$ 70,250**	**$ 4,667**	**$ 4,333**	**$ 74,250**	**$ 4,667**	**$ 4,333**	**$ 77,250**
Administrative								
Audit and Tax Services	$ 400.00	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
General Admin	$ 1,000.00	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Management Fee Charged at 70%	$ 21,600.00	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800
Technology Fee	$ 840.00	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70	$ 70
Insurance- G/L & Property/ Umbrella	$ 7,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insurance- D&O	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mailing Expense- General	$ 4,200.00	$ 16	$ 16	$ 1,108	$ 16	$ 16	$ 1,156	$ 16
Mailing Expense- Violation	$ 2,500.00	$ 52	$ 54	$ 55	$ 55	$ 56	$ 57	$ 58
Amenity								
Pool Mgmt	$ 18,000.00	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500
Amenity Porter	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
Pool Furniture	$ 3,000.00	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250	$ 250
Pool Gate Service	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Pool Phone	$ 1,200.00	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100
Amenity Maint/Repairs	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Kiddie Mulch Replenish	$ 2,400.00	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200	$ 200
Amenity Security and Surveilance	$ 1,500.00	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125	$ 125
Social Committee	$ 4,000.00	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333	$ 333
Maintenance								
Landscape Maintenance- Contract	$ 120,000.00	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Color Change/Monument	$ 5,000.00	$ 417	$ 417	$ 417	$ 417	$ 417	$ 417	$
Fence Maint/ Repairs	$ 4,500.00	$ 375	$ 375	$ 375	$ 375	$ 375	$ 375	$

Irrigation Maint/ Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Trail Maintenance	$ 3,500.00	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292	$ 292
Open space/extra trail area	$ 12,000.00	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
General Repairs	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Utilities								
Electric	$ 8,000.00	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667	$ 667
Water	$ 16,000.00	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333
Seasonal	$ 2,500.00	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208	$ 208
Streets								
Street Repair/ Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses		**$ 20,488**	**$ 20,490**	**$ 21,583**	**$ 20,891**	**$ 20,492**	**$ 21,633**	**$ 20,494**
Deficit Funding Requirement		$ 49,762	$ 33,939	$ 16,689	$ 70,048	$ 54,222	$ 36,923	$ 93,679

586	594	602	610	610	**610**
8	8	8	8	0	**88**
0	0	0	0	0	**0**
0	0	0	0	0	**0**
$ 83.33	*$ 41.67*	*$ 125.00*	*$ 83.33*	*$ 41.67*	
$ 41.67	*$ 20.83*	*$ 62.50*	*$ 41.67*	*$ 20.83*	
Aug	Sep	Oct	Nov	Dec	**Total**
$ -	$ -	$ 75,250	$ -	$ -	**$ 282,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 667	$ 333	$ 1,000	$ 667	$ -	**$ 7,667**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,000	$ 4,000	$ 4,000	$ 4,000	$ -	**$ 44,000**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 4,667	**$ 4,333**	**$ 80,250**	**$ 4,667**	**$ -**	**$ 333,667**
$ -	$ -	$ -	$ -	$ -	**$ 400**
$ 83	$ 83	$ 83	$ 83	$ 83	**$ 1,000**
$ 1,800	$ 1,800	$ 1,800	$ 1,800	$ 1,800	**$ 21,600**
$ 70	$ 70	$ 70	$ 70	$ 70	**$ 840**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 16	$ 1,204	$ 16	$ 16	$ 1,220	**$ 4,816**
$ 59	$ 59	$ 60	$ 61	$ 61	**$ 687**
$ 1,500	$ 1,500	$ 1,500	$ 1,500	$ 1,500	**$ 18,000**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 250	$ 250	$ 250	$ 250	$ 250	**$ 3,000**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 100	$ 100	$ 100	$ 100	$ 100	**$ 1,200**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 200	$ 200	$ 200	$ 200	$ 200	**$ 2,400**
$ 125	$ 125	$ 125	$ 125	$ 125	**$ 1,500**
$ 333	$ 333	$ 333	$ 333	$ 333	**$ 4,000**
$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	**$ 120,000**
$ 417	$ 417	$ 417	$ 417	$ 417	**$ 5,000**
$ 375	$ 375	$ 375	$ 375	$ 375	**$ 4,500**

$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 292	$ 292	$ 292	$ 292	$ 292	**$ 3,500**
$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	**$ 12,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ 667	$ 667	$ 667	$ 667	$ 667	**$ 8,000**
$ 1,333	$ 1,333	$ 1,333	$ 1,333	$ 1,333	**$ 16,000**
$ 208	$ 208	$ 208	$ 208	$ 208	**$ 2,500**
$ -	$ -	$ -	$ -	$ -	**$ -**
$ 20,495	**$ 21,683**	**$ 20,496**	**$ 20,497**	**$ 21,701**	**$ 250,943**
$ 77,851	$ 60,501	$ 120,255	$ 104,424	$ 82,723	**$ 82,723**

STATE OF TEXAS §
§
COUNTY OF MEDINA §
§
CITY OF CASTROVILLE §

DEVELOPMENT AGREEMENT

BY AND AMONG

CITY OF CASTROVILLE, TEXAS

AND

MKT 179 INVESTMENTS, LLC (FORMERLY DICKERSON TAUSCH PROPERTIES, LLC)

AND

CROWN MONEY, LLC

AND

MKT179, LLC

AND

KF FLAT CREEK, LP

This Development Agreement (this "Agreement") is entered into by and among the City of Castroville, Texas (as further defined herein, the "City"), MKT 179 Investments, LLC (formerly Dickerson Tausch Properties, LLC), Crown Money, LLC, MKT179, LLC (the "Landowners") and KF Flat Creek, LP (the "Developer") and is effective as of the Effective Date for the duration of the Term.

RECITALS

WHEREAS, the Landowners own approximately 255 acres of real property (the "Property") located in Medina County, Texas, approximately 194.17 acres being within the City's extraterritorial jurisdiction (as further defined and described herein, the "City ETJ"; such parcel, "Parcel A") and the remaining 60.83 acres being wholly outside the ETJ ("Parcel B"), as more particularly described by metes and bounds and location map attached hereto as Exhibit A, which Property the Landowners have under contract to sell to the Developer; and

WHEREAS, the Property is not located in any other municipality's corporate limits or extraterritorial jurisdiction; and

WHEREAS, Developer intends to develop the Property as a master-planned residential development, to include associated public infrastructure and other public and private improvements (as further described herein, the "Project"); and

WHEREAS, upon its acquisition of the Property from the Landowners, the Developer has agreed to voluntary, full purpose annexation of the Property, thereafter to be included within the City's corporate limits and to comply with certain terms and conditions regarding the Project's

development, including with respect to subdivision and platting of the Property, design and construction standards, and the design, construction, installation, and inspection of water, sewer, natural gas, electric power, broadband internet service, drainage, roadway, streets, sidewalks, and other public infrastructure and public improvements to serve the Property, all as further described herein; and

WHEREAS, upon full purpose annexation, necessary police, public safety, and other municipal utility services will be provided to the Property as herein described; and

WHEREAS, the Parties intend that the Property be developed (i) as a high-quality residential development and (ii) pursuant to binding, contractual development regulations herein memorialized, that are recorded in the County's Official Public Land Records (so as to bind the Developer, the Developer, and all future owners of the Property or any portion thereof), and that will provide regulatory certainty, among other matters, during the Term of this Agreement; and

WHEREAS, the Developer has communicated to the City that its development of the Project in the manner herein described, and the City has communicated to the Developer that its participation in certain City public works projects necessary for the City's provision of retail water service to the Property, require the City's creation of a public improvement district under Chapter 372 over the entirety of the Property (the "PID"); and

WHEREAS, the City has determined that the Property's annexation and development in accordance with the terms herein provided will benefit the City by, among other things, expanding the City's corporate limits, property tax base, sales and use tax base, and utility system customer base, and by creating additional residential, commercial, and employment opportunities for City residents; and

WHEREAS, the Developer has communicated to the City that it will not close on its purchase of the Property from the Landowner prior to the execution of this Agreement by all Parties; and

WHEREAS, this Agreement is a development agreement of the type described by Subchapter G of Chapter 212; and

WHEREAS, the Parties agree that the provisions of this Agreement substantially advance a legitimate interest of the City by expanding the City's ad valorem tax, and utility system customer bases, and increasing local residential and employment opportunities; and

WHEREAS, the City Council has found that development of the Property in compliance with this Agreement will serve a public purpose and benefit the economy of the City and is in the best interests of the residents of the City; and

NOW, THEREFORE, for and in consideration of the above stated recitals, which are made a part of this Agreement for all purposes, the benefits described below, and the mutual promises expressed herein, the sufficiency of which is hereby acknowledged by the Parties, the Parties hereby contract, covenant, and agree as follows:

ARTICLE 1
DEFINED TERMS

1.01 Construction of Terms. All terms and phrases defined herein shall have the meanings and definitions ascribed thereto. Terms that have well known technical, municipal, or construction or development industry meanings are used in accordance with such recognized meanings, unless otherwise defined herein or unless the context clearly indicates a different meaning. If appropriate in the context of this Agreement, words of the singular shall be considered to include the plural, words of the plural shall be considered to include the singular, and words of the masculine, feminine, or neuter gender shall be considered to include the other genders.

1.02 Definition of Certain Terms. In addition to capitalized terms defined throughout this Agreement, the following terms used in this Agreement have the meaning ascribed thereto:

"Administrative Expenses" means the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of: (i) creating and organizing the PID, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, maintenance, and operation of the PID and the Authorized Improvements, (iii) computing, levying, billing and collecting Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Assessments and the system of registration and transfer of the PID Bonds, (v) issuing, paying and redeeming the PID Bonds, (vi) investing or depositing of monies, (vii) complying with Chapter 372 and other laws applicable to the PID Bonds, (viii) the PID Bond trustee's reasonable fees and expenses relating to the PID Bonds, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Authorized Improvements. Administrative Expenses do not include payment of the actual principal of, redemption premium, if any, and interest on the PID Bonds or any costs of issuance associated with the PID Bonds.

"Administrator" means an employee or contracted designee of the City who shall have the responsibilities provided in the Service and Assessment Plan or any other agreement or document approved by the City related to the duties and responsibilities for the administration of the PID, being (initially) MuniCap, Inc.

"Airport Proximity Consent" means the consent in the form attached hereto as Exhibit N.

"Allocated Water Capacity Cost" means the cost of those improvements to the City's water system that are the subject of the Multi-Party Agreement allocated to the Developer on a pro rata basis (in accordance with the methodology specified in the Multi-Party Agreement).

"Annual Installment" means, with respect to the Assessed Property, the annual installment payments of an Assessment calculated by the Administrator and approved by the City Council.

"Annual Service Plan Update" means the annual review and update of the Service and Assessment Plan required by Chapter 372 and the Service and Assessment Plan.

"Approved Plat" means a final plat for portions of the Property that are approved, from time to time, by the City Council or City staff, as applicable, in accordance with the Governing

Regulations.

"Assessable Property" means all Property other than Non-Benefited Property.

"Assessed Property" means for any year, any Parcel within an Improvement Area, other than Non-Benefited Property, against which an Assessment is levied.

"Assessment Revenues" means money collected by or on behalf of the City from any one or more of the following: (i) an Assessment levied against an Assessed Property, or Annual Installment payment thereof (including any interest on such Assessment or Annual Installment thereof during any period of delinquency), (ii) a Prepayment, (iii) Delinquent Collection Costs, and (iv) Foreclosure Proceeds.

"Assessment Roll(s)" means the Assessment Roll for the Assessed Property included in the Service and Assessment Plan or any other Assessment Roll in an amendment or supplement to the Service and Assessment Plan or in an Annual Service Plan Update showing the total amount of the Assessments, as updated, modified or amended from time to time in accordance with the procedures set forth in the Service and Assessment Plan and in Chapter 372 (including updates prepared in connection with any Annual Service Plan Update).

"Assessment Ordinance" means each ordinance approved by the City Council that levies Assessments, on a Phase-by-Phase basis, on certain Assessed Property in accordance with Chapter 372 to pay for Authorized Improvements Costs, as well as the costs associated with the issuance of the PID Bonds and the Administrative Expenses.

"Assessments" means (i) singularly, the assessment levied against an Assessed Property (as shown on the Assessment Roll), subject to reallocation upon the subdivision of an Assessed Property or reduction according to the provisions of the Service and Assessment Plan and Chapter 372 and (ii) plurally, the aggregate assessments shown on the Assessment Roll.

"Authorized Improvements" means water (including the improvements to the City's water system that are the subject of the Multi-Party Agreement), sewer, drainage, landscaping, hardscaping, and roadway infrastructure, facilities, any other permitted public improvements authorized under Chapter 372, and other soft costs needed to serve and fully develop the Property as set forth in the Consultant's Plan and in the Land Plan (and ultimately to be included in the Service and Assessment Plan) and to be constructed by the Developer or by or on behalf of the City.

"Authorized Improvements Costs" means, with respect to an Authorized Improvement, the demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement. Authorized Improvement Costs may include (a) the costs for the design, planning, financing, administration, management, acquisition, installation, construction and/or implementation of such Authorized Improvement, including general contractor and construction management fees, if any, (b) the costs of preparing the construction plans for such Authorized Improvement, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvement, (d) the costs for external professional costs associated with such Authorized Improvement, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services, and taxes (property and franchise), (e) the costs of all labor,

bonds and materials, including equipment and fixtures, incurred by contractors, builders and material men in connection with the acquisition, construction or implementation of the Authorized Improvements, (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal, and consulting fees, financing charges, taxes, governmental fees and charges (including inspection fees, permit fees, development fees), insurance premiums and miscellaneous expenses. Authorized Improvements Costs may include general contractor's fees in an amount up to a percentage equal to the percentage of work completed and accepted by the City or construction management fees in an amount up to five (5%) percent of the eligible Authorized Improvements Costs described in a certification for payment. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the general contractor and construction management fees are calculated.

"Authorizing Ordinance" means Ordinance No. _____ adopted by the City Council on August 24, 2023, which ordinance authorizes the City's entering into this Agreement and other matters necessary or incidental to the foregoing, all in accordance with Subchapter G of Chapter 212.

"Bankruptcy Event" means (a) commencement of an involuntary proceeding or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of either Developer or of a substantial part of the assets of either Developer under any insolvency or debtor relief law or (ii) the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for either Developer or a substantial part of either Developer's assets and, in any case referred to in the foregoing clauses (i) and (ii), such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; or (b) either Developer shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for either Developer or for a substantial part of either Developer's assets, or (ii) generally not be paying its debts as they become due unless such debts are the subject of a bona fide dispute, or (iii) make a general assignment for the benefit of creditors, or (iv) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition with respect to it described in clause (b)(i) of this definition, or (v) commence a voluntary proceeding under any insolvency or debtor relief law, or file a voluntary petition seeking liquidation, reorganization, an arrangement with creditors or an order for relief under any insolvency debtor relief law, or (vi) file an answer admitting the material allegations of a petition filed against it in any proceeding referred to in the foregoing clauses (i) through (v), inclusive, of this part (b), and, in any case referred to in the foregoing clauses (i) through (v), such action has not been cured within twenty (20) days thereafter.

"Chapter 42" means Chapter 42, as amended, Texas Local Government Code.

"Chapter 43" means Chapter 43, as amended, Texas Local Government Code.

"Chapter 202" means Chapter 202, as amended, Texas Property Code.

"Chapter 212" means Chapter 212, as amended, Texas Local Government Code.

"Chapter 245" means Chapter 245, as amended, Texas Local Government Code.

"Chapter 372" means Chapter 372, as amended, Texas Local Government Code.

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

"Chapter 2258" means Chapter 2258, as amended, Texas Government Code.

"City" means the City of Castroville, Texas, a Texas General Law Type A Municipality, located in the County.

"City Council" means the City Council of the City, as its governing body.

"City ETJ" means the City's Extraterritorial Jurisdiction, as determined under Chapter 42, the unincorporated area that is contiguous to the corporate boundaries of the City and that is located within one-half mile of those boundaries (plus those contiguous areas that are included in the City ETJ by request of the owners thereof), all as further evidenced in the map attached hereto as Exhibit B.

"City Representative" means the City Administrator of the City or another official or representative of the City, as the City representative designated by the City Council to undertake certain duties and obligations hereunder on the City's behalf.

"City Subdivision Ordinance" means Chapter 100 of the Code and any successor ordinance or regulation thereto under which is incorporated the general subject matter of Chapter 100 of the Code that exists as of the Effective Date.

"CFA" means the Construction, Funding, and Acquisition Agreement to be entered into between the City and the Developer.

"Code" means the City Code of Ordinances, as from time to time amended by the City Council.

"Completion Agreement" means that certain "Completion Agreement", in the form attached hereto as Exhibit C, to be entered into prior to or in conjunction with the City's approval of the initial series of PID Bonds by and among the City, the trustee for such series of PID Bond, and the Developer, as the same may be amended, modified or extended, or supplemented from time to time.

"Comprehensive Zoning Ordinance" means Ordinance No. 107, originally adopted by the City Council on June 17, 1975 and as amended from time to time, which ordinance provides for zoning regulations within the City for the purpose of promoting health, safety, morals, and the general welfare of the City, and for the protection and preservation of places and areas of historical and cultural importance and significance therein, and any successor ordinance or regulation thereto under which is incorporated the general subject matter of Ordinance No. 107 that exists as of the Effective Date.

"Continuing Disclosure Agreement" means any continuing disclosure agreement of the Developer executed contemporaneously with the issuance and sale of PID Bonds for purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission.

"County" means Medina County, Texas.

"Delinquent Collection Costs" means interest, penalties, and expenses incurred or imposed

with respect to any delinquent installment of an Assessment in accordance with Chapter 372and the costs related to pursuing collection of an Assessment and foreclosing the lien against the Assessed Property, including attorney's fees.

"Development Documents" means this Agreement, the CFA, the PUD, the Landowner Agreement, the Completion Agreement, and the Reimbursement Agreement.

"End Buyer" means any developer, homebuilder, builder, tenant, user, or occupant/owner of a Fully Developed and Improved Lot, including without limitation a builder who acquires a Fully Developed and Improved Lot with the intent to construct a single-family residence on the lot.

"Effective Date" means August 24, 2023, being the date of this Agreement's effectiveness.

"Fee Ordinance" means the City's ordinance establishing the comprehensive fee schedule for City services, adopted annually and being uniformly applicable to all residents and development within the corporate limits of the City.

"Force Majeure" means the occurrence of war, act of terrorism, acts of God, civil commotion, fire, severe flood, hurricane, tornado, explosion, court order, pandemic, epidemic, or change in legal requirements applicable to the Project other than those in existence as of the Effective Date, but only to the extent that such events or circumstances delay development of the Project by the Developer (as and if applicable) or otherwise make the Developer's development of the Project (as and if applicable) impracticable or impossible, in such responsible Party's commercially reasonable judgement, after taking reasonable steps to mitigate the effects thereof.

"Foreclosure Proceeds" means the proceeds, including interest and penalty interest (but excluding and net of all Delinquent Collection Costs), received by the City from the enforcement of the Assessments against any Assessed Property or Assessed Properties, whether by foreclosure of lien or otherwise.

"Fully Developed and Improved Lot" means any lot, regardless of proposed use, which is served by the Authorized Improvements and for which an Approved Plat has been recorded in the real property records of the County.

"Improvement Area" means a defined area within the Property that is subject to an Assessment Ordinance.

"Land Plan" means the general rendering of the Project (including its critical elements), a copy of which is attached hereto as Exhibit D.

"Landowner Agreement" means an agreement of the owners of the Property from time to time, in the form attached hereto as Exhibit E attached hereto, agreeing to various provisions relative to establishment of the PID, the Property's development, and financing Authorized Improvements Costs.

"Maintenance Agreement" means a "Maintenance Agreement", in the form attached hereto as Exhibit F, to be entered into between the City and each MOA pursuant to which the MOA agrees to undertake the applicable MOA Maintenance Obligations.

"MOA" means a mandatory owner's association, being an association created and existing under Chapter 202 for the purpose of enforcing covenants, conditions, or restrictions contained in a dedicatory instrument, whether mandatory, prohibitive, permissive, or administrative, applicable to property, and assuming the responsibility for maintenance of certain specified Public Infrastructure, Public Improvements, and private amenities within its territory.

"MOA Maintenance Obligations" means the annual costs of operating and maintaining the Project's amenity features (including the Project's central amenity center indicated on the Land Plan), monuments, esplanades, open spaces, common areas (including, but not limited to, all landscaped Project entrances), right-of-way landscaping (including irrigation systems), raised medians and other right-of-way landscaping, Public Improvements that are parks, recreational facilities, playgrounds, walking trails, lakes, and bridges, and Public Infrastructure that are detention areas and ponds, drainage areas and screening walls.

"Multi-Party Agreement" means that certain Multi-Party Agreement to Pay Design Costs Associated with Planned City Utility System Expansion, dated as of August 9, 2022, by and among the City and various private parties, including the Landowners, pursuant to which the parties thereto have agreed to design improvements to the City's water system to expand its capacity to allow for provision of City water service to various developments (including the Project).

"Non-Benefited Property" means Parcels within the boundaries of the PID that accrue no special benefit from the Authorized Improvements.

"Outdoor Lighting" means any temporary or permanent lighting that is installed, located or used in such a manner to cause light rays to shine outdoors, including lighting fixtures that are installed indoors that cause light to shine outside and beyond the perimeter of the Property and/or directly to the sky without shielding (e.g., through a skylight).

"Outdoor Lighting Criteria" means the following criteria applicable to Outdoor Lighting: (i) shielded so that luminous elements of the fixture are not visible from any other property; (ii) uplighting prohibited, with exceptions (as approved by the City, in its sole discretion); (iii) total light output of any nonresidential property shall not exceed 100,000 lumens per net acre; (iv) total light output of any residential property shall not exceed 25,000 lumens per net acre; and (v) lighting for outdoor signs and panels constructed with an opaque background and translucent letters and symbols or with a colored background and lighter letters and symbols.

"Owner Disclosure Program" means the disclosure program, administered by the Assessment Company, as set forth in a document in the form of Exhibit G attached hereto, that establishes a mechanism to disclose to each End Buyer the terms and conditions under which their lot is burdened by the PID.

"Parcel" means a property identified by either a tax map identification number assigned by the Medina County Appraisal District for real property tax purposes, by metes and bounds description, by lot and block number in a final subdivision plat recorded with the Clerk in Medina County's official public records, or by any other means determined by the City.

"Party" or "Parties" means the City, the Landowner, and the Developer, collectively or (as applicable and in context) singularly.

"Phase" means a segment of Project development relating to a portion of the Project, as identified in the PUD.

"PID Bonds" means the assessment revenue bonds issued by the City secured solely by certain of the Assessments levied on specific Assessed Property within the PID to finance the Authorized Improvements that are constructed for the benefit of such Assessed Property.

"Prepayment" means, before the due date thereof, payment of all or a portion of an Assessment, plus accrued but unpaid interest to the date of prepayment, less any amounts (received at the time of such prepayment) that represent a payment of principal, interest or penalties on a delinquent installment of an Assessment (which other amounts are to be treated as the payment of the regularly scheduled Assessment).

"Project" means the single-family residential development and associated private and public improvements to be constructed on the Property in accordance with the terms of this Agreement.

"Public Improvements" means sidewalks, open space and other improvements accessible and enjoyed by the general public, if any, the design, construction, acquisition, development, and payment of which are the responsibility of the Developer (but whose costs may be reimbursed to the Developer or paid directly from funds derived by the City through the PID).

"Public Infrastructure" means the on-site and off-site water, wastewater, natural gas, electric power, drainage, streets and roadway improvements and other public infrastructure necessary or incidental to serve the Property, as the same are identified on each plat to be filed with the City from time to time relating to the Property, the design, construction, acquisition, development, and payment of which are the responsibility of the Developer (but whose costs may be reimbursed to the Developer or paid directly from funds derived by the City through the PID).

"PUD" means a Planned Unit Development plan, to be prepared by the Developer and implemented in accordance with the City Subdivision Ordinance and the Comprehensive Zoning Ordinance and that incorporates and includes the applicable provisions of the Consultant's Plan.

"Reimbursement Agreement" means that certain "Reimbursement Agreement", in the form attached hereto as Exhibit H, to be entered into prior or in conjunction with the City's approval of the initial series of PID Bonds by and among the City and the Developer, as the same may be amended, modified or extended, or supplemented from time to time.

"Residential Construction Standards" means those construction standards applicable to the Project, as specified in Exhibit I.

"Retail Municipal Utility Service" means potable water, sewer, gas, and garbage services provided by the City to the Property.

"Retail Municipal Utility Service Rate Ordinance" means any City ordinance from time to time adopted that establishes the then-current rate schedule for the retail provision of any Retail Municipal Utility Service.

"Service and Assessment Plan" means the PID service and assessment plan to be adopted

by City Council prior to or in conjunction with the approval of the initial series of PID Bonds, as may be amended or updated annually pursuant to an Annual Service Plan Update, to assess allocated costs of the Authorized Improvements against Assessed Property located within the boundaries of the PID, and which has terms, provisions and findings approved and agreed to by the Developer and the City in accordance with Chapter 372.

"Sound Abatement Criteria" means the standards of construction to abate sounds applicable to residential structures as specified by the Code or the Federal Aviation Association.

"State" shall mean the State of Texas.

"Term" means the period of time beginning on the Effective Date and ending on the Termination Date.

"Termination Date" means the date that is the twentieth (20th) anniversary of the Effective Date.

"USA" means a Utility Services Agreement to be negotiated and entered into between the City and the Developer pursuant to which water and wastewater service will be provided by the City to the Property, in substantially the form attached hereto as Exhibit J.

ARTICLE 2
AUTHORITY, TERM, AND LIABILITY

2.01 Authority.

(a) The City enters into this Agreement pursuant to the authority granted thereto under the Constitution and general laws of the State of Texas, including (particularly) Article III, Section 52-a of the Texas Constitution, Subchapter G of Chapter 212, and the Authorizing Ordinance. The Landowner and the Developer enter into this Agreement pursuant to their respective general corporate powers exercised by duly adopted resolution of their respective governing body.

(b) Regarding prescribed uses of portions of the Property herein described, this Agreement is determined to be a plan under which general uses and development of the Property are authorized pursuant to and in accordance with Section 212.172(b)(2), as amended, Texas Local Government Code.

(c) The Developer acknowledges and agrees that the City may zone the Property in a manner consistent with the uses hereunder contemplated, but this Agreement does not constitute a contract for specific zoning.

2.02 Term. This Agreement shall become effective and enforceable on the Effective Date and shall continue through the Termination Date; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, the Developer's failure to deliver to the City by 5:00 p.m., Central time, on September 24, 2023 evidence of its purchase of the Property from the Landowners shall result in the immediate and automatic termination of this Agreement without further or additional action of any Party hereto.

2.03 Landowner as a Party. The Parties acknowledge that the Landowners' inclusion in this Agreement as a Party reflects the fact that the Landowners are the sole party authorized as

of the date hereof to obligate the Property to the provisions hereunder concerning its development. Except with respect to Section 3.04(f), which is expressly excluded from the effect of this Section 2.03, none of the Parties contemplate the Landowners' performance of the operative provisions hereof regarding the development of the Property, which obligations belong solely to the City and the Developer as herein specified. Accordingly, the Landowners shall be automatically released from this Agreement and no longer a Party hereto immediately upon completion of the Landowners' sale of the Property to the Developer (written notice of which shall be provided to the City by the time specified in Section 2.02) without requirement of amendment or supplement to this Agreement. After delivery of such notice to the City, the Landowners shall not be a Party hereunder for any purpose other than with respect to the representations made to the City and the Developer in Section 10.01.

ARTICLE 3
PROJECT DEVELOPMENT, TIMING AND STANDARDS

3.01 Project Development.

(a) Generally; Jurisdiction. Development of the Project shall include the subdivision of the Property, the construction of Public Infrastructure adequate for the development of the Project, the construction of necessary or required Public Improvements, and dedication of Public Infrastructure and Public Improvements to the City. As a result of full-purpose annexation of the Property in accordance with Article 6, the Parties intend that the City shall have and exercise exclusive jurisdiction over the review and approval of preliminary and final plats relative to the Property, the inspection of Public Infrastructure and Public Improvements (designed, constructed and installed pursuant to the Governing Regulations, and conveyed to the City pursuant to the terms hereof and thereof), and the issuance of a Certificate of Occupancy (defined herein) for each Structure (defined herein). As such, prior to full and final annexation of the Property into the City's corporate limits, the Developer may choose to proceed with development of the Project, including submittal of applications for plat(s), building permit(s) and other permits/approvals required for development as if the Property were in the City's corporate limits (including payment of requisite fees, except as provided otherwise herein or in the USA) and the City agrees to process – including review and approval of – the same as if the Property were in the City's corporate limits (but subject to any modifications included in this Agreement).

(b) Governing Regulations. Except as specifically provided in this Agreement, all Property development shall be governed solely by the following regulations (together, the "Governing Regulations"):

(i) this Agreement;

(ii) the PUD;

(iii) the Code;

(iv) the Comprehensive Zoning Ordinance;

(v) the Approved Plats; and

(vi) the 2006 International Building Codes, heretofore adopted by the City.

The Governing Regulations are exclusive, and no other ordinances, rules, regulations, standards, policies, orders, guidelines, or other City-adopted or City-enforced requirements of any kind (including but not limited to any development moratorium adopted by the City after the Effective Date) apply to the development of the Property.

The City Council may, upon Developer request, authorize exceptions to strict compliance with the Governing Regulations, within the limitations described therein and pursuant to applicable State law, when the Developer demonstrates, to the reasonable satisfaction of the City Council, that the requested exception: (1) is not contrary to the public interest; (2) does not cause injury to adjacent property; and (3) does not materially adversely affect the quality of the Project's development. The City has the right to amend the Code and the Comprehensive Zoning Ordinance, from time to time, to include changes, including local amendments to either or both that have been approved by the International Code Council (or any successor organization) or have been adopted by the City Council (for uniform application throughout the corporate limits of the City, including (upon annexation) the Property). Development of the Property shall also be subject to ordinances that the City is required to adopt, from time to time, by State or federal law.

Notwithstanding the foregoing, and to the extent not inconsistent with the provisions of this Agreement, the Developer may exercise rights under Chapter 245. The Parties hereby agree that the Effective Date shall be the date for establishment of the Developer's rights under Chapter 245, pursuant to Section 245.002(a-1) of such Chapter. The Developer may not take advantage of any changes to laws, rules, regulations, or ordinances of the City or other regulatory agency occurring after the Effective Date that are inconsistent with the terms of this Agreement without prior receipt of the City's consent (such consent not to be unreasonably withheld), which shall be reflected in the form of an amendment to this Agreement made in accordance with Section 13.05 hereof. For the avoidance of doubt, the foregoing restriction shall not prohibit the Developer from taking advantage of prospective changes in laws, rules, regulations, or City ordinances that do not otherwise conflict with the provisions of this Agreement.

Except as otherwise provided by the foregoing, if there is a conflict between this Agreement and the application of any other ordinance, rule, regulation, standard, policy, order, guideline or other City-adopted or City-enforced requirement, whether existing on the Effective Date or hereafter adopted (including the Code or the Comprehensive Zoning Ordinance), then this Agreement shall control. If there is a conflict between any Approved Plat and any of the other Governing Regulations, the Approved Plat shall control. The Governing Regulations shall be read in concert, with all reasonable effort made by the Parties to reconcile their respective terms and provisions. In the event of direct conflict, the provisions of this Agreement, the Consultant's Plan, and the PUD shall supersede and control over competing or contradictory provisions of the Code and the Comprehensive Zoning Ordinance.

(c) Planned Unit Development. The Developer agrees to prepare a PUD that incorporates the Project elements as herein provided (as generally depicted in the Land Plan), in accordance with the Governing Regulations and as confirmed by and acceptable to the City. Upon its completion and acceptance by the City, the Project shall be developed in accordance with the PUD, being the Property's initial master general development plan that identifies proposed land uses, Phases, Public Infrastructure (including major streets, and major drainage ways), and Public Improvements. The PUD regulates Property development by applying thereto the City's applicable

zoning classifications under the Comprehensive Zoning Ordinance, as they exist on the Effective Date. The PUD will act to satisfy all City requirements for the various plans required for subdivision development under the Code or the Comprehensive Zoning Ordinance, as applicable.

The PUD may be revised from time to time with the approval of the City, by action of the City Council, the Developer, and (if other than the Developer) the owners of the portions of the Property within the area of the PUD being revised. Notwithstanding the foregoing, the originally adopted PUD may be revised by Developer, without the approval of the City or any other owners, regarding lot layout, right-of-way locations, and the location of Public Infrastructure and Public Improvements within the boundaries of the Property, so long as: (i) the housing density of the Project does not increase; (ii) the amount of natural areas, public parks, or open space does not decrease; (iii) the change does not result in a (1) violation of any other Governing Regulation that would otherwise require a City variance from compliance or (2) departure from the provisions of the Consultant's Plan; (iv) the change does not impact the requisite size or capacity, location, or cost of off-Property public infrastructure (including the System Improvements); and (v) arterial and collector roadway alignments substantially conform to the roadway alignments shown on the then-current PUD. If the PUD is revised as provided by this Section, the revision shall be considered an amendment to this Agreement, and the City shall cause the revised PUD to be attached to the official version of this Agreement on file with the City Secretary's Office.

(d) Project Commencement; Phasing. Subject to its representations, warranties, and covenants made in Section 10.03 hereof, the timing and sequencing of Project development will be based on market demand and conditions and will be completed as and when the Developer determines it to be economically feasible, subject to and in accordance with the following provisions and conditions. Project development shall be undertaken in Phases, but not necessarily in any sequential order. Once development of a particular Phase has commenced (as evidenced by recordation of an Approved Plat), the Developer shall be required to complete Public Infrastructure and Public Improvements identified on such Approved Plat.

(e) Plat Application. Subdivision of the Property shall require the City's approval of plats in accordance with the City Subdivision Ordinance, except as otherwise specifically modified by the Governing Regulations. No plat shall be approved within a Phase except in substantial conformity with the approved Phase Infrastructure Plan (defined below). Easements for the location, installation, construction, operation, and maintenance of major infrastructure shown on approved Phase Infrastructure Plans will be dedicated to the City by separate instrument or plat at the discretion of the Developer. As described above, plat application(s) may be submitted to, and shall be processed by, the City prior to full and final annexation of the Property into the City's corporate limits.

(f) Phase Infrastructure Plan. A plat application made in conformance with Subsection 3.01(d) shall be preceded or accompanied by the submittal to the City of an infrastructure development plan for the Phase (the "Phase Infrastructure Plan"). The Phase Infrastructure Plan shall identify Public Infrastructure that will be required to develop the portion of the Property covered by the plat application. Each Phase Infrastructure Plan shall be subject to review and approval by the City Representative (or the designee thereof) solely to determine compliance with the Governing Regulations. Plat applications shall not be considered complete until the related Phase Infrastructure Plan is submitted. The Phase Infrastructure Plan shall be approved prior to approval of any plat with respect to which such Phase Infrastructure Plan relates. The City and the Developer agree that existing City sewer utility infrastructure are adequate to service the Project, as fully

developed in accordance with the provisions of this Agreement.

(g) Project Development Reporting. Upon commencement of Project development (and with respect to each Project Phase thereafter), the Developer shall submit to the City a written report detailing Project development progress, with the first such report to be delivered not later than the one hundred eightieth (180^{th}) day after the City's issuance of the applicable building permit and continuing each one hundred eightieth (180^{th}) day thereafter until completion of the applicable Phase of the Project.

For purposes of this Section 3.01(g), "commencement" shall mean the date of the City's issuance of the first building permit regarding improvements within a particular Phase of the Project.

3.02 Construction Standards.

(a) General. In addition to the other applicable Governing Regulations, the Developer shall cause single-family residences within the Project to be constructed in accordance with the Residential Construction Standards as outlined in Exhibit I.

(b) Specific Standards. The Developer shall incorporate or cause to be incorporated into the Project's development the following attributes:

(i) Buried utilities (electric, telephone, and broadband internet) from existing poles to the Structures (defined herein);

(ii) Compliance with the Outdoor Lighting Criteria;

(iii) Streetlights similar to cobra-head LED lights that are dark-sky compliant throughout the Project to promote safety and walkability;

(iv) Compliance with the Sound Abatement Criteria with respect to residential Structures construed within the Project; and

(v) Safety and way-finding signage incorporating the following elements Examples found in Exhibit I.:

(1) Blades:

a. Double sided, printed on 0.080 Aluminum, high intensity, 100% coverage in prismatic color, reflective, UV rated;

b. 9" tall x 36" length, using arm detail to eliminate tilt;

c. 9" x 9" non-reflective 3M logo sign will be permitted, with matching frame detail; and

d. Blades will have decorative arm.

(2) Traffic Signs:

a. Hi-intensity, 0.080 aluminum with black backing; and

b. Traffic signs will have a black frame.

(3) Poles:

a. 3" fluted aluminum black pole; and

b. topped with aball for 3" pole, black. .

(4) Bases:

a. Slipcover base for 3" pole, black.

(5) Sign foundation to be built so that if a sign needs to be replaced, the foundation can be reused.

3.03 Public Improvement and Public Infrastructure.

(a) Design Standards; Inspection. Public Infrastructure and Public Improvements shall be designed to comply with the Governing Regulations, and no construction or installation of Public Infrastructure or Public Improvements shall begin until plans and specifications therefor have been approved by the City. All Public Infrastructure and Public Improvements shall be constructed and installed in compliance with the Governing Regulations and shall be inspected by inspectors (certified and State-licensed, to the extent required by law) that have been approved by the City and that have agreed, in writing, to be bound by this Agreement and to follow State bond submittal inspection requirements, as and to the extent applicable (each, a "Certified Inspector"). The cost for such inspections shall be paid by the Developer. All Public Infrastructure and Public Improvements constructed by the Developer or by any person or entity on behalf of or in the name of the Developer shall have a maintenance bond with an expiration period of two years after completion and City acceptance of such Public Infrastructure or Public Improvement. Maintenance bonds shall name the City as a co-beneficiary and shall be assignable to the City.

Each Certified Inspector shall maintain a permanent record of all Public Infrastructure and Public Improvements inspected. All such records shall be available for copying by the City and the Developer. All such records shall be kept in a form reasonably approved by the City. Each Certified Inspector shall provide to the City and the Developer a copy of each Public Infrastructure and Public Improvement inspection report within ten (10) days after the inspection is performed (including reports that identify deficiencies and subsequent corrective action). Unless the City shall have objected in writing with reasonable specificity to the Developer within thirty (30) days of the City's receipt of copies of such certificates, records or reports, then such certificates, records, or reports shall be deemed accepted and approved by the City for all purposes.

The City and the Developer each shall have the right to terminate any Certified Inspector for failure to properly perform any duty or for failure to provide inspection reports, all as required by this Agreement (after written notice to the Certified Inspector and the other Party and the failure of the Certified Inspector to cure the failure within ten (10) days); provided, however, that the Developer shall have no right to terminate the employment of any City employee then serving in

the capacity of a Certified Inspector, but may only terminate such City employee's engagement as Certified Inspector of the Public Infrastructure and Public Improvements. Upon any such termination, the City, at its option, may allow the use of another Certified Inspector or may elect to perform some or all of the duties of the Certified Inspectors (unless such terminated Certified Inspector was a City employee, in which case the replacement Certified Inspector shall be a qualified third-party engaged to serve in such capacity). If the City elects to perform any of those duties, such duties shall be performed (and reports provided to the Developer) in the same manner as would be applicable to the Certified Inspectors, and the actual, reasonable costs and expenses paid or incurred by the City in performing the duties shall be paid by the Developer (or the contractor or builder or by the owner of the property on which the work is being performed). Notwithstanding the foregoing, the Developer shall have no right to terminate a Certified Inspector provided at the sole cost and expense of the City.

The City shall have the right, at its sole cost and expense, to conduct additional inspections, from time to time, of the construction of any Public Infrastructure or Public Improvement. If the City determines that any Public Infrastructure or Public Improvement is not being constructed in compliance with the Governing Regulations and the contractor or builder fails to correct the non-compliance within a reasonable period of time after notice thereof, the City shall have the right to enforce compliance and to stop new work on the Public Infrastructure or Public Improvement by the issuance of a "stop-work order" until the non-compliance is corrected to the reasonable satisfaction of the City.

(b) Dedication of Public Infrastructure and Public Improvements to City. Upon completion, Public Infrastructure and Public Improvements shall be dedicated and conveyed to, and accepted by, the City. As a condition to the City's final acceptance of any Public Infrastructure or Public Improvement, the following shall be delivered to the City:

(i) a report of a Certified Inspector concerning the subject Public Infrastructure or Public Improvement, in form satisfactory to the City in its reasonable judgment;

(ii) executed Affidavit of Payment, bills of sale, assignments, or other instruments of transfer (and evidence of recordation thereof in the deed records of the County) reasonably requested by the City;

(iii) utility, drainage, and other easements or rights-of-way (and evidence of recordation thereof in the deed records of the County) that are related to or necessary for use of the subject Public Infrastructure or Public Improvement;

(iv) all bonds, warranties, guarantees, and other assurances of performance, "record" drawings in both hard copy and digital (PDF and CAD) and sealed by the Developer's Engineer pursuant to Chapter 1001, as amended, Texas Occupations Code, easements, project manuals and all other documentation related to subject Public Infrastructure or Public Improvement; and

(v) an executed Maintenance Agreement between the City and the applicable MOA evidencing the MOA's acceptance of the MOA Maintenance Obligations relative to any of the then-dedicated Public Infrastructure and

Public Improvements, as and if applicable.

After delivery of the foregoing, and upon the City issuing to the Developer a letter indicating satisfaction of the conditions precedent to such acceptance pursuant to and in accordance with this Agreement, the Developer shall, by proper instrument (as agreed to by the City and the Developer), dedicate the subject Public Infrastructure or Public Improvement to the City and cause such dedication to be recorded in the deed records of the County. The City shall then accept each such completed Public Infrastructure or Public Improvement for ownership, operation, and maintenance within twenty (20) business days of such dedication.

(c) City to Own, Operate and Maintain Dedicated Public Improvements and Public Infrastructure; Exception. From and after the time of the City's final acceptance of Public Infrastructure or a Public Improvement, the City will own, operate, and maintain each such Public Infrastructure or Public Improvement and shall be responsible for all costs associated therewith; provided, however, that notwithstanding the foregoing, operations and maintenance responsibilities of Public Infrastructure and Public Improvements that constitute MOA Maintenance Obligations shall be responsibility of the appropriate MOA pursuant to the terms of this Agreement and a Maintenance Agreement.

(d) Developer Access to Dedicated Public Infrastructure and Public Improvements. Upon the City's acceptance of Public Infrastructure or a Public Improvement identified within a particular Approved Plat, the Developer shall be allowed to connect, access or otherwise utilize the dedicated Public Infrastructure or Public Improvement in such a manner to serve lots within the particular Phase, subject to (i) payment to the City of applicable Impact Fees (defined herein) (unless waived pursuant to the terms of the USA), rates, charges and other connection fees, as and to the extent applicable, and (ii) satisfaction of any such connection, access, or use requirements of any Governing Regulation.

3.04 Water and Wastewater Service.

(a) To provide for delivery of retail water and wastewater service to the Property, the City and the Developer shall enter into a USA.

(b) Subject to Section 3.04(f), for water service capacity (in the form of living unit equivalents ("LUEs") to be allocated to the Property, the Developer has entered into the Multi-Party Agreement to facilitate City water system expansion to enable provision of service to the Project. The terms by which the Developer may access this capacity, which includes the Developer's payment (or its causing to be paid) the water system capacity allocation charge, shall be specified in the USA.

(c) For the wastewater service capacity (in the form of LUEs) to be allocated to the Property, which capacity the City is in the process of obtaining, the Developer shall pay to the City the applicable Impact Fees, in accordance with, at the times and in the amounts specified in the Code, as further specified in the USA.

(d) The Developer acknowledges that the City does not currently have capacity to provide water service to the fully-developed Project, and though the City is exercising commercially reasonable efforts to expand its water system to provide such necessary capacity, the City makes no representations regarding the timely delivery of, and assumes no liability for its

failure to timely deliver, such expanded water system capacity.

(e) Other than with respect to the water system improvements that are the subject of the Multi-Party Agreement and the City's wastewater system expansion project ongoing as the date hereof (and the subject of Task Order No. 15 approved by the City Council on June 14, 2022), the Developer shall, at its expense, design, construct, acquire and install all offsite (relative to the Property) improvements necessary to connect to the City's water and wastewater utility system to permit retail water and wastewater service to the Property. The design of these offsite improvements shall be coordinated with and approved by the City engineer. Subject to the City's reimbursement to the Developer of the incremental cost associated therewith, as further specified in the USA, the offsite improvements that are the subject of this Subsection (e) shall include capacity oversizing requirements as and to the extent required by the City, if at all.

(f) The Landowners are parties to the Multi-Party Agreement, a copy of which is attached hereto as Exhibit M. Pursuant to the Multi-Party Agreement, the Landowners have received an allocation of 800 LUEs as a reservation from the Capacity resultant from the Improvements (identified therein as the "Jagge Ranch" allocation). Upon completion of the sale of the Property by the Landowners to the Developer, the Landowners hereby convey and assign to the Developer 700 LUEs from this allocation of reserved Capacity to which the Landowners are entitled under the Multi-Party Agreement (the "Transferred Capacity"). Upon such conveyance and assignment (and not before), all rights, duties, and obligations under the Multi-Party Agreement shall be transferred by the Landowners to the Developer. The Developer hereby accepts such assignment and conveyance and hereby agrees, from and after such date of assignment and conveyance, to be a Private Party under the Multi-Party Agreement in possession of 700 LUEs of Capacity, subject to all duties and obligations owing to the City and the other Private Parties thereunder as a result of designation. At such time, the reserved Capacity of the Landowners under the Multi-Party Agreement, and all rights, duties, and obligations of the Landowners thereunder to the City and the other Private Parties, shall reflect (and be based off of) 100 LUEs of reserved Capacity. The City hereby agrees to the foregoing and, upon effectiveness of the same at the time of completion of the Developer's purchase of the Property from the Landowners, the Multi-Party Agreement shall be deemed amended in accordance with Section 10 thereof to reflect the provisions of this Section 2.04(f).

Capitalized terms used in this paragraph but not otherwise defined in this Agreement shall have the meanings ascribed thereto in the Multi-Party Agreement.

3.05 Building Permits; Certificates of Occupancy. No permanent structure designed or intended for human occupancy or commercial use (a "Structure") shall be constructed unless a building permit has been issued by the City and a final plat has been recorded for the lot on which the Structure is being built (which shall be included in an Approved Plat). No Structure shall be occupied until a certificate of occupancy has been issued by the City (a "Certificate of Occupancy") in accordance with the Code. As stated herein, the City agrees to diligently process any building permits and related items submitted by the Developer prior to full and final annexation of the Property into the City's corporate limits.

3.06 Fees and Charges.

(a) General Applicability of City Fee Ordinance; Other Fees. Activities within the Property, including development activities, shall be subject to payment to the City the fees and

charges from time to time specified in the Fee Ordinance, as well as other fees described in this Section 3.07. In the event a requested service is not covered by the provisions of this Agreement or another Governing Regulation, the Parties shall negotiate a reasonable fee for such service, on a cost basis and not with an intention of profit generation.

(b) Inspection Fees. In addition to any plan review fees identified in the Fee Ordinance, any inspections of Public Infrastructure or Public Improvements pursuant to the City's inspection rights under Section 3.04(a) hereof (if the City determines that any Public Infrastructure or Public Improvement is not being constructed in accordance with the Governing Regulations or if the City terminates any Certified Inspector), shall be subject to the payment to the City of all reasonable costs and expenses paid or incurred by the City in performing such inspections.

(c) Impact Fees. Development of the Property will be subject to the payment to the City of the capital recovery fees and charges set forth in this Section 3.07 for Public Infrastructure and Public Improvements necessitated by and attributable to the development of the Property, but only to the extent such fees and charges are adopted and applied to the Property in compliance with Chapter 395 and otherwise subject to the provisions set forth in this Agreement (the "Impact Fees"). All Impact Fees shall be payable upon, and as a condition to, the issuance of building permits. Impact Fees include, and are limited to, the following:

(i) Impact Fees for any requirements for compliance with applicable State or federal law; and

(ii) Fees applicable to development within the City, as identified in the Fee Ordinance and as the same are in effect on the date of submittal of a plat application.

Notwithstanding the foregoing or any other provision in this Agreement or the USA to the contrary, the USA may provide for the waiver of Impact Fees in lieu of payment of a substitute capital recovery charge and, if so, the provisions of the USA shall control. The parties agree that the USA will provide for a retail water capacity charge in lieu of Impact Fees therefor.

3.07 Mandatory Owner's Association; Agreement to Maintain Certain Improvements. Prior to the sale of the first platted lot within the Property, the Developer will create one or more MOAs that, in total, provide owners association services to the entirety of the Property (excluding the Dedicated Parcel). Upon creation, each MOA shall enter into a Maintenance Agreement with the City, pursuant to which the MOA shall agree to the MOA Maintenance Obligations (whose responsibility shall solely be the MOA's, notwithstanding any ownership by the City of the improvements or real property upon which such maintenance is required to be performed). The Developer shall provide in each MOA's organization documents that the MOA shall annually levy and collect fees from owner members that are, at a minimum and based on annual budget adopted by the MOA prior to the beginning of its fiscal year, sufficient to satisfy the annual MOA Maintenance Obligations. Each Maintenance Agreement shall provide that the MOA shall perform the MOA Maintenance Obligations in accordance with the applicable provisions of the Governing Regulations, subject to oversight and inspection by the City, and provide to the MOA permission to perform the MOA Maintenance Obligations, as and to the extent reasonably necessary, on City-owned property. Upon reasonable request, the City shall have the right to inspect the financial reports, audits, and budget of each MOA.

3.08 Buyer Disclosures. All End Buyers shall be required to sign (i) an Airport Proximity Consent and (ii) an acknowledgement that the property that is the subject of such sale is located within a PID, as required by and in accordance with applicable Texas law and herein referred to as the Owner Disclosure Program.

3.09 Prohibited Uses. If commercial use is ever added as Project component, then the following uses shall not be permitted within the Project: (i) sexually oriented businesses; (ii) shops dedicated primarily to the sale of drug or tobacco paraphernalia, including vape shops; (iii) unlicensed massage parlors; (iv) flea markets; (v) bingo halls; (vi) pawn shops; (vi) payday lenders; and (vii) check cashing centers.

3.10 Delivery of Requisite Water Rights to the City. Nothing in this Agreement shall be determined or deemed to modify or impact the Developer's obligation to comply with Section 100-25(c) of the City Subdivision Ordinance.

3.11 Competitive Bidding. Development of Authorized Improvements within the PID will be exempt from any public bidding or other purchasing and procurement policies in accordance with, and subject to the limitation of, Section 252.022(a)(9), as amended, Texas Local Government Code.

3.12 Additional Public Improvements; Developer Capital Contribution.

(a) Developer shall, by the time specified below, deliver to the City $400,000 in unencumbered, immediately available funds (the "Developer Capital Contribution"). The City shall use the Developer Capital Contribution to pay the costs of improving, enlarging, and expanding youth sports facilities located on City-owned property ("Park Improvements"), which improvements shall be permanent in nature and shall enhance and expand the opportunity for sports participation by area youth.

(b) The Developer Capital Contribution shall be delivered to the City on or before the fifth (5^{th}) business day after the recordation of a plat that would bring the cumulative total number of lots within the Project to at least five hundred (500). The City agrees that the Developer Capital Contribution is in lieu of, and shall satisfy, any and all obligations for the Project related to parkland dedication or open space.

(c) The expenditure of the Developer Capital Contribution by the City for Park Improvements shall be at the City's discretion; provided, however, the City shall erect permanent signage that identifies "Flat Creek" as the sponsor of the Park Improvements (which signage shall be agreed upon by Developer as a condition of its delivery of the Developer Capital Contribution, such agreement not to be unreasonable withheld).

(d) If the Developer Capital Contribution has not been used to pay the costs of Park Improvements within five (5) years from the date the Developer delivers the Capital Contribution, the Capital Contribution shall be refunded to Developer.

ARTICLE 4
MUNICIPAL SERVICES

4.01 Retail Municipal Utility Services. The City shall provide Retail Municipal Utility Services to lots within the Property and will connect each Structure to the City's water, sewer, and gas system upon payment of applicable fees described in Article 3 hereof and issuance of a Certificate of Occupancy for the Structure. Retail Municipal Utility Services will be delivered pursuant to and in accordance with State law and the Governing Regulations, and rates and charges for such services imposed pursuant to and in accordance with the Retail Municipal Utility Services Rate Ordinance.

4.02 Police Services. The City shall, upon annexation (and not before), provide police service to the Property.

4.03 Electric Service. Retail electric service shall be provided to the Property by City Public Service Board of San Antonio, Texas, also known as CPS Energy, subject to a franchise fee paid by CPS Energy to the City.

4.04 Internet Service Provider. The Developer shall ensure installation of state-of-the art internet infrastructure (broadband) to each lot within the Project to allow access to high-speed internet service (minimum of one hundred (100) megabytes per second) from providers serving the City (determined as of the time of installation of such infrastructure).

4.05 Fire and Emergency Response Services. Fire and emergency response services to the Property will be provided by a Texas political subdivision having jurisdiction over such area and charged with the responsibility of providing such services, initially being the Medina County Emergency Services District No. 1.

ARTICLE 5
SOURCES OF PROJECT FINANCING

5.01 Public Improvement District.

(a) PID Creation. To provide for payment of the Allocated Water Capacity Cost, Authorized Improvements Costs, and Administrative Expenses, the Parties contemplate creation of the PID. In furtherance of such expectation, the Developer will submit to the City an application to create the PID in accordance with Chapter 372. In addition, after delivery of sufficient notice to interested parties, the City will consider conduct of a public hearing concerning creation of the PID, all as specified and in accordance with Chapter 372.

(b) Service and Assessment Plan. The Developer and the City agree that the City, the Developer, and the Administrator shall prepare an initial Service and Assessment Plan providing for the levy of the Assessments on all or portions of the Assessable Property within the PID. Promptly following preparation and approval of the initial Service and Assessment Plan acceptable to the Developer and the City and subject to the City Council making findings that the Authorized Improvements specified in the Service and Assessment Plan confer a special benefit on the Assessable Property, the City Council shall consider an Assessment Ordinance.

(c) Assessment Ordinance. Adoption of an Assessment Ordinance is conditioned on the successful negotiation, inclusive of terms mutually acceptable to the City and the Developer, of all Development Documents other than this Agreement (which shall at such time already be in effect). Accordingly, consideration of an Assessment Ordinance shall be conditioned on presentation to the City Council (i) for approval of the City's entering into and executing the same

concurrently with or prior to the City Council's consideration of the initial Assessment Ordinance or (ii) in the event any of such Development Documents for whatever reason may not be entered into at such time, final forms thereof.

(d) Acceptance of Assessments. Prior to or concurrently with the City's adoption of the initial Assessment Ordinance, the Developer shall (i) approve and accept in writing the levy of the Assessment(s) on all Assessable Property owned or controlled by the Developer; (ii) approve and accept in writing the Owner Disclosure Program; and (iii) cause to be recorded against the Assessed Property covenants running with the land that will bind any and all current and successor developers and owners of any of the Assessed Property to pay the then-subject Assessment and any subsequent Assessments, with applicable interest and penalties thereon, as and when due and payable and to take their title to their interest in the Assessed Property subject to and expressly accepting and assuming the terms and provisions of such Assessments and the liens created thereby.

(e) Administrative Expenses. The Parties hereby agree that all of the Administrative Expenses associated with the PID will be funded by Assessment Revenues and the City shall not be responsible for payment of such costs from any other City funds.

(f) Assessment Revenues. The Parties agree that, once deposited to the hereinafter-defined Project Fund, Assessment Revenues will be bifurcated, *pari passu*, between the Allocated Water Capacity Costs and the scheduled debt service requirements on PID Bonds from time to time issued and outstanding. On a *pari passu* basis, the pro rata portion of the Assessment Revenues attributable to the Allocated Water Capacity Costs will be directed to and delivered from the Project Fund to the City. At no time will such portion of the Assessment Revenues be subject to a lien thereon or pledge thereof securing the repayment of any PID Bonds or City obligation to reimburse the Developer for its incurring Authorized Improvements Costs.

(g) Issuance of PID Bonds. Subject to satisfaction of the conditions set forth in this Section 5.01(g) and the Service and Assessment Plan, the City may issue PID Bonds for the purposes of acquiring or constructing or reimbursing Authorized Improvement Costs or any other purposes authorized by the Chapter 372. The Developer may request the City's issuance of a series PID Bonds by filing with the City a list of the Authorized Improvements to be funded with the PID Bonds and the estimated budgeted costs therefor, as described by the Service and Assessment Plan. The Developer acknowledges that the City may at the time of its request to issue PID Bonds require the Parties enter into a professional services agreement that obligates the Developer to fund the costs of the City's professionals relating to the preparation for and issuance of PID Bonds, funded in an amount of $50,000 or such greater amount as shall be agreed to by the Parties (which amount is considered Administrative Expenses payable from the proceeds of such series of PID Bonds).

The issuance of any series of PID Bonds is subject to the following conditions:

(i) the aggregate principal amount of all PID Bonds shall not exceed $20,000,000, plus the amount allocated to the Project pursuant to the application of the terms of the Multi-Party Agreement in accordance with Section 3.04(f) hereof;

(ii) no series of PID Bonds shall pay from the proceeds therefrom capitalized interest beyond the second anniversary of its initial issuance;

(iii) prior to the City's authorization of the initial series of PID Bonds:

(1) the Developer will create the Owner Disclosure Program and provide a copy of the program to the City Administrator;

(2) the Developer shall have delivered to the City Administrator a fully executed Landowner Agreements from each owner of the Property; and

(3) the City shall have received fully-executed or final versions of each of the Development Documents, in form satisfactory thereto;

(iv) issuance of any series of PID Bonds shall be preceded by the City's adoption or amendment of a Service and Assessment Plan, Assessment Roll, and an Assessment Ordinance levying Assessments on all or any portion of the Property benefited by the Authorized Improvements to be funded by such Assessments;

(v) each series of PID Bonds shall be in an amount estimated to be sufficient to fund the Authorized Improvements Costs for which such PID Bonds are being issued, plus required reserves and capitalized interest (in accordance with the limitations described above), and issuance costs;

(vi) if applicable, delivery by the Developer to the City of a certification or other evidence from an independent appraiser or another qualified professional acceptable to the City confirming that the special benefits conferred on the parcels of the Property subject to Assessments for payment of Authorized Improvements Costs increase the value of such parcels of Property by an amount at least equal to the amount assessed against such parcels;

(vii) the Developer shall have delivered to the City (i) a certificate or report from an independent certified appraiser, appraisal firm or financial consultant, assuming completion of the Authorized Improvements, demonstrating that the ratio of the aggregate appraised value of all assessed parcels of Property to the aggregate principal amount of all PID Bonds then secured or proposed to be secured by the resultant Assessment Revenues that remain after subtraction therefrom the amount of Assessment Revenues owed to the City for the Allocated Water Capacity Cost (the "Value to Lien Ratio") is at least 3:1 (which in determining, the independent certified appraiser, appraisal firm or financial consultant may rely on builder contracts, a certificate from the Administrator identifying lots on which Structure construction has commenced or the Medina County Tax Assessor/Collector's estimated assessed valuation for completed Structures (Structure and lot assessed valuation) and estimated lot valuation for lots on which Structures are under construction);

(viii) approval by the Texas Attorney General of the PID Bonds and registration of the PID Bonds by the Comptroller of Public Accounts of the State of Texas;

(ix) evidence delivered to the City (the sufficiency of which the City has

determined, in its sole discretion), that:

(1) the Developer is current on all the payment of all taxes, Assessments, fees and obligations owed to each taxing district whose jurisdiction the Property is subject;

(2) the Developer is not in default under any Development Document; and

(3) no outstanding PID Bonds are then-in default and no reserve funds established therefor have been drawn upon that have not been replenished;

(x) the Administrator has certified that the costs of the Authorized Improvements to be paid from the proceeds of the PID Bonds are eligible to be paid with the proceeds of such PID Bonds;

(xi) the City has determined that the amount of proposed Assessments and the structure, terms, conditions and timing of the issuance of the series of PID Bonds are reasonable for payment of the Authorized Improvements Costs to be financed and scope and state of Project development within the PID, and that there is sufficient security for the PID Bonds to be creditworthy;

(xii) the City has confirmed that no information regarding the City, including (without limitation) financial information, has been included in any offering document relating to PID Bonds without receipt of the City's prior consent;

(xiii) the City has confirmed that the maximum maturity for a series of PID Bonds does not exceed 30 years from its date of initial delivery; and

(xiv) the Developer has agreed to provide periodic information and notices of material events regarding the Developer as it relates to the development of the Property within the PID in accordance with Securities and Exchange Commission Rule 15c2-12 and any Continuing Disclosure Agreements executed by the Developer in connection with the issuance of such series of PID Bonds.

(h) Agreement to Establish Project Fund.

(i) On the date of issuance of any PID Bonds, to accept PID Bond proceeds to fund Authorized Improvements Costs, the City shall establish in the applicable provisions of the associated indenture pursuant to which the applicable series of PID Bonds is issued a "Project Fund" and provide for the creation therein of any necessary accounts (including, if necessary (and as a non-indenture account) an account to accept the pro rata portion of Assessment Revenues dedicated to the City to pay the Allocated Water Capacity Cost). Any such Project Fund shall be maintained as provided in such indenture, separate and apart from all other City funds. Any such Project Fund shall be administered and controlled (including signatory authority) by the City and deposits thereto and disbursements therefrom shall be made in accordance with the terms of the applicable indenture. In

the event of any conflict between the terms of this Agreement and the terms of the indenture relative to Project Fund deposits and/or disbursement of Project Fund money (other than with respect to any deposits to an account therein created and held made in satisfaction of payment to the City from Assessment Revenues the Allocated Water Capacity Cost), the terms of the indenture shall control.

(ii) The Parties intend that the Developer will undertake construction of the Authorized Improvements (other than the City water system improvements that are the subject of the Multi-Party Agreement) in accordance with this Agreement, the other Development Documents, and the Service and Assessment Plan in conjunction with the construction of the applicable Phases of the Development, prior to seeking direct payment therefor from funds on a deposit in a Project Fund or reimbursement for such expenditures made pursuant to a Completion Agreement under the terms of the Reimbursement Agreement. Although the terms by which Developer is entitled to reimbursement shall be detailed in the Reimbursement Agreement as described in Section 372.023 of Chapter 372, the Parties agree that the Developer will generally be entitled to the maximum available funds derived from Assessment Revenues that remain after payment to the City of the pro rata portion thereof dedicated to the City to pay the Allocated Water Capacity Cost, up to the Authorized Improvement Costs thereby expended.

(iii) If, other than funds on deposit in a non-indentured account reserved to pay the pro rata portion of Assessment Revenues dedicated to the City to pay the Allocated Water Capacity Cost, funds remain in a Project Fund after the completion of all Authorized Improvements and the payment of all Authorized Improvement Costs, then such funds shall be used to pay for additional Authorized Improvement Costs as may thereafter be included in an updated Service and Assessment Plan or used to redeem the Bonds, as further provided for in the applicable indenture.

(i) Selection of Professionals. The Administrator, the appraiser, the underwriter of any PID Bonds, the bond trustee, and any other professional deemed necessary or desirable in connection with the issuance of a series of PID Bonds shall be selected by the City, at its sole discretion, but in consultation with the Developer.

5.02 Maximum All-In Tax Equivalent Rate. The maximum tax-equivalent rate applicable to the Property, inclusive of the ad valorem tax rate of all jurisdictions having taxing authority over the Property and the tax-rate equivalent to pay the Annual Installments, excluding any Annual Installments associated with the Allocated Water Capacity Cost, shall not exceed $3.00 per $100 of assessed valuation of Assessed Property in the PID.

5.03 Completion Agreement. Prior to the City's authorization of the initial series of PID Bonds, the Developer, the City, and the trustee for such series of PID Bonds shall have entered into a Completion Agreement obligating the Developer to satisfy the Authorized Improvement Costs not anticipated to be directly funded with proceeds of PID Bonds or paid for separately by the City.

5.04 Reimbursement of Authorized Improvement Costs. The City and Developer shall, prior to or substantially contemporaneous with the initial levy of Assessments on a Phase(s) of the Property, enter into a Reimbursement Agreement to provide for the Developer's reimbursement from available Assessment Revenues all Authorized Improvement Costs paid for by Developer under the Completion Agreement. Notwithstanding its execution of the Reimbursement Agreement, the Developer hereby acknowledges that the City makes no representations or guarantees regarding the sufficiency of available Assessment Revenues to fully reimburse the Developer for amounts paid by the Developer under the Completion Agreement or reimbursements to which it is entitled under the Reimbursement Agreement.

ARTICLE 6
ANNEXATION & ZONING

6.01 Petition for Annexation into ETJ. Developer hereby agrees to voluntary annexation of Parcel B into the City ETJ and hereby submits, Exhibit K hereto, a petition requesting the inclusion of Parcel B (the "Parcel B Petition") into the City ETJ. The Parcel B Petition is deemed filed by the Developer as of the Effective Date and the City agrees to pursue and process the annexation of Parcel B into the City ETJ as quickly as reasonably possible.

6.02 Petition for Annexation into City. Developer hereby agrees to the voluntary, full-purpose annexation of any portion of the Property outside the corporate limits of the City (being Parcel A and Parcel B) into the City and hereby submits, as Exhibit L hereto, a petition requesting the annexation of the Property (the "Annexation Petition"). The Annexation Petition is deemed filed by the Developer as of the Effective Date and the City agrees to pursue and process full annexation as quickly as reasonably possible.

6.03 City Council Action. City action initiating Property annexation shall occur as soon as practicable after the Effective Date and after the City's receipt of the completed Parcel B Petition and Annexation Petition, which shall include the steps required under Chapter 43 for the full-purpose annexation of all Property. Notwithstanding its full-purpose annexation of the Property, provision of City services, including extension of Public Infrastructure, to the Property shall be made subject to this Agreement and no other agreement, regulation, or law.

6.04 Permanent Zoning. City agrees that the Property shall be permanently zoned within thirty (30) days after annexation of the Property. The City cannot contractually agree to the zoning designation the Property shall receive; however, the City recognizes the Developer's rights under Chapter 245.

ARTICLE 7
ASSIGNMENT OF COMMITMENTS AND OBLIGATIONS; SUCCESSORS

7.01 Assignment of Developer Rights. Subject to this Section 7.01, the Developer may assign in whole or part its rights and obligations under this Agreement to persons purchasing all of the Property or a part of the Property. In the event the Developer assigns all of its respective rights under this Agreement in conjunction with the conveyance of any unplatted portion of the Property, a written assignment of said rights must be filed of record in the Official Public Records of Medina County, Texas in order to be effective.

Because the City's entering into this Agreement with the Developer is conditioned, in part,

on the Developer's demonstrated skill, expertise, and financial resources with respect to the development of projects similar to the Project, demonstrating its ability to satisfy its obligations arising under this Agreement, any assignment by the Developer of its rights hereunder shall be subject to the City's approval, not to be unreasonably withheld; provided, however, an assignment by the Developer to any Developer-affiliated entity does not require approval by the City. In connection with any request for approval of assignment, the Developer shall provide to the City evidence of the assignee's similar experience, resources, and financial resources that are demonstrative of such assignee's ability to complete Project development in a manner at least equal to those of the Developer.

7.02 Lot Conveyance Not an Assignment. The mere conveyance of a lot or any portion of the Property without a written assignment of the rights of the Developer under this Agreement shall not be sufficient to constitute an assignment of the rights or obligations of the Developer hereunder, unless specifically provided herein.

7.03 Agreement Binding on Assigns. In the event of an assignment of this Agreement, the Developer shall be released from any obligations of this Agreement, provided the successors or assigns agree in writing to all terms and conditions of this Agreement. Any reference to the Developer, the City, or the Parties shall be deemed to and will include the successors or assigns thereof, and all the covenants and agreements in this Agreement shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

ARTICLE 8
DEFAULT AND NOTICE

8.01 Notice and Opportunity to Cure. If either Party defaults in its obligations under this Agreement, the other Party must, prior to exercising a remedy available to that Party due to the default, give written notice to the defaulting Party, specifying the nature of the alleged default and the manner in which it can be satisfactorily cured, and extend to the defaulting Party at least thirty (30) calendar days from receipt of the notice to cure the default. If the nature of the default is such that it cannot reasonably be cured within the thirty (30) calendar day period, the commencement of the cure within the thirty (30) calendar day period and the diligent prosecution of the cure to completion will be deemed a cure within the cure period. Notwithstanding the foregoing, the occurrence of a Bankruptcy Event shall result in immediate default hereunder without opportunity to cure.

8.02 Enforcement. The Parties may enforce this Agreement by any proceeding at law or equity. Failure of either Party to enforce this Agreement shall not be deemed a waiver to enforce the provisions of this Agreement thereafter. The Parties agree that monetary damages are not a sufficient remedy for a default of this Agreement. As a remedy for default, the non-defaulting party shall be entitled to equitable relief, including specific performance of this Agreement, but not monetary damages. In addition to the foregoing, a remedy to each Party for the other's default hereunder, after compliance with Section 8.01 hereof, shall be termination of this Agreement.

8.03 Litigation. In the event of any third-party lawsuit or other claim relating to the validity of this Agreement or any actions taken by the Parties hereunder, the Developer and the City intend to cooperate in the defense of such suit or claim, and to use their respective best efforts to resolve the suit or claim without diminution of their respective rights and obligations under this Agreement. The City's participation in the defense of such a lawsuit is expressly conditioned on

budgetary appropriations for such action by the City Council and shall be covered by Article 11 hereof, as applicable. The filing of any third-party lawsuit relating to this Agreement or the development of the Project will not delay, stop or otherwise affect the development of the Project or the City's processing or issuance of any approvals for the Project or Project development, unless otherwise required by a court of competent jurisdiction.

8.04 Cessation of Compliance. As a matter of law, a city by contract cannot bind its current or future city councils in the exercise of the council's legislative discretion or the performance of its legislative functions, which include the zoning of property, the establishment of public improvement districts, and the levying of assessments, issuance of bonds or approval of contracts. Nonetheless, the Developer has spent a substantial sum to negotiate, implement, and comply with this Agreement and the Developer expects and relies on the City to take appropriate actions to zone the Property, create the PID, and levy the Assessments that are described in this Agreement. If the current or a future City Council does not zone the Property as described in the Land Plan, does not establish or operate the PID as described in this Agreement, or does not levy the Assessments, then Developer shall have no further obligation to comply with any of the terms of this Agreement until such time as the City Council takes appropriate actions to have the City resume compliance with its obligations under this Agreement. If the City resumes its compliance with its obligations under this Agreement, the Developer shall have up to ninety (90) days to resume its compliance with this Agreement.

8.05 Notices. Any notice required or permitted to be delivered hereunder shall be in writing and shall be deemed received on the earlier of (i) actual receipt by mail, Federal Express or other delivery service, fax, email or hand delivery; or (ii) three (3) business days after being sent by United States mail, postage prepaid, certified mail, return receipt requested, addressed to City or the Developer, as the case may be, at the address stated below.

Any notice mailed to the City shall be addressed:

City of Castroville
Attn.: City Administrator
1209 Fiorella St.
Castroville, Texas 78009
scott.dixon@castrovilletx.gov

With a copy to:

Clay Binford
McCall, Parkhurst & Horton L.L.P.
112 East Pecan Street, Suite 1310
San Antonio, Texas 78205
cbinford@mphlegal.com

Any notice mailed to the Developer shall be addressed:

KF Flat Creek, LP
2722 West Bitters Road, Suite 106
San Antonio, Texas 78248
jeff@kingfishtx.com
shad@kingfishtx.com

With a copy to:

Rob Killen
Killen, Griffin & Farrimond
10101 Reunion Place, Suite 250
San Antonio, Texas 78216
rob@kgftx.com

Any Party may change the address for notice to it by giving notice of such change in accordance with the provisions of this paragraph.

ARTICLE 9
CERTIFICATE OF COMPLIANCE

Within thirty (30) calendar days of written request by either Party given to the other Party requesting a statement of compliance with this Agreement, the other Party will execute and deliver to the requesting Party a statement certifying that:

(a) this Agreement is unmodified and in full force and effect, or if there have been modifications, that this Agreement is in full force and effect as modified and stating the date and nature of each modification; and

(b) there are no current uncured defaults under this Agreement or specifying the date and nature of each default.

ARTICLE 10
REPRESENTATIONS, WARRANTIES, AND COVENANTS

10.01 Mutual Representations, Warranties and Covenants of the Parties. The Parties acknowledge that each Party is acting in reliance upon the other Party's performance of its obligations under this Agreement in making the decision to commit substantial resources and money to the Project's development. In recognition of such mutual reliance, each Party represents and warrants to the other that it shall employ commercially reasonable efforts to perform its duties and obligations hereunder and shall adhere to the requirements of this Agreement.

10.02 City Representations, Warranties and Covenants.

(a) The City covenants, represents and warrants to the Developer that the City has and shall exercise sole and exclusive jurisdiction over the review and approval of preliminary and final plats, the inspection of Public Infrastructure and Public Improvements (except to the extent that such inspection responsibilities are undertaken by a Certified Inspector pursuant to Section 3.04(a) hereof) and the issuance of Certificates of Occupancy for Structures.

(b) The City recognizes this Agreement as a development agreement under Subchapter G of Chapter 212. Subject to the Developer's compliance with Section 3.01(c), the City recognizes and acknowledges that the Project is a "planned unit development" under Section IV of the Subdivision Ordinance.

(c) To the extent required to implement Project development in accordance with the Governing Regulations, the City shall provide necessary waivers and variances to the Code as herein provided.

(d) The City has, pursuant to the Authorizing Ordinance, taken all requisite and necessary actions to enter into this Agreement, and this Agreement represents a valid and binding agreement of the City, subject to governmental immunity and principles of bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights in general and by general principles of equity.

(e) To the extent (but only to the extent) its obligations are not uncertain or in dispute, the City is not entitled to claim immunity on the grounds of sovereignty from relief by writ of mandamus to perform its obligations hereunder.

10.03 Developer Representations, Warranties and Covenants.

(a) The Developer hereby represents to the City that, upon acquisition from the respective owners thereof, it will own the Property, free and clear of any and all liens or mortgages.

(b) The Developer hereby warrants and covenants to the City that any prospective lien, mortgage, or encumbrance on any portion of the Property shall be made subject to the dedication of Public Infrastructure and Public Improvements, as indicated on the Approved Plat that is applicable to the portion of the Property to be subject to any such lien, mortgage, or encumbrance.

(c) The Developer agrees to dutifully, diligently, and continually work to develop the Property in accordance with the Governing Regulations and shall complete, or cause to be completed, the Public Infrastructure and Public Improvements that are included in the Governing Regulations and pay their costs.

(d) The Developer shall provide, or cause to be provided, all materials, labor, and services for completing the Public Infrastructure and Public Improvements, which materials, labor, and services shall be of adequate quality when graded against industry standards.

(e) The Developer agrees to obtain or cause to be obtained all necessary permits and approvals required by any Governing Regulation from the City and/or all other governmental entities having jurisdiction or regulatory authority over the construction, installation, operation, or maintenance of improvements within the Property and, with respect thereto, pay or cause to be paid all applicable permit or similar license fees.

(f) The Developer acknowledges and agrees that, pursuant to State law, the Developer is required to make information regarding its contractual relationships regarding construction or acquisition of Public Infrastructure and Public Improvements generally available as public records and, with respect thereto, the Developer acknowledges and agrees that any information provided by the Developer to the City with respect to the Public Infrastructure and Public Improvements, this Agreement, and any work performed by the Developer, a contractor, or a subcontractor for any Public Infrastructure and Public Improvements (including pricing and payment information) may be subject to public disclosure by the City pursuant to applicable law.

(g) The Developer shall prepare, or cause to be prepared, for each Phase of the Project,

plats that are compliant with applicable provisions of the Code and the Comprehensive Zoning Ordinance and shall submit such plats to, and have such plats approved by, the City prior to starting any construction in said Phase.

(h) The Developer shall supervise the construction of the Project and cause the construction to be performed in accordance with the Governing Regulations.

(i) Development services that are performed by the Developer hereunder shall be enforced in compliance with the Governing Regulations.

(j) Except with respect to a Certified Inspector then employed by the City pursuant to Section 3.04(a), all personnel supplied or used by the Developer in the performance of its obligations arising under this Agreement shall be deemed employees, contractors or subcontractors of the Developer and shall not be considered employees, agents or subcontractors of the City for any purpose whatsoever. The Developer shall be solely responsible for the compensation of all such personnel.

(k) The Developer acknowledges and agrees that it is subject as an employer to all applicable unemployment compensation statutes and agrees to indemnify and hold harmless the City from any and all responsibilities thereunder toward employees of the Developer.

(l) As and to the extent applicable, the Developer shall comply with all regulations concerning employment of labor required by law (including, but not limited to, Chapter 2258 requiring the Developer to pay prevailing wages to workers, which shall be determined using the wage scales from time to time published online by Wage Determinations online at www.wdol.gov/wdol/scafiles/davisbacon/tx.html). The reference to this source of prevailing wages is not a warranty, guaranty or other representation by the City that adequate numbers of skilled or unskilled workers are actually available in the local market to perform the required services or that workers may be hired for the wages identified in such prevailing wage schedule.

(m) The Developer hereby represents, warrants, and covenants for the benefit of the City:

(i) the Developer is a limited partnership, duly organized and validly existing under the laws of the State of Texas, is in compliance with the laws of the State of Texas, and has the power and authority to own its properties and assets and to carry on its business as now being conducted and as now contemplated;

(ii) the Developer has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered on behalf of the Developer;

(iii) this Agreement is a valid and enforceable obligation of the Developer and is enforceable against the Developer in accordance with its terms, subject to bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights in general and by general principles of equity;

(iv) the Developer understands the duties, limitations, and responsibilities imposed upon the City under the applicable State law having application to matters that are the subject of this Agreement, including Project development; and

(v) the Developer has sufficient knowledge, experience, and financial resources to perform its obligations under this Agreement in accordance with all duties, obligations, regulations, Governing Regulation requirements, and other applicable law affecting or required to perform the development work with respect to the Project and, in this regard, the Developer shall bid, procure, supervise, manage, perform, and from time to time provide information relating to such development work regarding Project development in compliance with all duties, obligations, regulations, code and legal requirements arising under any Governing Regulation with jurisdiction over the subject development work and the Project.

(n) The Developer has delivered, unless exempted under State law, the Certificate of Interested Parties Form 1295 ("Form 1295") and certification of filing generated by the Texas Ethics Commission's electronic portal, signed by an authorized agent, prior to the execution of this Agreement by the City and the Developer. The Developer and the City understand that none of the City or any City representative, consultant, or advisor have the ability to verify the information included in Form 1295, and none of the City or any City employee, official consultant, or advisor have an obligation, nor have undertaken any responsibility, for advising the Developer with respect to the proper completion of Form 1295 other than providing the identification numbers required for the completion of Form 1295.

(o) The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, as amended, and to the extent such section does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit. The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on the following page of such officer's Internet website:

https://comptroller.texas.gov/purchasing/publication/divestment.php

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, as amended, and to the extent such Section does not contravene applicable Texas or federal law and excludes the Developer and each of its parent company, wholly- or

majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

(p) To the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section, to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

(q) To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Developer verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law.

As used in the foregoing verification and the following definitions, 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

(i) 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

(ii) 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

ARTICLE 11
INDEMNIFICATION

THE DEVELOPER COVENANTS AND AGREES TO FULLY INDEMNIFY AND HOLD HARMLESS THE CITY, THE CITY COUNCIL, AND ANY OTHER OFFICIAL, EMPLOYEE, AGENT, ATTORNEY, OR REPRESENTATIVE OF ANY OF THE FOREGOING (TOGETHER, THE "INDEMNIFIED PARTIES") FROM AND AGAINST ANY AND ALL COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, PROCEEDINGS, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND SUITS OF ANY KIND AND NATURE BROUGHT BY A THIRD PARTY, INCLUDING BUT NOT LIMITED TO, PERSONAL OR BODILY INJURY, DEATH AND PROPERTY DAMAGE, MADE UPON ANY INDEMNIFIED PARTY DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM OR RELATED TO THE DEVELOPER'S ACTIVITIES UNDER THIS AGREEMENT, INCLUDING ANY ACTS OR OMISSIONS OF THE DEVELOPER, ANY AGENT, OFFICER, DIRECTOR, REPRESENTATIVE, EMPLOYEE, CONSULTANT OR SUBCONTRACTOR OF THE DEVELOPER, AND THEIR RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, DIRECTORS AND REPRESENTATIVES, WHILE IN THE EXERCISE OF PERFORMANCE OF THE RIGHTS OR DUTIES UNDER THIS AGREEMENT. THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL NOT

APPLY TO ANY LIABILITY RESULTING FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY INDEMNIFIED PARTY. IN THE EVENT THE DEVELOPER AND AN INDEMNIFIED PARTY ARE FOUND JOINTLY LIABLE, BECAUSE OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF AN INDEMNIFIED PARTY, BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO ANY SUCH INDEMNIFIED PARTY UNDER APPLICABLE TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES HERETO UNDER TEXAS LAW AS TO SAID CLAIMANTS. THE PROVISIONS OF THIS INDEMNIFICATION ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. THE DEVELOPER SHALL IMMEDIATELY ADVISE THE CITY, IN WRITING, OF ANY CLAIM OR DEMAND AGAINST THE DEVELOPER OR AN INDEMNIFIED PARTY, TO THE EXTENT AND WHEN KNOWN TO THE DEVELOPER, RELATED TO OR ARISING OUT OF THE DEVELOPER'S ACTIVITIES UNDER THIS AGREEMENT.

In addition to the indemnification provided above, the Developer shall also require each of its general contractors working on the Project to indemnify each Indemnified Party from and against any and all claims, losses, damages, causes of actions, suits and liabilities arising out of their actions related to the performance of this Agreement, utilizing (in its entirety) the same indemnification language contained herein.

ARTICLE 12
MISCELLANEOUS

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

12.02 Entire Agreement; Parties in Interest. This Agreement, together with any exhibits attached hereto, constitutes the entire agreement between Parties with respect to its subject matter, and may not be amended except by a writing signed by all Parties with authority to sign and dated subsequent to the date hereof. There are no other agreements, oral or written, except as expressly set forth herein. No person, other than a Party, shall acquire or have any right hereunder or by virtue hereof.

12.03 Recordation. A copy of this Agreement will be recorded in the Official Public Records of the County by the City.

12.04 Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State. This Agreement is performable in the County. Any legal action or proceeding brought or maintained, directly or indirectly, as a result of this Agreement shall be heard and determined in a court of competent jurisdiction located in the County. Notwithstanding the foregoing, the parties hereto agree that any dispute that may arise under this Agreement shall first be submitted to non-binding mediation, or to alternative dispute resolution proceedings, before litigation is filed in court.

12.05 Termination or Amendment by Agreement. This Agreement may only be

terminated prior to the Termination Date, or its terms amended by mutual written consent of the Parties.

12.06 No Oral or Implied Waiver. The Parties may waive any of their respective rights or conditions contained herein or any of the obligations of the other Party hereunder, but unless this Agreement expressly provides that a condition, right, or obligation is deemed waived, any such waiver will be effective only if in writing and signed by the party waiving such condition, right, or obligation. The failure of either party to insist at any time upon the strict performance of any covenant or agreement in this Agreement or to exercise any right, power, or remedy contained in this Agreement will not be construed as a waiver or a relinquishment thereof for the future.

12.07 No Third-Party Beneficiary. This Agreement is not intended, nor will it be construed, to create any third-party beneficiary rights in any person or entity who is not a Party, unless expressly otherwise provided herein.

12.08 No Personal Liability. None of the members of the City Council, nor any officer, agent, or employee of the City, shall be charged personally by the Developer with any liability, or be held liable to the Developer under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach, of this Agreement.

12.09 Severability. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provision of any Constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

12.10 Section Headings. Section headings have been inserted in this Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Agreement and will not be used in the interpretation of any provisions of this Agreement.

* * *

CITY OF CASTROVILLE, TEXAS

By: _____
Name: DARRIN SCHROEDER
Title: MAYOR
Address: 1209 Fiorella Street
Castroville, Texas 78009

THE STATE OF TEXAS §
§
COUNTY OF §

This instrument was acknowledged before me on September 21, 2023, by Mayor Darrin Schroeder of Castroville.

_____
Notary Public in and for the State of Texas

DEBRA HOWE
NOTARY PUBLIC
STATE OF TEXAS
MY COMM. EXP. 04/06/24
NOTARY ID 1164494-6

THE LANDOWNERS:

MKT 179 INVESTMENTS, LLC formerly DICKERSON TAUSCH PROPERTIES, LLC

By: _____
Name: Terry Dickerson
Title: Manager
Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

CROWN MONEY, LLC

By: _____
Name: Terry Dickerson
Title: Manager
Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

MKT179, LLC

By: _____
Name: Terry Dickerson
Title: Manager
Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

THE STATE OF TEXAS §
§
COUNTY OF §

This instrument was acknowledged before me on August 28, 2023, by Terry Dickerson, Manager of MKT 179 Investments, LLC formerly Dickerson Tausch Properties, LLC, Crown Money, LLC, and MKT179, LLC.

RICHARD WESLEY RUSSELL
Notary Public, State of Texas
Comm. Expires 07-20-2026
Notary ID 607490-9

_____
Notary Public in and for the State of Texas

THE DEVELOPER:

KF FLAT CREEK, LP

By: _____
Name: Shad Schmid
Title: Manager
Address: 2722 West Bitters Road
Suite 106
San Antonio, Texas 78248

THE STATE OF TEXAS §
§
COUNTY OF BEXAR §

This instrument was acknowledged before me on August 22nd., 2023, by Shad Schmid, Manager of KF Flat Creek, LP

_____
Notary Public in and for the State of Texas

OSCAR V. DOMINGUEZ
Notary Public, State of Texas
Comm. Expires 08-06-2024
Notary ID 132609444

INDEX TO EXHIBITS

Exhibit A.....Property Description (Metes and Bounds and Location Map)
Exhibit B..... City Map – Corporate and ETJ Limits
Exhibit C..... Form of Completion Agreement
Exhibit D.....Land Plan
Exhibit E .....Form of Landowner Agreement
Exhibit F.....Form of Maintenance Agreement
Exhibit G.....Owner Disclosure Program
Exhibit H.....Form of Reimbursement Agreement
Exhibit I .....Residential Construction Standards
Exhibit J .....Form of Utility Service Agreement
Exhibit K.....Petition for ETJ Annexation
Exhibit L .....Petition for Annexation
Exhibit M..... Multi-Party Agreement
Exhibit N .....Airport Proximity Consent

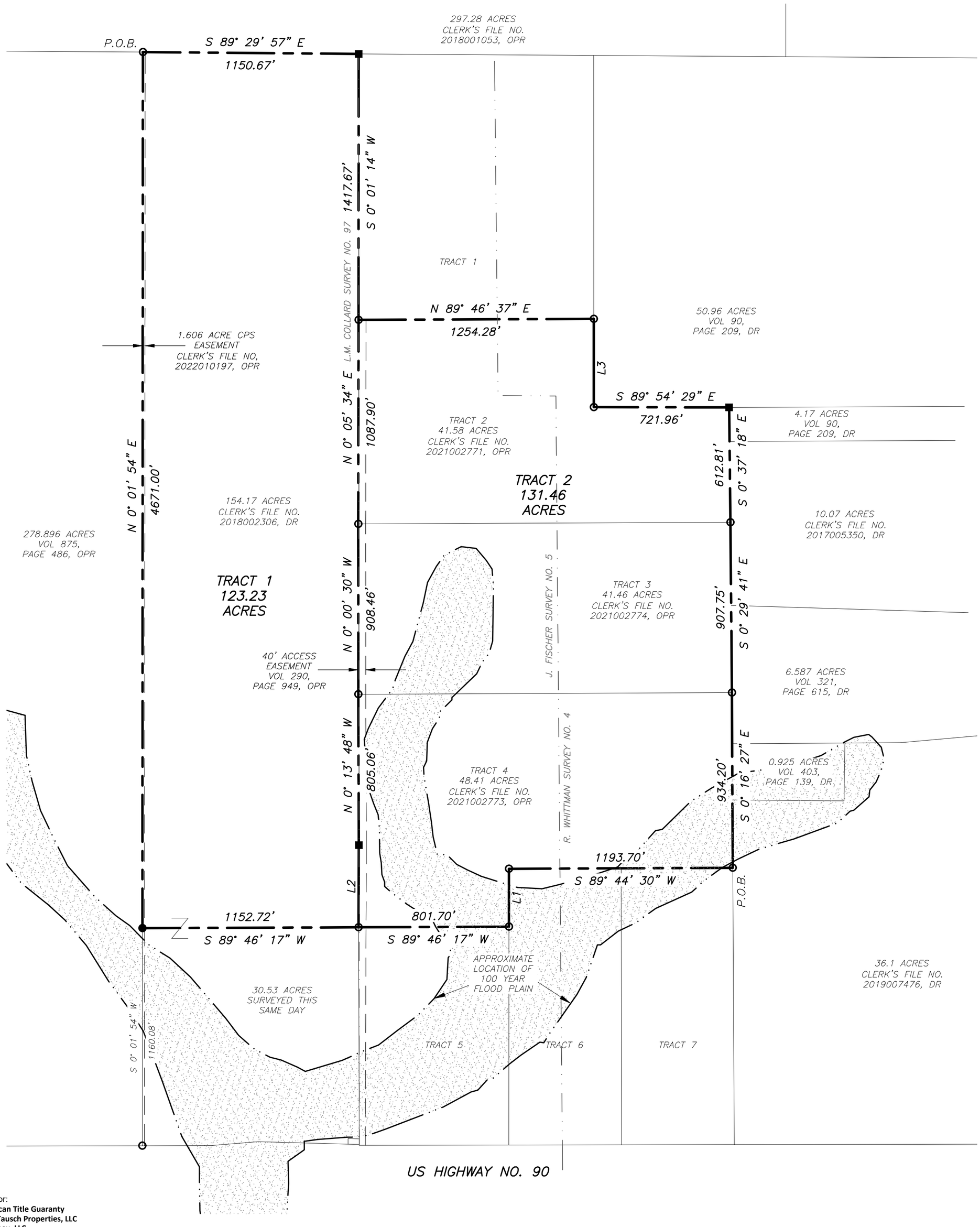
Exhibit A

PROPERTY DESCRIPTION
[METES AND BOUNDS AND LOCATION MAP]

PLAT OF SURVEY

OF

A 123.23 ACRE TRACT OF LAND, CALLED TRACT 1, BEING A PORTION OF A 153.76 ACRE TRACT OF LAND, CALLED 154.17, AND A 131.46 ACRE TRACT OF LAND, CALLED TRACT B, BEING ALL OF A 41.58 ACRE TRACT OF LAND, CALLED TRACT 2, ALL OF A 41.46 ACRE TRACT OF LAND, CALLED TRACT 3, AND ALL OF A 48.41 ACRE TRACT OF LAND, CALLED TRACT 4, OF THE JOHN FISCHER ESTATE LANDS DIVISION, LYING IN THE JOSEPH FISCHER SURVEY NO. 5, ABSTRACT NO. 1269, THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, AND THE ROMANUS WHITMAN SURVEY NO. 4, ABSTRACT NO. 1348, MEDINA COUNTY, TEXAS



1" = 400'

THE BASIS OF BEARING ON THIS PLAT IS GRID NORTH, TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83 (2011), SOUTH CENTRAL ZONE

Line Table		
Line #	Length	Direction
L1	308.57	S0° 00' 47"W
L2	437.26	N0° 12' 35"E
L3	470.56	S0° 01' 54"E

Prepared for:
First American Title Guaranty
Dickerson Tausch Properties, LLC
Crown Money, LLC
KF Flat Creek, LP

REFERENCES:

DEED:
Clerk's File No. 2021002771, OPR
Clerk's File No. 2018002306, OPR
Clerk's File No. 2021002773, OPR
Clerk's File No. 2021002774, OPR
Flood plain panel #48325C8530D
Issued date: 5-15-2020

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that this plat was prepared from an actual survey done by me or under my direct supervision, and that to the best of my knowledge and belief it is a true and correct representation of said survey. This survey substantially complies with the current Texas Society of Professional Surveyors Manual of Practice requirements for a Category 1A, Condition 2.

STATE OF TEXAS
REGISTERED
RICHARD POLLOK
5825
PROFESSIONAL
LAND SURVEYOR

TRACKS 2, 3, AND 4

ITEMS CORRESPONDING TO SCHEDULE B

PER TITLE COMMITMENT GF NO. 2759757–1841, ISSUED JULY 26, 2022

e. RIGHT OF WAY EASEMENT, RECORDED IN VOLUME 86, PAGE 152, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS NONPLOTTABLE**

f. RIGHT OF WAY EASEMENT, RECORDED IN VOLUME 117, PAGE 530, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS NONPLOTTABLE**

g. 40 FOOT INGRESS/EGRESS EASEMENT, RECORDED IN VOLUME 290, PAGE 949, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS SHOWN**

154.17 ACRES

ITEMS CORRESPONDING TO SCHEDULE B

PER TITLE COMMITMENT GF NO. 2759766–1841, ISSUED AUGUST 10, 2023

e. RIGHT OF WAY EASEMENT, RECORDED IN VOLUME 86, PAGE 152, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS SHOWN**

f. RIGHT OF WAY EASEMENT, RECORDED IN VOLUME 117, PAGE 530, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS SHOWN**

g. 40 FOOT INGRESS/EGRESS EASEMENT, RECORDED IN VOLUME 290, PAGE 949, DEED RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS SHOWN**

j. ELECTRIC RIGHT OF WAY EASEMENT, RECORDED IN CLERK'S FILE NO. 2022010197, OFFICIAL PUBLIC RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM IS SHOWN**

l. EASEMENT AGREEMENT, RECORDED IN VOLUME 243, PAGE 33, OFFICIAL PUBLIC RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM DOES NOT EFFECT THIS PROPERTY**

n. PUBLIC UTILITY EASEMENT, RECORDED IN CLERK'S FILE NO. 2021005209, OFFICIAL PUBLIC RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM DOES NOT EFFECT THIS PROPERTY**

o. CONSTRUCTION EASEMENT, RECORDED IN CLERK'S FILE NO. 2021005210, OFFICIAL PUBLIC RECORDS, MEDINA COUNTY, TEXAS. **THIS ITEM DOES NOT EFFECT THIS PROPERTY**

LEGEND

- ● Set 5/8 inch steel rod monument with cap stamped Rakowitz Engineering & Surveying
- ○ Found 5/8 inch steel rod monument
- ▲ TxDot brass disk monument
- ■ Fence corner post
- □ A calculated point
- Boundary line
- Adjoiner
- Barbed wire fence
- OHE OHE Overhead electric

Rakowitz
ENGINEERING & SURVEYING
TEXAS REGISTERED ENGINEERING FIRM F-9155
TEXAS LICENSED SURVEYING FIRM 101812-00
830.281.4060 515 W. OAKLAWN STE. A PLEASANTON, TX 78064

Date of survey: April 25, 2023
Update of survey: August 14, 2023
Job No. 22-2818B

State of Texas
County of Medina

Field notes for a tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 123.23 acres tract of land, called Tract 1, being a portion of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, lying in the L. M. Collard Survey No. 97, Abstract No. 1259, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 1/2 inch steel rod monument, found for the Northwest corner of said 153.76 acre tract of land, being the Northeast corner of a 278.896 acre tract of land, described in volume 875, page 486, of the Deed Records, Medina County, Texas, and lying on the South line of a 297.28 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018001053, of the Official Public Records, Medina County, Texas, said point of beginning being the Northwest corner of this tract of land;

Thence South 89° 29' 57" East, 1150.67 feet, along the North line of said 154.17 acre tract of land, being the South line of said 297.28 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said 154.17 acre tract of land, being the Northwest corner of Tract 1, of the John Fischer Estate Lands Division, described in an instrument, recorded in Volume 290, Page 949 of the Official Public Records of Medina County, Texas, said point being the Northeast corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

South 00° 01' 14' West, 1417.67 feet, being the West line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for Southwest corner of said Tract 1, being the Northwest corner of a 41.58 acre tract of land, called Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 05' 34" West, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 2, being the Northwest corner of a 41.46 acre tract of land, called Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 00' 30" East, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 3, being the Northwest corner of a 48.41 acre tract of land, called Tract 4, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

South 00° 13' 48" East, 805.06 feet, along the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, said point being an angle point of this tract of land;

South 00° 12’ 35” West, 437.26 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of Tract 5, of said John Fischer Estate Lands Division, the Southeast corner of a 123.23 acre tract of land, surveyed this same day, and the Northeast corner of a 30.53 acre tract of land, surveyed this same day, said point being the Southeast corner of this tract of land;

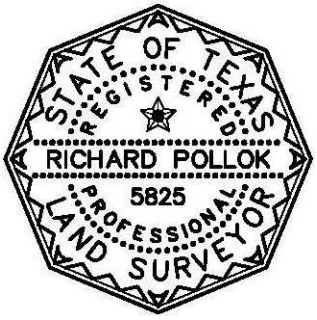
Thence South 89° 46’ 17” West, 1152.72 feet, across said 154.17 acre tract of land, along the North line of said 30.53 acre tract of land, to a point marked by a 5/8 inch steel rod monument, with a cap stamped Rakowitz Engineering and Surveying, set on the West line of said 154.17 acre tract of land, for the Northwest corner of said 30.53 acre tract of land, and lying on the East line of said 278.896 acre tract of land, said point being the Southwest corner of this tract of land;

Thence North 00° 01’ 54” East, 4671.00 feet, along the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 123.23 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.





Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

State of Texas
County of Medina

Field notes for a tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, prepared for King Fish Development, LLC, dated July 27, 2023.

A tract of land containing 131.46 acres tract of land, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 4, being the Northeast corner of Tract 7, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, and lying on the West line of a 36.1 acre tract of land, described in an instrument, recorded in Clerk's File No. 2019007476, Deed Records, Medina County, Texas, said point of beginning being the Southeast corner of this tract of land;

Thence South 89° 44' 30" West, 1193.70 feet, along the South line of said Tract 4, being the North line of said Tract 7 and continuing along the North line of Tract 6, of said John Fischer Estate Lands Division, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 4, being the Northwest corner of said Tract 6, said point being a reentrant corner of this tract of land;

Thence South 00° 00' 47" West, 308.57 feet, along an East line of said Tract 4, being the West line of said Tract 6, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 4, being the Northeast corner of Tract 5, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 89° 46' 17" West, 801.70 feet, along the South line of said Tract 4, being the North line of said Tract 5, to a point marked by a 5/8 inch steel rod monument, found for the Southwest corner of said Tract 4, being the Northwest corner of said Tract 5, The Southeast corner of a 123.23 acre tract of land, surveyed this same day, the Northeast corner of a 30.53 acre tract of land, surveyed this same day, and lying on the East line of a 154.17 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, Medina County, Texas, said point being the Southwest corner of this tract of land;

Thence along the East line of said 154.17 acre tract of land, the following bearings and distances;

North 00° 12’ 35” East, 437.26 feet, being the West line of said Tract 4, to a point, marked by a fence corner post, found for an angle point of said Tract 4, being an angle point for said 154.17 acre tract of land, an angle point of said 123.23 acre tract of land, said point being an angle point of this tract of land;

North 00° 13’ 48” West, 805.06 feet, along the West line of said Tract 4, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 4, being the Southwest corner of Tract 3, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 00’ 30” West, 908.46 feet, along the West line of said Tract 3, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 3, being the Southwest corner of Tract 2, of said John Fischer Estate Lands Division, said point being an angle point of this tract of land;

North 00° 05’ 34” East, 1087.90 feet, along the West line of said Tract 2, to a point, marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 2, being the Southwest corner of Tract 1, of said John Fischer Estate Lands Division, said point being the Northwest corner of this tract of land;

Thence North 89° 46’ 37” East, 1254.28 feet, along the North line of said Tract 2, being the South line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 2, being the Southeast corner of said Tract 1, and lying on the West line of a 50.96 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01’ 54” East, 470.56 feet, along an East line of said Tract 2, being the West line of said 50.96 acre tract of land, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 2, being the Southwest corner of said 50.96 acre tract of land, said point being a reentrant corner of this tract of land;

Thence South 89° 54’ 29” East, 721.96 feet, along a North line of said Tract 2, being the South line of said 50.96 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said Tract 2, being the Northwest corner of a 4.17 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being the Northeast corner of this tract of land;

Thence South 00° 37’ 18” East, 612.81 feet, along the East line of said Tract 2, being the West line of said 4.17 acre tract of land, and a 10.07 acre tract of land, described in an instrument, recorded in Clerk’s File No. 2017005350, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 2, being the Northeast corner of said Tract 3, said point being an angle point of this tract of land;

Thence South 00° 29’ 41” East, 907.75 feet, along the East line of said Tract 3, being the West line of said 10.07 acre tract of land, and a 6.587 acre tract of land, described in an instrument, recorded in Volume 321, Page 615, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of Tract 2, being the Northeast corner of said Tract 4, said point being an angle point of this tract of land;

Thence South 00° 16’ 27” East, 934.20 feet, along the East line of said Tract 4, being the West line of said 6.587 acre tract of land, and continuing along the West line of a 0.925 acre tract of land, described in an instrument, recorded in Volume 403, Page 139, Deed Records, Medina County, Texas, and continuing along the West line of said 36.1 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 254.69 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated July 27, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.





Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

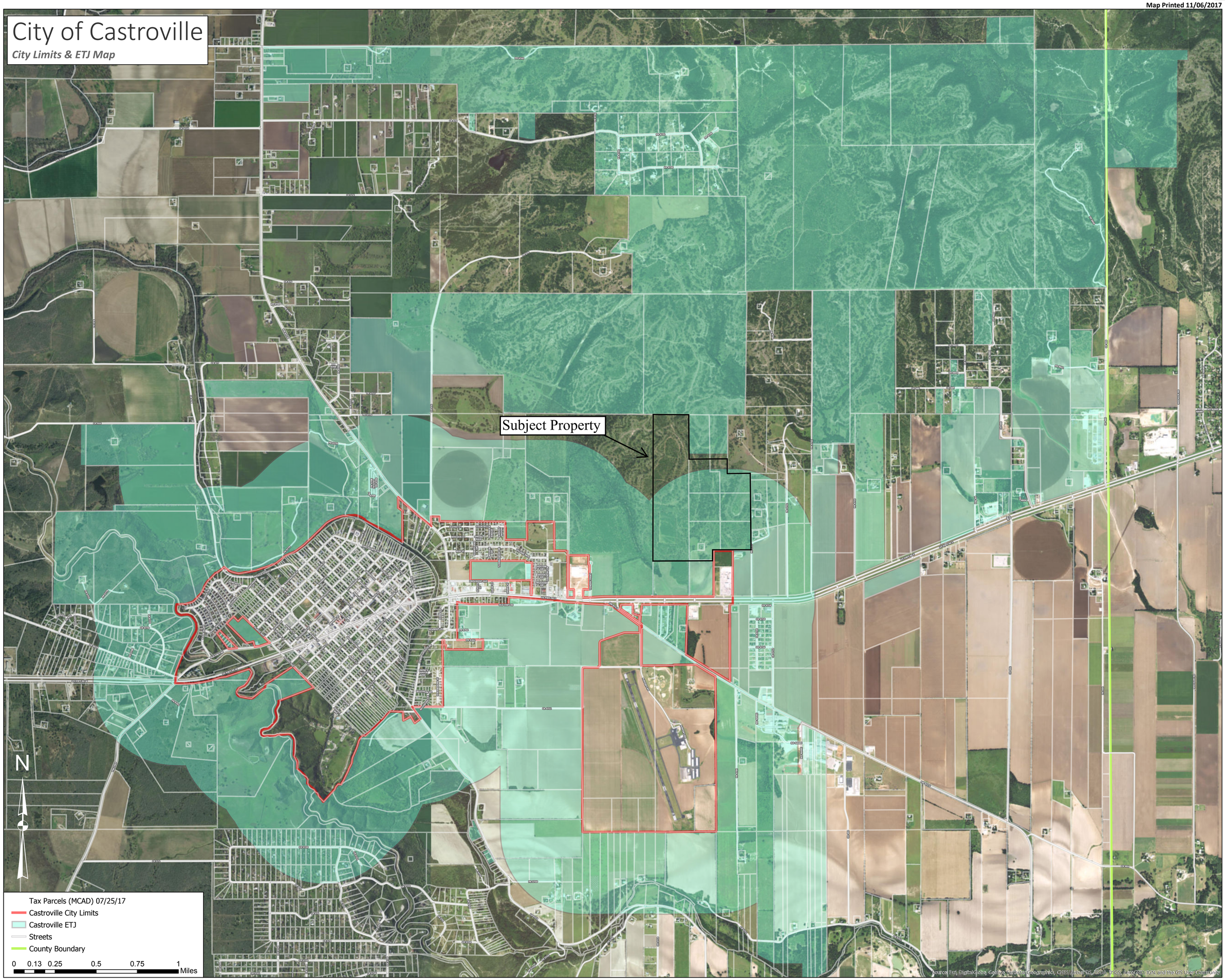
Exhibit B

CITY MAP – CORPORATE AND ETJ LIMITS

Map Printed 11/06/2017

City of Castroville

City Limits & ETJ Map

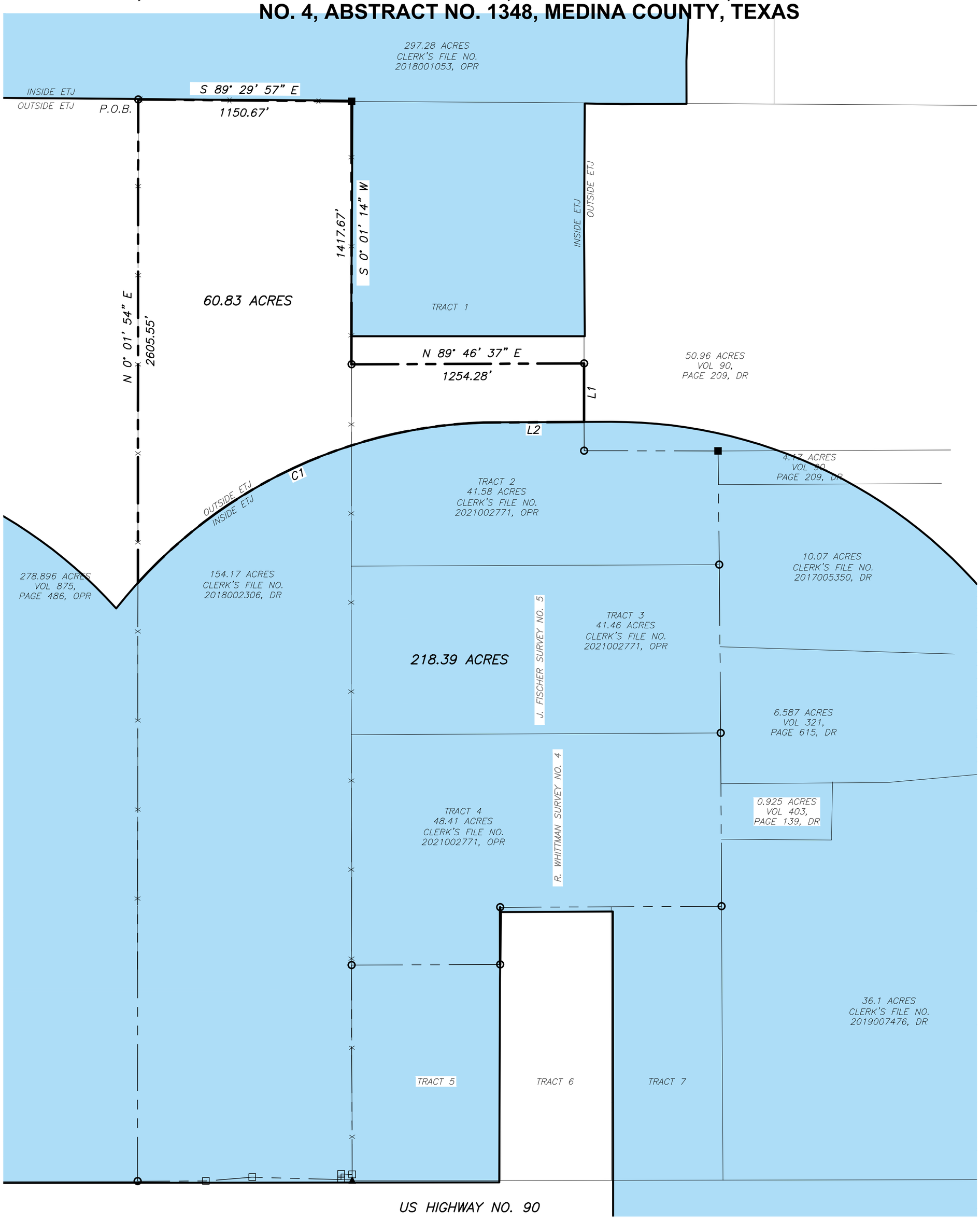


Disclaimer – The City of Castroville (City) does not guarantee the accuracy, adequacy, completeness, or usefulness of this information. The map is not a legal representation of the depicted data. Data is derived from public records that are constantly undergoing revision. Under no circumstances should this map be used for final design purposes. City provides this information on an "as is" basis without warranty of any kind, express or implied, and assumes no responsibility for anyone's use of the information. The appropriate City department should always be contacted for official and current information.

EXHIBIT

OF

A 285.22 ACRE TRACT OF LAND, BEING ALL OF A 153.76 ACRE TRACT OF LAND, CALLED 154.17, ALL OF A 41.58 ACRE TRACT OF LAND, CALLED TRACT 2, ALL OF A 41.46 ACRE TRACT OF LAND, CALLED TRACT 3, AND ALL OF A 48.41 ACRE TRACT OF LAND, CALLED 4, OF THE JOHN FISCHER ESTATE LANDS DIVISION, LYING IN THE JOSEPH FISCHER SURVEY NO. 5, ABSTRACT NO. 1269, THE L.M. COLLARD SURVEY NO. 97, ABSTRACT NO. 1259, AND THE ROMANUS WHITTMAN SURVEY NO. 4, ABSTRACT NO. 1348, MEDINA COUNTY, TEXAS



1" = 400'

THE BASIS OF BEARING ON THIS PLAT IS GRID NORTH, TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83 (2011), SOUTH CENTRAL ZONE

LEGEND

- Found 5/8 inch steel rod monument
- TxDot brass disk monument
- Fence corner post
- A calculated point
- Boundary line
- Adjoiner
- X — Barbed wire fence
- OHE — OHE — Overhead electric

Prepared for:
King Fish Development, LLC

REFERENCES:

DEED: Clerk's File No. 2021002771, OPR
Clerk's File No. 2018002306, OPR
Flood plain panel #48325C8530D
Issued date: 5-15-2020

Line Table		
Line #	Length	Direction
L1	315.35	S0° 01' 54"E
L2	543.77	S89° 39' 05"W

Curve Table					
Curve #	Length	Radius	Delta	Chord Direction	Chord Length
C1	2108.70	2636.33	45°49'44"	S65° 06' 35"W	2052.94

Rakowitz
ENGINEERING & SURVEYING
TEXAS REGISTERED ENGINEERING FIRM F-9155
TEXAS LICENSED SURVEYING FIRM 101812-00
830.281.4060 515 W. OAKLAWN STE A PLEASANTON, TX 78064

Date of survey: April 25, 2023
Job No. 22-2818B

State of Texas
County of Medina

Field notes for a tract of land containing 60.83 acres tract of land, being a portion of a 153.76 acre tract of land, called 154.17 acres, and a portion of a 41.58 acre tract of land, called Tract 2, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, the Romanus Whitman Survey No. 4, Abstract No. 1348, and the L.M. Collard Survey No. 97, Abstract No. 129, Medina County, Texas, prepared for King Fish Development, LLC, dated April 25, 2023.

A tract of land containing 60.83 acres tract of land, being a portion of a 153.76 acre tract of land, called 154.17 acres, described in an instrument, recorded in Clerk's File No. 201800002306, Official Public Records, Medina County, Texas, and a portion of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, and lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, the Romanus Whitman Survey No. 4, Abstract No. 1348, and the L.M. Collard Survey No. 97, Abstract No. 129, Medina County, Texas, said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 5/8 inch steel rod monument, found for the Northwest corner of said 154.17 acre tract of land, being the Northeast corner of a 278.896 acre tract of land, described in an instrument, recorded in Volume 875, Page 486, Official Public Records, Medina County, Texas, and lying on the North line of a 297.28 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018001053, Official Public Records, Medina County, Texas, said point of beginning being the Northwest corner of this tract of land;

Thence South 89° 29' 57" East, 1150.67 feet, along the North line of said 154.17 acre tract of land, being the South line of said 297.28 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said 154.17 acre tract of land, being the Northwest corner of Tract 1, of the John Fischer Estate Lands Division, said point being the Northeast corner of this tract of land;

Thence South 00° 01' 14" West, 1417.67 feet, along the East line of said 154.17 acre tract of land, being the West line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for the Northwest corner of said Tract 2, being the Southwest corner of said Tract 1, said point being an reentrant corner of this tract of land;

Thence North 89° 46' 37" East, 1254.28 feet, along the North line of said 154.17 acre tract of land, being the South line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for the upper Northeast corner of said Tract 2, being the Southeast corner of said Tract 1, and lying on the West line of a 50.96 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01' 54" East, 315.35 feet, along an East line of said Tract 2, being the West line of said 50.96 acre tract of land, to a calculated point, said point being the Southeast corner of this tract of land;

Thence South 89° 39’ 05” West, 543.77 feet, across said Tract 2 to a calculated point, said point being an angle point of this tract of land;

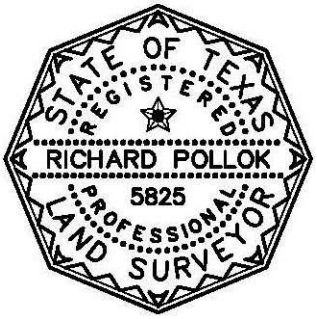
Thence along a non-tangent curve to the left, having a radius of 2636.33 feet, a delta angle of 45° 49’ 44”, an arc length of 2108.70 feet, and a chord bearing and distance of South 65° 06’ 35” West, 2052.94 feet, to a calculated point, lying on the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, said point being the Southwest corner of this tract of land;

Thence North 00° 01’ 54” East, 2605.55 feet, along the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 60.83 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated April 25, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.





Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

State of Texas
County of Medina

Field notes for a tract of land containing 254.69 acres tract of land, being a portion of a 153.76 acre tract of land, called 154.17 acres, all of a 41.58 acre tract of land, called Tract 2, all of a 41.46 acre tract of land, called Tract 3, and all of a 48.41 acre tract of land, called Tract 4, of the John fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas, prepared for King Fish Development, LLC, dated April 25, 2023.

A tract of land containing 254.69 acres tract of land, being a portion of a 153.76 acre tract of land, called 154.17 acres, described in an instrument, recorded in Clerk's File No. 2018002306, Official Public Records, Medina County, Texas, all of a 41.58 acre tract of land, called Tract 2, described in an instrument, recorded in Clerk's File No. 2021002771, Official Public Records, Medina County, Texas, all of a 41.46 acre tract of land, called Tract 3, described in an instrument, recorded in Clerk's File No. 2021002774, Official Public Records, Medina County, Texas, and all of a 48.41 acre tract of land, called Tract 4, described in an instrument, recorded in Clerk's File No. 2021002773, Official Public Records, Medina County, Texas, of the John Fischer Estate Lands Division, lying in the Joseph Fischer Survey No. 5, Abstract No. 1269, and the Romanus Whittman Survey No. 4, Abstract No. 1348, Medina County, Texas said tract of land being more particularly described by metes and bounds as follows:

Beginning at a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 4, being the Northeast corner of Tract 7, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, and lying on the West line of a 36.1 acre tract of land, described in an instrument, recorded in Clerk's File No. 2019007476, Deed Records, Medina County, Texas, said point of beginning being the Southeast corner of this tract of land;

Thence South 89° 44' 30" West, 1193.70 feet, along the South line of said Tract 4, being the North line of said Tract 7 and Tract 6 to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 4, being the Northwest corner of said Tract 6, said point being a reentrant corner of this tract of land;

Thence South 00° 00' 47" West, 308.57 feet, along an East line of said Tract 4, being the West line of said Tract 6, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 4, being the Northeast corner of Tract 5, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 89° 46' 17" West, 1954.41 feet, along the South line of said Tract 4, and across said 154.17 acre tract of land, being the North line of said Tract 5, and a 30.53 acre tract of land, surveyed this same day, to a point marked by a 5/8 inch steel rod monument, with a cap stamped Rakowitz Engineering and Surveying, set, lying on the West line of said 154.17 acre tract of land, being the Northwest corner of said 30.53 acre tract of land, and lying on the East line of a 278.896 acre tract of land, described in an instrument, recorded in Volume 875, Page 486, Official Public Records, Medina County, Texas, said point being the Southwest corner of this tract of land;

Thence North 00° 01' 54" East, 4671.00 feet, along the West line of said 154.17 acre tract of land, being the East line of said 278.896 acre tract of land, to a point marked by a 5/8 inch steel rod monument, found for the Northwest corner of said 154.17 acre tract of land, being the Northeast corner of said 278.896 acre tract of land, and lying on the South line of a 297.28 acre tract of land, described in an instrument, recorded in Clerk's File No. 2018001053, Official Public Records, Medina County, Texas, said point being the Northwest corner of this tract of land;

Thence South 89° 29' 57" East, 1150.67 feet, along the North line of said 154.17 acre tract of land, being the South line of said 297.28 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said 154.17 acre tract of land, being the Northwest corner of Tract 1, of said Joseph Fischer Survey No. 5, Abstract No. 1269, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01' 14' West, 1417.67 feet, along the East line of said 154.17 acre tract of land, being the West line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for

Northwest corner of said Tract 2, being the Southwest corner of said Tract 1, said point being a reentrant corner of this tract of land;

Thence North 89° 46’ 37” East, 1254.28 feet, along the North line of said Tract 2, being the South line of said Tract 1, to a point marked by a 5/8 inch steel rod monument, found for a salient corner of said Tract 2, being the Southeast corner of said Tract 1, and lying on the West line of a 50.96 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being a salient corner of this tract of land;

Thence South 00° 01’ 54” East, 470.56 feet, along an East line of said Tract 2, being the West line of said 50.96 acre tract of land, to a point marked by a 5/8 inch steel rod monument, found for a reentrant corner of said Tract 2, being the Southwest corner of said 50.96 acre tract of land, said point being a reentrant corner of this tract of land;

Thence South 89° 54’ 29” East, 721.96 feet, along a North line of said Tract 2, being the South line of said 50.96 acre tract of land, to a point marked by a fence corner post, found for the Northeast corner of said Tract 2, being the Northwest corner of a 4.17 acre tract of land, described in an instrument, recorded in Volume 90, Page 209, Deed Records, Medina County, Texas, said point being the Northeast corner of this tract of land;

Thence South 00° 37’ 18” East, 612.81 feet, along the East line of said Tract 2, being the West line of said 4.17 acre tract of land, and a 10.07 acre tract of land, described in an instrument, recorded in Clerk’s File No. 2017005350, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of said Tract 2, being the Northeast corner of said Tract 3, said point being an angle point of this tract of land;

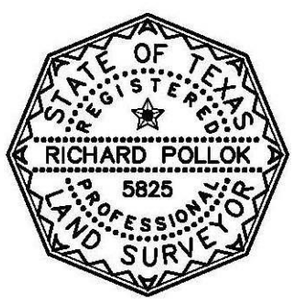
Thence South 00° 29’ 41” East, 907.75 feet, along the East line of said Tract 3, being the West line of said 10.07 acre tract of land, and a 6.587 acre tract of land, described in an instrument, recorded in Volume 321, Page 615, Deed Records, Medina County, Texas, to a point marked by a 5/8 inch steel rod monument, found for the Southeast corner of Tract 2, being the Northeast corner of said Tract 4, said point being an angle point of this tract of land;

Thence South 00° 16’ 27” East, 934.20 feet, along the East line of said Tract 4, being the West line of said 6.587 acre tract of land, a 0.925 acre tract of land, described in an instrument, recorded in Volume 403, Page 139, Deed Records, Medina County, Texas, and said 36.1 acre tract of land, to the point of beginning;

The basis of bearing for this survey is Grid North, Texas State Plane Coordinate System, NAD 83 (2011), South Central Zone.

I, Richard Pollok, being a Registered Professional Land Surveyor, registered in the State of Texas, do hereby certify that the foregoing field notes for a tract of land containing 254.69 acres, as shown on the accompanying Plat of Survey prepared for King Fish Development, LLC, dated April 25, 2023, were prepared from an actual survey done under my supervision and that to the best of my knowledge and belief they are a true and correct representation of said survey.





Richard Pollok R.P.L.S. 5825
Rakowitz Engineering and Surveying
515 W. Oaklawn Ste. A
Pleasanton, Texas 78064
830-281-4060
Firm No. 10181200

Exhibit C

FORM OF COMPLETION AGREEMENT

Prepared by and return to:
Clay Binford
112 E. Pecan, Suite 1310
San Antonio, Texas 78205

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

COMPLETION AGREEMENT

THIS COMPLETION AGREEMENT (herein, this *Agreement*) is made effective as of _____, 202__, by and among [DEVELOPER], a Texas [limited liability company] (together with its affiliates, successors, and assigns, the *Developer*), the City of Castroville, Texas (the *City*), and _____, a national banking association (the *Trustee*), solely in its capacity as trustee for the City of Castroville, Texas, Special Assessment Revenue Bonds, Series 202__ ([NAME] Public Improvement District No. [__]) (the *Bonds*).

RECITALS

WHEREAS, by action on _____, 202__, the City Council of the City (the *Council*) created and established the boundaries of [NAME] Public Improvement District No. [__] (the *District*); and

WHEREAS, in connection with its creation of the District, the City determined that it is in the best interests of the present and future landowners of and is of special benefit to the lands within the District (such lands, as more particularly described in Exhibit A attached hereto and incorporated by referenced herein, the *Property*) to finance, construct and deliver certain public improvements, as more specifically described in *[NAME] Public Improvement District Service and Assessment Plan*, adopted by the Council on _____, 202__ (as such plan may be updated and amended from time to time, the *Service and Assessment Plan*); and

WHEREAS, the Developer is the sole owner and developer of the Property; and

WHEREAS, the City and the Developer have entered into the *Development Agreement*, dated as [_____, 202__] (the *Development Agreement*), and *[NAME] Public Improvement District Construction, Funding, and Acquisition Agreement* (the *Financing Agreement*), dated as of [_____, 202__], pursuant to which the Developer has made commitments, including financial commitments, regarding the Property's development as therein described and as described and contemplated in the Service and Assessment Plan; and

WHEREAS, the Service and Assessment Plan identifies the various financial sources the City anticipates it and the Developer accessing to finance the Actual Costs of the Authorized Improvements, which includes proceeds of Bonds and the hereinafter-defined Developer Financial Commitment; and

WHEREAS, the Developer acknowledges and agrees that completion of the Authorized Improvements is essential in assuring that Special Assessments levied by the City as described in the Service and Assessment Plan are properly allocated across the benefited Property; and

WHEREAS, to ensure completion of the Authorized Improvements as described in the Service and Assessment Plan by identifying the source and manner of the Developer's satisfaction of the Developer Financial Commitment, as well as to assure a successful marketing and sale of the Bonds by providing directly to the Trustee (on behalf of the owners of the Bonds; such owners, the *Bondholders*), the Developer's representations, warranties and covenants herein made, the parties hereto now desire to enter into this Agreement; and

NOW, THEREFORE, based upon the above recitals and other good and valuable consideration, the receipt of which and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **INCORPORATION OF RECITALS; DEFINED TERMS**. The recitals stated above are true and correct and are incorporated by reference as a material part of this Agreement. Capitalized terms used herein without definition shall have the meanings ascribed thereto in the Service and Assessment Plan.

2. **PROJECT DEVELOPMENT; DEVELOPER FINANCIAL COMMITMENT**. In accordance with the Financing Agreement and the Development Agreement, and as described in the Service and Assessment Plan, the Developer will cause the Property's development. With respect to the foregoing, the Developer hereby covenants and obligates itself to timely pay Authorized Improvements Costs that are not directly funded from, as provided in the Development Agreement and the Financing Agreement, proceeds of Bonds or excess Assessment Revenues (such Developer financial commitment, the *Developer Financial Commitment*).

3. **SOURCE OF FUNDING DEVELOPER FINANCIAL COMMITMENT; QUARTERLY REPORTING REQUIREMENTS**. To provide a source to fund the Developer Financial Commitment, the Developer has obtained a private loan from [NAME OF LENDER] (the *Lender*), in the amount of $_____, all of which is available for draw to fund the Developer Financial Commitment (the *Loan*). The Developer has provided to the City written evidence of the Loan's effectiveness as of the date of this Agreement, as well as authorization to expend Loan proceeds to pay Authorized Improvement Costs. The Developer hereby covenants and agrees that it shall maintain the Loan (i) until each of the Authorized Improvements for which the Developer is responsible for constructing have been completed and accepted by the applicable public entity (as identified in the Service and Assessment Plan) and (ii) in sufficient amount to pay the then-remaining costs of the Developer Financial Commitment.

The Developer shall include as a part of the quarterly reports required under the continuing disclosure agreements, entered into in connection with the issuance of the Bonds for purposes of compliance with Rule 15c2-12, evidence that sufficient Loan capacity remains to fund the then-remaining Developer Financial Commitment and a timeline for completion of any Authorized Improvements for which the Developer is responsible for constructing that at such time remain incomplete.

4. **FUNDING SOURCES SUBJECT TO FINANCING AGREEMENT**. The Developer's commitment to fund the Developer Financial Commitment hereunder specified, anticipated to be satisfied with Loan proceeds, shall constitute one of the Available Sources of Payment defined in and identified under Section 2.02(a) of the Financing Agreement. Accordingly, the parties hereto agree that accessing the Loan proceeds to pay Authorized Improvement Costs shall be subject to, in addition to any conditions to accessing Loan proceeds pursuant to the provisions of the Loan documents between the Lender and the Developer, the provisions of Section 4.03 of the Financing Agreement and shall be done only to the extent of the unavailability of other Available Sources of Payment.

5. **REIMBURSEMENT TO DEVELOPER**. The Developer hereby acknowledges and agrees that its obligations hereunder are obligations and liabilities of the Developer alone and neither the City nor the Trustee shall have any responsibility for payment or repayment of the same (including repayment of the Loan), except as hereafter specified. Notwithstanding the foregoing, the Developer Financial Commitment shall, pursuant to the terms of the Reimbursement Agreement and the Financing Agreement, be subject to reimbursement to the Developer from Assessment Revenues available for such purpose (as provided in the Development Agreement) on a cash-flow basis and in the order of priority specified in the Indenture authorizing the issuance of the Bonds or from proceeds of Additional Bonds.

6. **OTHER CONDITIONS AND ACKNOWLEDGEMENTS**. The Developer acknowledges that the location, size, configuration and composition of the Authorized Improvements may change from that described in the Service and Assessment Plan, depending upon final design, permitting or other regulatory requirements over time, or other factors. The Developer agrees not to (i) request an amendment to the Development Agreement or the Financing Agreement that would result in the substantial impairment of or (ii) make material changes to the Authorized Improvements that substantially impairs the marketability of the homes or lots within the District without first obtaining the written consent of the Trustee, which consent shall be given solely in accordance with the terms of the applicable Indenture; provided, however, such consent will not be necessary, and the Developer must meet its completion obligations, when the scope, configuration, size and/or composition of the Authorized Improvements for which the Developer is responsible for constructing is materially changed in response to a requirement imposed by law or by a regulatory agency (to be understood as including any governmental action or requirement, including (but not limited to) Council action). The consent of the Bondholders, as evidenced by the written consent of the Trustee delivered pursuant to the applicable terms of the applicable Indenture, is not and will not constitute a representation or warranty with regard to any Authorized Improvement or the adequacy, marketability or compliance of the same, but is and will be merely the consent of the Bondholders to any such change.

7. **DEVELOPER DEFAULT; PROTECTION AGAINST THIRD PARTY INTERFERENCE.**

(a) *Notice of Default under Certain Agreements*. The Developer shall provide to the Trustee, within fifteen days of such occurrence, written notice of default under either the Development Agreement or the Financing Agreement.

(b) *Developer Default.* In the event the Developer does not comply with the terms of this Agreement, the Trustee or its designee shall have the right to seek specific

performance from a court of competent jurisdiction in order to ensure the Authorized Improvements are completed as soon thereafter as possible; provided that the Trustee shall seek such relief solely at the written direction and at the sole cost and expense of the Bondholders, which direction shall be provided in accordance with the provisions of the applicable Indenture.

(c) *Protection Against Third Party Interference.* Subject to any lienholder's rights to cure (including those of the Lender), the Trustee shall be solely responsible for enforcing its rights under this Agreement against any interfering third party. Nothing contained in this Agreement shall limit or impair the Trustee's right to protect its rights from interference by a third party to this Agreement. Notwithstanding anything contained herein, any action of the Trustee to enforce its rights under this Agreement shall be taken solely for the benefit of the Bondholders and in accordance with the provisions of the applicable Indentures and at the Bondholders' sole cost and expense.

8. **BONDHOLDERS' BENEFIT**. The Developer acknowledges and agrees that, in addition to the benefit derived hereunder by the City, (i) it is entering into this Agreement for the benefit of the Bondholders and the Trustee acting on behalf of such Bondholders and (ii) such Bondholders have reasonably relied upon this Agreement in purchasing the Bonds.

9. **AMENDMENTS.** Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by each party hereto, provided that the Trustee shall execute such amendment or waiver solely upon the consent of a majority of the Bondholders (which consent shall be provided in accordance with the provisions of the applicable Indenture).

10. **AUTHORIZATION; CONSENT**. The execution of this Agreement has been duly authorized by the Trustee, the City, and the Developer, and each of the Trustee, the City, and the Developer have full power and authority to comply with the terms and provisions of this instrument. The Lender's consent to the Developer's entering into and executing this Agreement is attached hereto as Exhibit B hereto.

11. **NOTICES.** All notices, requests, consents and other communications required or permitted under this Agreement shall be in writing and shall be (as elected by the person giving such notice) hand-delivered by prepaid express overnight courier or messenger service, telecommunicated, mailed (airmail if international) by registered or certified (postage prepaid), return receipt requested, or emailed to the following addresses:

The City:

City of Castroville, Texas
1209 Fiorella Street
Castroville, Texas 78009
Attention: City Administrator
Email: scott.dixon@castrovilletx.gov

With a copy to:

McCall, Parkhurst & Horton L.L.P.
112 E. Pecan, Suite 1310
San Antonio, Texas 78205
Attention: Clay Binford
Email: cbinford@mphlegal.com

Trustee:

_____
_____
_____, Texas 78____
Attention: _____
Email: _____

Developer:

[CONTACT INFORMATION]

With a copy to:

[CONTACT INFORMATION]

Except as otherwise provided in this Agreement, any mailed notice sent in the manner provided above shall be deemed received three business days after delivery or mailing. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day shall be deemed received the next business day. If any time for giving notice contained in this Agreement would otherwise expire on a non-business day, the notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Any party or other person to whom notices are to be sent or copied may notify the other parties and addressees of any changes in name or address to which notices shall be sent by providing the same on five days written notice to the parties and addressees set forth herein.

12. **THIRD PARTY BENEFICIARIES**. This Agreement is solely for the benefit of the Trustee, in its capacity as the trustee for the Bonds, the City, and the Developer, and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement (except as noted below with respect to the Bondholders). Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation, other than the Trustee, the City, and the Developer, any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the Trustee, the City, and the Developer and their respective representatives, successors, and assigns. Notwithstanding the foregoing or anything in this Agreement to the contrary, the Bondholders shall be direct third-party beneficiaries of the terms and conditions of this Agreement and shall, individually or collectively, be entitled to enforce or cause the Trustee or the City to enforce the Developer's obligations hereunder.

13. **SUCCESSORS.** The rights and obligations created by this Agreement shall be binding upon and inure to the benefit of Developer, the City, and the Trustee, and their respective receivers, trustees, successors and assigns.

14. **ASSIGNMENT**.

(a) Subject to paragraph (b) below, Developer may, in its sole and absolute discretion, assign this Completion Agreement to its Designated Successors and Assigns in connection with a corresponding assignment of the rights and obligations in and to the Financing Agreement to such Designated Successors and Assigns so long as the assigned rights and obligations are assumed by such Designated Successors and Assigns without modifications to this Completion Agreement or the Financing Agreement. Developer shall provide the City with 30 days prior written notice of any such assignment. Upon such assignment, Developer shall be fully released from any and all obligations under this Completion Agreement and shall have no further liability with respect to this Completion Agreement.

(b) Any sale of a portion of the Property or attempted assignment of any right hereunder shall not be deemed a sale or assignment to Designated Successors and Assigns unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is to Designated Successors and Assigns.

(c) Any transfer to Designed Successors and Assigns shall specify that the limitations on the ability to make a transfer as described in paragraph (a) shall also apply to subsequent transfers by Designated Successors and Assigns.

15. **CONSTRUCTION AND DEFINITION OF TERMS; CONFLICT WITH DEVELOPMENT AGREEMENT OR FINANCING AGREEMENT**. Whenever used the singular number shall include the plural, the plural the singular; the use of any gender shall include all genders, as the context requires; and the disjunctive shall be construed as the conjunctive, the conjunctive as the disjunctive, as the context requires. Capitalized terms used herein without definition shall have the respective meanings ascribed thereto in the Financing Agreement. To the extent there is a conflict between the terms of this Agreement and the Development Agreement or the Financing Agreement, the Development Agreement or the Financing Agreement, as applicable, shall control. The Trustee shall not be responsible for any consequences of a conflict between provisions of this Agreement and the Development Agreement or the Financing Agreement.

16. **CONTROLLING LAW**. This Agreement and the provisions herein contained shall be construed, interpreted, and controlled according to the laws of the State of Texas.

17. **SEVERABILITY**. The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

18. **HEADINGS FOR CONVENIENCE ONLY**. The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.

19. **COUNTERPARTS**. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute, but one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

20. **COVENANT AND RECORDATION**. The Developer, as the primary developer and the owner of the Property at the time of the execution of this Agreement, agrees that the obligations imposed upon it by this Agreement are valid and enforceable and shall be covenants running with the Property, creating an obligation and one which is binding upon successor owners and assigns. The Developer shall record this Agreement in the Public Records of Medina County, Texas, against the Property. Once the Developer has completed all the Authorized Improvements pursuant to the terms of this Agreement, the Development Agreement, and the Financing Agreement, the Developer shall notify the City and the Trustee and, upon the written consent of the City and the Trustee, it shall record, in the public records, a release and satisfaction of its obligations under this Agreement (the *Completion Agreement Release*). The City and the Trustee shall provide their respective consents as soon as reasonably practicable after verification by the City (deliverable via electronic communication) that the Authorized Improvements for which the Developer is responsible for constructing are complete in accordance with the provisions of the Development Agreement and the Financing Agreement. The form of the Completion Agreement Release is attached hereto as Exhibit C. This Agreement, when recorded, shall be binding upon the Developer, the City, and the Trustee and their successors and assigns as permitted by this Agreement and upon the Property; however, this Agreement shall not be binding upon, and shall not constitute any encumbrance to title as to, any end-user (including homeowner), builder, or homebuilder except for land use and development regulations that apply to such lots.

21. **ANTI-BOYCOTT VERIFICATION, NO BUSINESS WITH SANCTIONED COUNTRIES**. Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable State or federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with Developer and exists to make a profit.

Developer represents that neither it nor any of its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or

https://comptroller.texas.gov/purchasing/docs/fto-list.pdf.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable State or federal law and excludes Developer and any of its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with Developer and exists to make a profit.

22. **SENATE BILLS 13 AND 19 COMPLIANCE**. To the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section, to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Developer verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law.

As used in the foregoing verification and the following definitions,

(a) 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association,

or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

(b) 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

(c) 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

* * *

IN WITNESS WHEREOF, the parties hereto execute this Agreement and further agree that it shall take effect as of the date first above written.

CITY OF CASTROVILLE, TEXAS

By:_____
Name:_____
Title:_____

STATE OF TEXAS §
§
COUNTY OF MEDINA §

The foregoing instrument was acknowledged before me this _____, 202__, by _____, as _____.

[SEAL]

_____
Notary Public
Commission Expires: _____

_____, solely in its capacity as trustee for the Bonds

By:_____
Name: _____
Title: _____

STATE OF TEXAS §
§
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____, 202__, by _____, as _____ on behalf of the Trustee.

[SEAL]

_____
Notary Public
Commission Expires: _____

[DEVELOPER]
a Texas [limited liability company]

By:_____
Name: _____
Title: _____

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on _____, 202__ by _____, _____ of _____, a Texas limited liability company, on behalf of said company.

[SEAL]

_____
Notary Public, State of Texas

EXHIBIT A

METES AND BOUNDS DESCRIPTION OF THE PROPERTY

EXHIBIT B

CONSENT OF LIENHOLDER

_____ (*Lienholder*), being a lienholder on the Property, hereby consents to this Completion Agreement (the *Completion Agreement*) and accepts and agrees to the terms and provisions of this Completion Agreement.

_____

By: _____

Name: _____

Title: _____

THE STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 202__, by _____, the _____ of _____, on behalf of said Lienholder.

_____
Notary Public, State of Texas

EXHIBIT C

COMPLETION AGREEMENT RELEASE

_____, a national banking association (the *Trustee*), solely in its capacity as trustee for the City of Castroville, Texas, Special Assessment Revenue Bonds, Series 202__ ([NAME]Public Improvement District No. [__]) (the *Bonds*), hereby acknowledges receipt of notification of the completion of the Authorized Improvements in accordance with Section 20 of the Completion Agreement (the *Completion Agreement*) by and among the Trustee, City of Castroville, Texas, and _____, a Texas [limited liability company] (the *Developer*).

The Completion Agreement was recorded in the Public Records of Medina County, Texas under Instrument No. _____ against the real property within [NAME] Public Improvement District more particularly described in Exhibit A attached hereto and incorporated by referenced herein (the *Property*).

Developer and its successors and assigns shall have no further obligations, duties or liabilities under the Completion Agreement, and the Trustee hereby releases, waives and forever discharges the Developer from all obligations, duties or liabilities of whatever nature arising under or in connection with the Completion Agreement.

[SIGNATURE PAGE FOLLOWS]

_____, solely in its capacity as trustee for the Bonds

By:_____

Name:_____

Title:_____

STATE OF _____ §
§
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____, 202__, by _____, as _____ on behalf of the Trustee.

[SEAL]

_____
Notary Public
Commission Expires: _____

Exhibit D

LAND PLAN

DEVELOPMENT SUMMARY						
AREA/PHASE	LAND USE	AREA (Ac.)	DENSITY (DU/Ac.)	UNITS/LOTS	OPEN SPACE REQ. (Ac.)	OPEN SPACE PROVIDED (Ac.)
AM	AMENITY CENTER	10.70				10.70
OS	OPEN SPACE AREAS	6.29				6.29
FLP	FLOODPLAIN	15.01				15.01
LDA	LOCAL DRAIN AREAS	4.49				-
DET	DETENTION AREAS	9.21				-
RES-1	SINGLE-FAMILY RESIDENTIAL	16.99	4.24	72	3.40	0.17
RES-2	SINGLE-FAMILY RESIDENTIAL	16.14	3.66	59	3.23	0.16
RES-3	SINGLE-FAMILY RESIDENTIAL	15.94	4.77	76	3.19	0.16
RES-4	SINGLE-FAMILY RESIDENTIAL	64.41	3.66	236	12.88	0.64
RES-5	SINGLE-FAMILY RESIDENTIAL	76.92	2.94	226	15.38	0.77
ROW	ARTERIAL RIGHT OF WAY	14.24				
CS	CITY SERVICES-WATERTOWER SITE	4.35				4.35
	TOTAL	254.69		669	38.08	38.25

1.6 AC
1.5 AC
10.7 AC
0.6 AC
1.4 AC
1.2 AC
0.9 AC
0.94 AC
1.0 AC
Roadway by Others
US HIGHWAY 90

KINGFISH
REAL ESTATE | DEVELOPMENT | CONSULTING

FLAT CREEK SUBDIVISION CONCEPTUAL LAND USE SITE PLAN

CITY OF CASTROVILLE - MEDINA COUNTY - TEXAS

August 15, 2023 - Ver M

Exhibit E

FORM OF LANDOWNER AGREEMENT

LANDOWNER AGREEMENT

This LANDOWNER AGREEMENT (this "Agreement") is entered into as of _____ 202__, among the City of Castroville, Texas (the "City"), a Type A general law municipality of the State of Texas (the "State"), and _____ (the "Landowner").

RECITALS

WHEREAS, Landowner owns the Assessed Parcels described by a metes and bounds description attached hereto as Exhibit A and which is incorporated herein for all purposes, comprising all of the non-exempt, privately-owned land described in Exhibit A (the "Landowner Parcel") which is coterminous with the [NAME] Public Improvement District (the "District") in the City; and

WHEREAS, the City Council has adopted an assessment ordinance for the Authorized Improvements (including all exhibits and attachments thereto, the "Assessment Ordinance") and the Service and Assessment Plan and Assessment Roll included as an exhibit to the Assessment Ordinance (together, the "Service and Assessment Plan") and which is incorporated herein for all purposes, and has levied an assessment on each Assessed Parcel in the District (as identified in the Service and Assessment Plan) [PART OF WHICH] that will be pledged as the security for the payment of bonds or other obligations (the "Bonds") to be issued by the City for the purpose of paying the costs of constructing certain of the Authorized Improvements that will benefit the Assessed Property (as defined in the Service and Assessment Plan); and

WHEREAS, the Covenants, Conditions and Restrictions attached to this Agreement as Exhibit B and which are incorporated herein for all purposes, include the statutory notification required by Section 5.014, as amended, Texas Property Code, to be provided by the seller of real property that is located in a public improvement district established under Chapter 372, as amended, Texas Local Government Code (the "PID Act"), to the purchaser.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, obligations and benefits hereinafter set forth, the City and the Landowner hereby contract, covenant and agree as follows:

ARTICLE I. DEFINITIONS; APPROVAL OF AGREEMENTS

A. Definitions. Capitalized terms used but not defined herein (including each exhibit hereto) shall have the meanings ascribed to them in the Service and Assessment Plan.

B. Affirmation of Recitals. The findings set forth in the Recitals of this Agreement are hereby incorporated as the official findings of the City Council.

Article I. AGREEMENTS OF LANDOWNER

A. Affirmation and Acceptance of Agreements and Findings of Benefit. Landowner hereby ratifies, confirms, accepts, agrees to, and approves:

(i) the creation and boundaries of the District and the boundaries of the Landowner's Parcel which are coterminous with the District, all as shown on Exhibit A, and the location and

development of the Authorized Improvements on the Landowner Parcel and on the property within the District;

(ii) the determinations and findings as to the benefits to the Landowners Parcel by the City Council in the Service and Assessment Plan and the Assessment Ordinance;

(iii) the Assessment Ordinance and the Service and Assessment Plan.

B. Acceptance and Approval of Assessments and Lien on Property. The Landowner consents to, agrees to, acknowledges and accepts the following:

(i) each Assessment levied by the City on the Landowner's Parcel within the District, as shown on the assessment roll attached as Appendix __ to the Service and Assessment Plan (the "Assessment Roll");

(ii) the Authorized Improvements specially benefit the District and the Landowner's Parcel in an amount in excess of the Assessment levied on the Landowner's Parcel within the District, as such Assessment is shown on the Assessment Roll;

(iii) each Assessment is final, conclusive and binding upon Landowner and any subsequent owner of the Landowner's Parcel, regardless of whether such Landowner may be required to prepay a portion of, or the entirety of, such Assessment upon the occurrence of any mandatory prepayment event as may be provided in the Service and Assessment Plan;

(iv) the obligation to pay the Assessment levied on the Landowner's Parcel owned by it when due and in the amount required by and stated in the Service and Assessment Plan and the Assessment Ordinance;

(v) each Assessment or reassessment, with interest, the expense of collection, and reasonable attorney's fees, if incurred, is a first and prior lien against the Landowner's Parcel, superior to all other liens and monetary claims except liens or monetary claims for state, county, school district, or municipal ad valorem taxes, and is a personal liability of and charge against the owner of the Landowner's Parcel regardless of whether such owner is named;

(vi) the Assessment lien on the Landowner's Parcel is a lien and covenant that runs with the land and is effective from the date of the Assessment Ordinance and continues until the Assessment is paid and may be enforced by the governing body of the City in the same manner that an ad valorem tax lien against real property may be enforced by the City;

(vii) delinquent installments of the Assessment shall incur and accrue interest, penalties, and attorney's fees as provided in the PID Act;

(viii) the owner of a Landowner's Parcel may pay at any time the entire Assessment, with interest that has accrued on the Assessment, on any parcel in the Landowner's Parcel;

(ix) the Annual Installments of the Assessments (as defined in the Service and Assessment Plan and Assessment Roll) may be adjusted, decreased, and extended; and, the assessed parties shall be obligated to pay their respective revised amounts of the Annual Installments, when due, and without the necessity of further action, assessments or reassessments by the City, the same as though they were expressly set forth herein; and

(x) Landowner has received, or hereby waives, all notices required to be provided to it under State law, including the PID Act, prior to the Effective Date (defined herein).

C. Mandatory Prepayment of Assessments. The Landowner agrees and acknowledges that Landowner or subsequent landowners may have an obligation to prepay an Assessment upon the occurrence of a mandatory prepayment event, at the sole discretion of the City and as provided in the Service and Assessment Plan, as amended or updated.

D. Notice of Assessments. Landowner further agrees as follows:

(i) the Covenants, Conditions and Restrictions attached hereto as Exhibit B shall be terms, conditions and provisions running with the Landowner's Parcel and shall be recorded (the contents of which shall be consistent with the Assessment Ordinance and the Service and Assessment Plan as reasonably determined by the City), in the records of the County Clerk of Medina County, as a lien and encumbrance against such Landowner's Parcel, and Landowner hereby authorizes the City to so record such documents against the Landowner's Parcel owned by Landowner;

(ii) reference to the Covenants, Conditions and Restrictions attached hereto as Exhibit B shall be included on all recordable subdivision plats and such plats shall be recorded in the real property records of Medina County, Texas;

(iii) in the event of any subdivision, sale, transfer or other conveyance by the Landowner of the right, title or interest of the Landowner in the Landowner's Parcel or any part thereof, the Landowner's Parcel, or any such part thereof, shall continue to be bound by all of the terms, conditions and provisions of such Covenants, Conditions and Restrictions and any purchaser, transferee or other subsequent owner shall take such Landowner's Parcel subject to all of the terms, conditions and provisions of such Covenants, Conditions and Restrictions; and

(iv) Landowner shall comply with and shall contractually obligate (and promptly provide written evidence of such contractual provisions to the City) any party who purchases any Landowner's Parcel owned by Landowner, or any portion thereof, for the purpose of constructing residential properties that are eligible for "homestead" designations under State law, to comply with, the Homebuyer Education Program described on Exhibit C to this Agreement. Such compliance obligation shall terminate as to each Lot (as defined in the Service and Assessment Plan) if, and when, (i) a final certificate of occupancy for a residential unit on such Lot is issued by the City, and (ii) there is a sale of a Lot to an individual homebuyer, it being the intent of the undersigned that the Homebuyer Education Program shall apply only to a commercial builder who is in the business of constructing and/or selling residences to individual home buyers (a "Builder") but not to subsequent sales of such residence and Lot by an individual home buyer after the initial sale by a Builder.

Notwithstanding the provisions of this Section, upon the Landowner's request and the City's consent, in the City's sole and absolute discretion, the Covenants, Conditions and Restrictions may be included with other written restrictions running with the land on property within the District, provided they contain all the material provisions and provide the same material notice to prospective property owners as does the document attached as Exhibit B.

Article II. OWNERSHIP AND CONSTRUCTION OF AUTHORIZED IMPROVEMENTS

A. Ownership and Transfer of Authorized Improvements. The Landowner acknowledges that all of the Authorized Improvements and the land (or easements, as applicable) needed therefor shall be owned by the City as constructed and/or conveyed to the City and The Landowner will execute such conveyances and/or dedications of public rights of way and easements as may be reasonably required to evidence such ownership, as generally described on the current plats of the property within the District.

B. Grant of Easement and License, Construction of Authorized Improvements.

(i) Any subsequent owner of the Landowner's Parcel shall, upon the request of the City or the Developer, grant and convey to the City or the Developer and its contractors, materialmen and workmen a temporary license and/or easement, as appropriate, to construct the Authorized Improvements on the property within the District, to stage on the property within the District construction trailers, building materials and equipment to be used in connection with such construction of the Authorized Improvements and for passage and use over and across parts of the property within the District as shall be reasonably necessary during the construction of the Authorized Improvements. Any subsequent owner of the Landowner's Parcel may require that each contractor constructing the Authorized Improvements cause such owner of the Landowner's Parcel to be indemnified and/or named as an additional insured under liability insurance reasonably acceptable to such owner of the Landowner's Parcel. The right to use and enjoy any easement and license provided above shall continue until the construction of the Authorized Improvements is complete; provided, however, any such license or easement shall automatically terminate upon the recording of the final plat for the Landowner's Parcel in the real property records of Medina County, Texas.

(ii) Landowner hereby agrees that any right or condition imposed by the Development Agreement (as defined in the Service and Assessment Plan), or other agreement, with respect to the Assessment has been satisfied, and that Landowner shall not have any rights or remedies against the City under the Development Agreement, or under any law or principles of equity concerning the Assessments, with respect to the formation of the District, approval of the Service and Assessment Plan and the City's levy and collection of the Assessments.

Article III. COVENANTS AND WARRANTIES; MISCELLANEOUS

A. Special Covenants and Warranties of Landowner. The Landowner represents and warrants to the City as follows:

(i) The Landowner is duly organized, validly existing and, as applicable, in good standing under the laws of the state of its organization and has the full right, power and authority to enter into this Agreement, and to perform all the obligations required to be performed by Landowner hereunder.

(ii) This Agreement has been duly and validly executed and delivered by, and on behalf of, the Landowner and, assuming the due authorization, execution and delivery thereof by and on behalf of the City and the Landowner, constitutes a valid, binding and enforceable obligation of such party enforceable in accordance with its terms. This representation and warranty is qualified to the extent the enforceability of this Agreement may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws of general application affecting the rights of creditors in general.

(iii) Neither the execution and delivery hereof, nor the taking of any actions contemplated hereby, will conflict with or result in a breach of any of the provisions of, or constitute a default, event of default or event creating a right of acceleration, termination or cancellation of any obligation under, any instrument, note, mortgage, contract, judgment, order, award, decree or other agreement or restriction to which the Landowner is a party, or by which the Landowner or the Landowner's Parcel is otherwise bound.

(iv) The Landowner is, subject to all matters of record in the Medina County, Texas Real Property Records, the sole owner of the Landowner's Parcel.

(v) The Landowner's Parcel owned by the Landowner is not subject to, or encumbered by, any covenant, lien, encumbrance or agreement which would prohibit (i) the creation of the District, (ii) the levy of the Assessments, or (iii) the construction of the Authorized Improvements on those portions of the property within the District which are to be owned by the City, as generally described on the current plats of the property within the District (or, if subject to any such prohibition, the approval or consent of all necessary parties thereto has been obtained).

(vi) The Landowner covenants and agrees to execute any and all documents necessary, appropriate or incidental to the purposes of this Agreement, as long as such documents are consistent with this Agreement and do not create additional liability of any type to, or reduce the rights of, the Landowner by virtue of execution thereof.

B. Waiver of Claims Concerning Authorized Improvements. The Landowner, with full knowledge of the provisions, and the rights thereof pursuant to such provisions, of applicable law, waives any claims against the City and its successors, assigns and agents, pertaining to the installation of the Authorized Improvements.

C. Notices. Any notice or other communication to be given to the City or Landowner under this Agreement shall be given by delivering the same in writing to:

To the City:	Attn: City Administrator City of Castroville, Texas 1209 Fiorella Street Castroville, Texas 78387
With a copy to:	Attn: Clay Binford McCall, Parkhurst & Horton L.L.P. 112 E. Pecan, Suite 1310 San Antonio, Texas 78205
To the Developer:	[CONTACT]
With a copy to:	[CONTACT]

Any notice sent under this Agreement (except as otherwise expressly required) shall be written and mailed or sent by electronic or facsimile transmission confirmed by mailing written confirmation at substantially the same time as such electronic or facsimile transmission, or personally delivered to an officer of the recipient as the address set forth herein.

Each recipient may change its address by written notice in accordance with this Section. Any communication addressed and mailed in accordance with this provision shall be deemed to be given when

so mailed, any notice so sent by electronic or facsimile transmission shall be deemed to be given when receipt of such transmission is acknowledged, and any communication so delivered in person shall be deemed to be given when receipted for, or actually received by, the addressee.

D. Parties in Interest. This Agreement is made solely for the benefit of the City and the Landowner and is not assignable, except, in the case of Landowner, in connection with the sale or disposition of all or substantially all of the parcels which constitute the Landowner's Parcel, and any such Assignment does not void any of the findings made in this Agreement. However, the parties expressly agree and acknowledge that the City, the Landowner, each current owner of any parcel which constitutes the Landowner's Parcel, and the holders of bonds issued by the City to finance the costs of the Authorized Improvements and which are secured by a pledge of the Assessments or any part thereof, are express beneficiaries of this Agreement and shall be entitled to pursue any and all remedies at law or in equity to enforce the obligations of the parties hereto. This Agreement shall be recorded in the real property records of Medina County, Texas.

E. Amendments. This Agreement may be amended only by written instrument executed by the City and the Landowner. No termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the then-current owners of the property within the District and recorded in the Real Property Records of Medina County, Texas.

F. Effective Date. This Agreement shall become and be effective (the "Effective Date") upon the date of final execution by the later of the City and the Landowner and shall be valid and enforceable on said date and thereafter.

G. Estoppels. Within 10 days after written request from a party hereto, the other party shall provide a written certification, indicating whether this Agreement remains in effect as to the Landowner's Parcel, and whether any party is then in default hereunder.

H. Termination. This Agreement shall terminate and be of no further force and effect as to the Landowner's Parcel upon payment in full of the Assessment(s) against such Landowner's Parcel.

[Signature pages to follow]

EXECUTED by the City and Landowner on the respective dates stated below.

Date: _____

CITY OF CASTROVILLE, TEXAS

By: _____
Mayor

ATTEST:

By: _____
City Secretary

LANDOWNER

_____
a Texas _____,

By: _____

_____,
its manager

STATE OF TEXAS)

)

COUNTY OF _____)

This instrument was acknowledged before me on the __ day of _____, 20___, by _____ in his capacity as Manager of _____, known to be the person whose name is subscribed to the foregoing instrument, and that he executed the same on behalf of and as the act of Manager of _____.

_____
Notary Public, State of Texas

My Commission Expires:

_____

LANDOWNER AGREEMENT – EXHIBIT A

METES AND BOUNDS DESCRIPTION OF LANDOWNER'S PARCEL

LANDOWNER AGREEMENT – EXHIBIT B

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (as it may be amended from time to time, this "Declaration") is made as of _____ by _____ a Texas _____ (the "Landowner").

RECITALS:

A. The Landowner holds record title to that portion of the real property located in Medina County, Texas, which is described in the attached Exhibit A (the "Landowner's Parcel").

B. The City Council (the "City Council") of the City of Castroville, Texas (the "City") upon a petition requesting the establishment of a public improvement district covering the property within the District to be known as the [NAME] Public Improvement District (the "District") by the then current owners of 100% of the appraised value of the taxable real property and 100% of the area of all taxable real property within the area requested to be included in the District created such District, in accordance with the Public Improvement District Assessment Act, codified at Chapter 372, as amended, Texas Local Government Code (the "PID Act").

C. The City Council has adopted an assessment ordinance to levy assessments for certain public improvements (including all exhibits and attachments thereto, the "Assessment Ordinance") and the Service and Assessment Plan and Assessment Roll included as an exhibit to the Assessment Ordinance (as amended from time to time, the "Service and Assessment Plan"), and has levied the assessments (as amended from time to time, the "Assessments") on property in the District.

D. The statutory notification required by Texas Property Code, Section 5.014, as amended, to be provided by the seller of real property that is located in a public improvement district established under Chapter 372 of the Texas Local Government Code, as amended, to the purchaser, is incorporated into these Covenants, Conditions and Restrictions.

DECLARATIONS:

NOW, THEREFORE, the Landowner hereby declares that the Landowner's Parcel is and shall be subject to, and hereby imposes on the Landowner's Parcel, the following covenants, conditions and restrictions:

1. Acceptance and Approval of Assessments and Lien on Property:

(a) The Landowner accepts each Assessment levied on the Landowner's Parcel owned by such Landowner.

(b) The Assessment (including any reassessment, the expense of collection, and reasonable attorney's fees, if incurred) is (1) a first and prior lien (the "Assessment Lien") against the property assessed, superior to all other liens or claims except for liens or claims for state, county, school district or municipality ad valorem property taxes whether now or hereafter payable, and (2) a personal liability of and charge against the owners of the property to the extent of their ownership regardless of whether the owners are named. The Assessment Lien is effective from the date of the Assessment Ordinance until the Assessments are paid and may be enforced by the City in the same manner as an ad valorem property tax levied against real property that may be enforced by the City.

The owner of any assessed property may pay, at any time, the entire Assessment levied against any such property. Foreclosure of an ad valorem property tax lien on property within the District will not extinguish the Assessment or any unpaid but not yet due annual installments of the Assessment and will not accelerate the due date for any unpaid and not yet due annual installments of the Assessment.

It is the clear intention of all parties to these Declarations of Covenants, Conditions and Restrictions, that the Assessments, including any annual installments of the Assessments (as such annual installments may be adjusted, decreased or extended), are covenants that run with the Landowner's Parcel and specifically binds the Landowner, its successors and assigns.

In the event of delinquency in the payment of any annual installment of the Assessment, the City is empowered to order institution of an action in district court to foreclose the related Assessment Lien, to enforce personal liability against the owner of the real property for the Assessment, or both. In such action the real property subject to the delinquent Assessment may be sold at judicial foreclosure sale for the amount of such delinquent property taxes and Assessment, plus penalties, interest and costs of collection.

2. The Landowner or any subsequent owner of the Landowner's Parcel waives:

(a) any and all defects, irregularities, illegalities or deficiencies in the proceedings establishing the District and levying and collecting the Assessments or the annual installments of the Assessments;

(b) any and all notices and time periods provided by the PID Act including, but not limited to, notice of the establishment of the District and notice of public hearings regarding the levy of Assessments by the City Council concerning the Assessments;

(c) any and all defects, irregularities, illegalities or deficiencies in, or in the adoption of, the Assessment Ordinance by the City Council;

(d) any and all actions and defenses against the adoption or amendment of the Service and Assessment Plan, the City's finding of a 'special benefit' pursuant to the PID Act and the Service and Assessment Plan, and the levy of the Assessments; and

(e) any right to object to the legality of any of the Assessments or the Service and Assessment Plan or to any of the previous proceedings connected therewith which occurred prior to, or upon, the City Council's levy of the Assessments.

3. Amendments: This Declaration may be terminated or amended only by a document duly executed and acknowledged by the then-current owner(s) of the Landowner's Parcel and the City. No such termination or amendment shall be effective until a written instrument setting forth the terms thereof has been executed by the parties by whom approval is required as set forth above and recorded in the real Property Records of Medina County, Texas.

4. Third Party Beneficiary: The City is a third-party beneficiary to this Declaration and may enforce the terms hereof.

5. Notice to Subsequent Purchasers: Upon the sale of a dwelling unit within the District, the purchaser of such property shall be provided a written notice that reads substantially similar to the following:

TEXAS PROPERTY CODE SECTION 5.014

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO THE CITY OF CASTROVILLE, MEDINA COUNTY, TEXAS CONCERNING THE PROPERTY AT

[Street Address]

As the purchaser of this parcel of real property, you are obligated to pay an assessment to the City of Castroville, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within [NAME] Public Improvement District (the "District") created under Subchapter A of Chapter 372, as amended, Texas Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment against your property may be obtained from the City of Castroville, Texas. The exact amount of each annual installment will be approved each year by the City Council of the City of Castroville, Texas in the annual service plan update for the District. More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the City of Castroville, 1209 Fiorella Street, Castroville, Texas 78009.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Signature of Purchaser(s) _____ Date: _____

The seller shall deliver this notice to the purchaser before the effective date of an executory contract binding the purchaser to purchase the property. The notice may be given separately, as part of the contract during negotiations, or as part of any other notice the seller delivers to the purchaser. If the notice is included as part of the executory contract or another notice, the title of the notice prescribed by this section, the references to the street address and date in the notice, and the purchaser's signature on the notice may be omitted.

EXECUTED by the undersigned on the date set forth below to be effective as of the date first above written.

LANDOWNER

_____
a Texas _____,

By: _____

_____,
its manager

STATE OF TEXAS)

)

COUNTY OF _____)

This instrument was acknowledged before me on the __ day of _____, 20___, by _____ in his capacity as Manager of _____, known to be the person whose name is subscribed to the foregoing instrument, and that he executed the same on behalf of and as the act of Manager of _____.

_____
Notary Public, State of Texas

My Commission Expires:

_____

LANDOWNER AGREEMENT - EXHIBIT C

HOMEBUYER EDUCATION PROGRAM

As used in this Exhibit C, the recorded Notice of the Authorization and Establishment of the [NAME] Public Improvement District and the Covenants, Conditions and Restrictions in Exhibit B of this Agreement are referred to as the "Recorded Notices."

1. Any Landowner who is a Builder shall attach the Recorded Notices and the final Assessment Roll for such Assessed Parcel (or if the Assessment Roll is not available for such Assessed Parcel, then a schedule showing the maximum 30-year payment for such Assessed Parcel) as an addendum to any residential homebuyer's contract.

2. Any Landowner who is a Builder shall provide evidence of compliance with 1 above, signed by such residential homebuyer, to the City.

3. Any Landowner who is a Builder shall prominently display signage in its model homes, if any, substantially in the form of the Recorded Notices.

4. If prepared and provided by the City, any Landowner who is a Builder shall distribute informational brochures about the existence and effect of the District in prospective homebuyer sales packets.

5. Any Landowner who is a Builder shall include Assessments in estimated property taxes, if such Builder estimates monthly ownership costs for prospective homebuyers.

Exhibit F

FORM OF MAINTENANCE AGREEMENT

PUBLIC IMPROVEMENT MAINTENANCE AGREEMENT

This Public Improvement Maintenance Agreement (this *Agreement*) is made and entered into on this the [___] day of [_____], 202__, by and between City of Castroville, Texas (the *City*), a Type A general law municipality, and [NAME] (the *Association*), a Texas property owners association organized and existing under laws of the State of Texas and having the powers and limitations provided under Title 11 of the Texas Property Code, for the purpose for providing the terms for the Association's maintenance of public parkland and storm drainage improvements within the hereinafter-defined District. The City and the Association are herein referred to individually as a *Party* and, together, as the *Parties.*

W I T N E S S E T H

WHEREAS, the City has, pursuant to applicable law, created the [NAME] Public Improvement (the *District*) on approximately [___] acres of land located [within] the City (such land, as more particularly described on Exhibit "A" attached hereto and made a part hereof, the *Land*) to facilitate its development for use as mixed use residential and commercial master planned community (the such development, the *Project*); and

WHEREAS, through the District, the City will provide, by revenues resultant from assessments levied and imposed on certain property within the District, a mechanism for payment of a portion of the costs of certain public improvements within the District that are necessary and incidental to Project development; and

WHEREAS, as a condition to its creation of the District and provision of the aforementioned mechanism to finance a portion of the costs of public improvements within the District, the City requires that the ongoing maintenance obligations of the hereinafter-defined Public Improvements be assumed by a non-City entity associated with the Project or the related costs be paid by or from District-associated resources to prevent these costs resultant from Project development, which the City has facilitated, from becoming a burden on the general revenues of the City and its residents and property owners that do not reside within or directly enjoy the benefits resultant from the District; and

WHEREAS, the Developer has created the Association to provide services related to the developed Project as specified in its bylaws, including the ongoing maintenance of the Public Improvements in accordance with the provisions of this Agreement and payment of the associated costs from its fees collected from property owners within the District and subject to the Association's jurisdiction; and

WHEREAS, entry into this Agreement satisfies the City's condition to the District creation and utilization of its available powers to provide a mechanism for financing a portion of the costs of certain public improvements within the District, as described above; and

WHEREAS, the Parties, for the mutual consideration hereinafter stated, desire to enter into this Agreement, pursuant to which the Association assumes responsibility for maintaining the Public Improvements (which includes payment of the associated costs of such maintenance); and

NOW, THEREFORE, THE PARTIES AGREE TO THE FOLLOWING:

SECTION 1. Definition of Certain Terms. For purposes of this Agreement, the following terms shall have the ascribed meanings:

a. *Consultant's Plan* has the meaning ascribed thereto in the Development Agreement, dated as [DATE], between the City and the Developer pertaining to the Project.

b. *Developer* shall mean [NAME], a Texas [limited liability company].

c. *Engineer* shall mean [NAME].

d. *Parkland* shall mean common areas and other land within the District dedicated to the City by the Developer and established as property available to the general public for recreational use (to specifically include promenades, plazas, and bridges over permanent water features).

e. *Public Improvements* shall mean, collectively, the Parkland and the Storm Drainage Improvements.

f. *Storm Drainage Improvements* shall mean trench excavation and embedment, trench safety, concrete box culverts, reinforced concrete pipe, manholes, junction boxes, drainage inlets, headwall and wingwall structures, related earthwork, excavation, erosion control, detention ponds, and all other necessary appurtenances required to capture storm water runoff generated within the District.

SECTION 2. Association Agreement to Maintain Public Improvements.

a. *General*. The Association hereby exclusively agrees, at its sole cost and expense, to maintain the Public Improvements.

b. *Storm Drainage Improvements*. Maintaining Storm Drainage Improvements shall mean keeping in good structural condition all Storm Drainage Improvements and repairing and addressing any defects in or to the Storm Drainage Improvements that, if left unrepaired or unaddressed, might impair their hydraulic capacity or structural soundness, to include:

i. Maintaining access to the Storm Drainage Improvements for maintenance and inspection;

ii. Repairing defects in the storm drainage piping system, including leaking pipe joints, deflection of flexible pipe diameter in excess of 5%, pipe structural failure, or other defects;

iii. Removing obstructions from any inlet and outlet structures;

iv. Repairing concrete channel lining, pilot channels, rock rip-rap (including replacement, as needed, to maintain rock layer thickness, as designed), gabions or any other channel lining material and to repair any defects in the channel lining material including undermining, excessive cracking and settlement, structural failure, or other defects;

v. Repairing channels, ditches and detention or retention ponds and to repair erosion in same by backfilling the eroded area and re-establishing protective vegetation or by armoring the eroded area with gabions, rock rip-rap, concrete or other material approved by the Engineer;

vi. At least annually, removing willows, cottonwoods or other "woody" vegetation from channels, ditches, detention ponds and retention ponds;

vii. As frequently as required to prevent grassy vegetation from exceeding a height of more than one foot, mowing ditches, earthen channels and detention or retention ponds;

viii. Removing, as needed, accumulated debris, trash or sediment (with sediment accumulations in detention ponds not to exceed 18-inches before removal is required); and

ix. Maintaining minimum water levels in Storm Drainage Improvements intended upon construction to permanently hold water (as indicated in the Consultant's Plan).

The Association shall periodically (as needed based on weather conditions, but no less frequently than every 90 days) inspect or cause the inspection of all Storm Drainage Improvements to determine the necessity of action to address needed maintenance or repair. Remedial action shall be taken within 30 days of the Association's awareness of an issue (meaning that the Association shall commence necessary maintenance or repairs within 30 days of such awareness and diligently work toward their completion). At least annually, the Association shall commission the Engineer to complete a written inspection report concerning the condition and functionality of the Storm Drainage Improvements, deliver a copy of such report to the City, and take action, as described above, within 30 days of delivery of such report to address any identified deficiencies in, or recommendations concerning functionality or performance of, the Storm Drainage Improvements.

c. Parkland. Maintaining the Parkland shall mean at all times keeping and maintaining, or causing to be kept and maintained, the Parkland (including any improvements thereon and all other buildings and improvements erected therein) in a good state of appearance and repair (except for reasonable wear and tear), to include:

i. Maintening grass height according to species and variety of grass;

ii. Regularly mowing, aerating, fertilizing, seeding or reseeding, resodding and controlling weeds in areas that are seeded or sodded;

iii. Pruning all trees and shrubs, as needed;

iv. Maintaining an adequate number of trash cans (based on frequency of use and in plentiful quantity to hold all trash usually generated between servicing without overflowing) and emptying the same on at least a daily basis;

v. Sweeping the area on daily basis to remove and keep the area free of trash;

vi. Removing graffiti on any surface withing 24 hours of the incident;

vii. Remediating, upon discovery, insect, rodent, and invasive species infestations;

viii. Cleaning sidewalks and pavilions so that at no time is there an accumulation of sand, dirt, or leaves;

ix. Maintaining playground equipment, play areas, fields, sports courts, lighting systems, and flagpoles to ensure the equipment and spaces are in safe, clean, operating condition and free and clear of hazards and hazardous conditions;

x. Cleaning and sanitizing all restrooms and drinking fountains on a daily basis or more frequently, as and when required;

xi. Stocking all restrooms at a minimum of once per day or more frequently as needs arise;

xii. Providing and maintaining adequate security lighting and signage (to include wayfinding and mile markers on trail systems) free of loose rivets, missing text, graffiti, and other conditions that makes interpretation difficult or impossible;

xiii. Maintaining in good repair any trail system, to include elimination of all trip hazards, remediating impacts of erosion, periodic resurfacing, elimination of buildup of soil or debris that prevents water flow, and maintenance of an 8' vertical clearance; and

xiv. Upon discovery, eliminating user created "trails".

The Association shall, as frequently as necessary to maintain a safe and sanitary environment, inspect or cause the inspection of all Parkland to determine the necessity of action to

address needed maintenance or repair. Remedial action shall be taken as and when needed and shall be diligently continued through satisfactory conclusion to address matters requiring attention with respect to Parkland maintenance.

SECTION 3. Annual Budget. The Association shall annually budget for the anticipated costs of maintaining the Public Improvements, which shall include (i) the costs of any necessary repair plan herein described coming due in the reporting period covered by such annual budget and (ii) adequate annual reserves to provide sufficient available sources of periodic major maintenance and capital repair and replacement of Public Improvements. Until such time as the Association has obtained sufficient experience to formulate the anticipated Public Improvements maintenance costs unassisted (herein determined to mean preparation of at least three annual budgets after the warranties for dedicated Public Improvements have expired), the Association shall enlist the Engineer's assistance in preparing the Public Improvements maintenance cost component of its annual budget.

SECTION 4. Payment of Public Improvements Maintenance Costs. To pay the costs of maintaining the Public Improvements, the Association shall either (i) charge an annual fee to its property owners or (ii) collect funds from the Developer in an amount at least equal to such budgeted annual maintenance costs. In determining the annual fee, the Association may take into account other funds then-available to the Association to pay such annual Public Improvements maintenance costs including funds collected from the Developer. In the event that unforeseen circumstances shall arise during the course of a financial reporting that necessitate additional funding to pay the costs of maintaining Public Improvements (including reimbursement of the City for costs of emergency repairs made pursuant to Section 5 below), the Association shall either (i) impose upon its property owners a special assessment (which is a charge on such property owners separate and distinct from any assessment thereon levied by the City pursuant to Chapter 372, as amended, Texas Local Government Code) or (ii) collect funds from the Developer in an aggregate amount sufficient to pay such unanticipated and unbudgeted Public Improvements maintenance costs.

SECTION 5. City Inspection of Public Improvements; Emergency Repairs. The City may, from time to time, but not more frequently than every 12 months, review the state of repair, condition, and cleanliness of the Public Improvements and provide a written report of its findings to the Association. If the City, in its review, finds the condition of the Public Improvements to not meet its standards for other similar public improvements owned and maintained by the City or in accordance with their original specifications applicable at the time of their respective construction , then the City shall detail and deliver in writing to the Association the specific instances of failure. The Association shall have 30 days from receipt of this written notice to address or object to the specific failures in Public Improvements maintenance identified by the City.

If the City is made aware of emergency safety conditions relative to a Public Improvement, the City will notify the Association and request that the necessary repairs to mitigate the identified safety condition(s) be completed. Upon notification, the Association shall have 3 days to mitigate the identified safety condition(s). If, however the Association is unable to or fails to begin addressing the identified safety condition(s) within a reasonable time after notification, then the City may make repairs to Public Improvements as needed and without further notification to the Association or the owners of property within the District to address the conditions of emergency or safety. Within 30 days of completion of emergency repairs to Public Improvements, the City shall notify the Association of the reasons for its making the repairs and the costs thereof.

SECTION 6. City Funding of Public Improvements Maintenance Costs. The Parties intend that Association revenues realized in accordance with Section 4 hereof shall be sufficient to cover the costs of

maintaining the Public Improvements. The Parties acknowledge, however, that the City may include as a component of its "maintenance assessment" levied and imposed on assessable property within the District pursuant to the District's Service and Assessment Plan, prepared and updated from time to time by the City Council of the City in accordance with applicable Texas law, the costs of maintaining the Public Improvements in the event the Association is unable or unwilling to fulfill its duties and obligations pursuant to the terms of this Agreement.

SECTION 7. Power and Authority. Each Party represents to the other that it has full power and authority to execute, deliver and perform its obligations hereunder and that the respective governing body of each Party has taken all necessary action on its part required to authorize the execution and delivery hereof and its performance hereunder.

SECTION 8. Notices. Except as otherwise provided herein, it shall be sufficient service of any notice, request, demand, authorization, direction, consent, waiver or other paper required or permitted by this Agreement to be made, given or furnished to or filed with the following persons, if the same shall be delivered in person or duly mailed by first-class mail, postage prepaid or duly transmitted by electronic mail, at the following physical or email addresses:

(a) To Association at:
NAME
ADDRESS
PHONE
EMAIL
With a copy to:
NAME
ADDRESS
PHONE
EMAIL

(b) To City at:
City of Castroville, Texas
Attn: City Administrator
1209 Fiorella Street
Castroville, Texas 78009
With a copy to:
Clay Binford
McCall, Parkhurst & Horton L.L.P.
112 E. Pecan Street, Suite 1310
San Antonio, Texas 78205
Phone: 210-225-2819
Email: cbinford@mphlegal.com

If, because of the temporary or permanent suspension of mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such delivery of notice in lieu thereof as shall be made with the approval of the City shall constitute a sufficient notice.

SECTION 9. Severability. If any terms or provisions of this Agreement or the application of any terms or provisions of this Agreement to a particular situation, are held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this Agreement or the application of such terms or provisions of this Agreement to other situations, will remain in full force and effect unless amended or modified by mutual consent of the Parties; provided that, if the invalidation, voiding or unenforceability would deprive either Party of material benefits derived from this Agreement, or make performance under

this Agreement unreasonably difficult, then the Parties will meet and confer and will make good faith efforts to amend or modify this Agreement in a manner that is mutually acceptable to the Parties.

SECTION 10. Amendment. No amendment, modification, or alteration of the terms of this Agreement will be binding unless it is in writing, dated subsequent to the date of this Agreement, and duly executed by the Parties.

SECTION 11. Binding Agreement; Successors and Assigns. This Agreement will be binding upon and inure to the benefit of each of the Parties and their respective successors and permitted assigns.

SECTION 12. Correction of Technical Errors. If, by reason of inadvertence, and contrary to the intention of the Parties, errors are herein made in the legal descriptions or the references thereto or within any exhibit with respect to the legal descriptions, in the boundaries of any parcel in any map or drawing which is an exhibit, or in the typing of this Agreement or any of its exhibits or any other similar matters, the Parties by mutual agreement may correct such error by memorandum executed by them without the necessity of amendment of this Agreement.

SECTION 13. Governing Law and Venue. The laws of the State and the rules and regulations issued pursuant thereto shall govern the validity, construction, enforcement, and interpretation of this Agreement, without regard to conflict of law provisions. All claims, disputes and other matters in question arising out of or relating to this Agreement, or the breach thereof, shall be decided by proceedings instituted and litigated in a State court of competent jurisdiction sitting in Medina County, Texas, and the Parties hereto expressly consent to the venue and jurisdiction of such court. Any provision included or incorporated herein by reference that conflicts with said laws, rules and regulations shall be null and void and shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise.

SECTION 14. No Waiver of Sovereign Immunity. NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED TO WAIVE THE SOVEREIGN IMMUNITY OF THE CITY. THE CITY IS ENTERING INTO THIS AGREEMENT IN ITS GOVERNMENTAL FUNCTION AND CAPACITY AND THIS AGREEMENT DOES NOT CONSTITUTE AN EXERCISE OF THE CITY'S REGULATORY POWERS (E.G., REGULATORY APPROVALS OR IN ANY OTHER REGULATORY CAPACITY). THE ASSOCIATION ACKNOWLEDGES THAT THE CITY CANNOT CONTRACT IN ANY MANNER REGARDING THE EXERCISE, AND NOTHING CONTAINED HEREIN CONSTITUTES THE CITY'S EXERCISE, OF ITS REGULATORY POWERS OR A WAIVER OF ITS SOVEREIGN IMMUNITY PROTECTIONS.

SECTION 15. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed original and all of which, when taken together, shall constitute one and the same document.

SECTION 16. No Personal Liability. None of the members of the City Council, the Association's governing body, or any officer, agent, or employee of either Party shall be charged personally by the other Party with any liability, or be held liable to the other Party under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach, of this Agreement.

SECTION 17. Recordation. This Agreement, upon execution by both Parties, shall be recorded in the real property records maintained by the City Clerk of Medina County.

SECTION 18. Effective Term. This Agreement shall be effective as of its date, shall be perpetual and shall encumber and run with the Land.

* * *

EXECUTED by the Parties hereto to be effective as of [DATE], 202__.

ADDRESSES OF PARTIES:

1209 Fiorella Street
Castroville, Texas 78009

CITY OF CASTROVILLE, TEXAS

By: _____
Name: _____
Title: _____

[ASSOCIATION]

[ADDRESS]

By:_____
Name:
Title:

THE STATE OF TEXAS §
§
CITY OF MEDINA §

This instrument was acknowledged before me on the _____ day of _____, 202__, by _____, _____ of Castroville, Texas, a Type A general law municipality and a political subdivision of the State of Texas, on behalf of Castroville, Texas.

_____
Notary Public in and for
the State of Texas

_____
(Printed Name of Notary)

My Commission Expires:_____

THE STATE OF TEXAS §
§
CITY OF MEDINA §

This instrument was acknowledged before me on the ___ day of _____, 202__, by _____, _____ of [ASSOCIATION].

_____
Notary Public in and for
the State of Texas

_____
(Printed Name of Notary)

My Commission Expires:_____

EXHIBIT A

LAND DESCRIPTION

(Metes and Bounds)

Exhibit G

OWNER DISCLOSURE PROGRAM

The Administrator (as defined in the Service and Assessment Plan) for the [NAME] Public Improvement District (the PID) shall facilitate Notice to prospective property buyers in accordance with the following minimum requirements:

(a) Record notice of the PID in the appropriate land records for the Property.

(b) Require builders to attach the Recorded Notice of the Authorization and Establishment of the PID and the final Assessment Roll for such Assessed Parcel (or if the Assessment Roll is not available for such Assessed Parcel, then a schedule showing the maximum 30-year payment for such Assessed Parcel) in an addendum to each residential homebuyer's contract on brightly colored paper.

(c) Collect a copy of the addendum signed by each buyer from builders and provide to the City.

(d) Require signage indicating that the Property for sale is located in a special assessment district and require that such signage be located in conspicuous places in all model homes.

(e) Prepare and provide to builders an overview of the existence and effect of the PID for those builders to include in each sales packet of information that it provides to prospective homebuyers.

(f) Notify builders who estimate monthly ownership costs of the requirement that they must include special assessments in estimated Property taxes.

(g) Notify Settlement Companies through the builders that they are required to include special taxes on HUD 1 forms and include in total estimated taxes for the purpose of setting up tax escrows.

(h) Include notice of the PID in the homeowner association documents in conspicuous bold font.

(i) The City will include announcements of the PID on the City's web site.

The Developer and the Administrator shall regularly monitor the implementation of this disclosure program and shall take appropriate action to require these Notices be provided when one of them discovers that any requirement is not being complied with.

EXHIBIT H

FORM OF REIMBURSEMENT AGREEMENT

[NAME] PUBLIC IMPROVEMENT DISTRICT
REIMBURSEMENT AGREEMENT

This [NAME] Public Improvement District Reimbursement Agreement (this *Reimbursement Agreement*) is executed between the City of Castroville, Texas (the *City*) and _____, a Texas [limited liability company] (the *Developer*; the City and the Developer individually referred to as a *Party* and collectively as the *Parties*), effective _____, 202__. Unless specified otherwise, capitalized terms not defined herein shall have the meaning ascribed to them in the hereinafter-defined Service and Assessment Plan or the Development Agreement.

RECITALS

WHEREAS, by resolution adopted on [DATE], 202__ (the *Creation Resolution*), the City Council of the City (the *Council*) created and established the boundaries of [NAME] Public Improvement District (the *District*), covering approximately [___] acres of land described in the Creation Resolution (the *District Property*) to be developed by the Developer in phases as a mixed use, master-planned residential and commercial development; and

WHEREAS, the purpose of the District is to finance certain Authorized Improvements authorized by Chapter 372, as amended, Texas Local Government Code (the *PID Act*) that promote the interests of the City and confer a special benefit on the Assessed Property within the District; and

WHEREAS, in connection with its creation of the District, the City determined that it is in the best interests of the present and future landowners of, and is of special benefit to, the District Property to finance, construct and deliver certain Authorized Improvements, as more specifically described in the [NAME] Public Improvement District Service and Assessment Plan, adopted by the Council on [DATE], 202__ (as such plan may be updated and amended from time to time, the *Service and Assessment Plan*); and

WHEREAS, the Service and Assessment Plan describes the development of the District Property and related construction and acquisition of Authorized Improvements; and

WHEREAS, the City and the Developer have heretofore entered into that certain "Development Agreement", dated as of [DATE], 202__, and contemporaneously herewith, the Council approved the City's entering into that certain" Construction, Funding, and Acquisition Agreement" with the Developer (as amended from time to time, the *Financing Agreement*), which agreements, together, provide certain terms and provisions concerning the Developer's development of the Authorized Improvements and payment of the costs thereof; and

WHEREAS, in the Development Agreement and the Financing Agreement, the City and the Developer identify multiple sources of funds, including proceeds of PID Bonds to be issued pursuant to that certain Indenture of Trust, dated of even date herewith (the *Indenture*), by and between the City and _____ (the *Bond Trustee*), and the Developer's separate resources available and thereby committed pursuant to the terms of the "Completion Agreement" entered into contemporaneously herewith by and among the Developer, the City, and Trustee; and

WHEREAS, the Completion Agreement provides that the Developer's financial commitment thereunder to pay the Authorized Improvements Costs (plus interest thereon accruing at a rate of ____%

(calculated on the basis of a 360-day year, comprised of twelve 30-day months) from the date of initial delivery of the initial series of PID Bonds) shall be reimbursable thereto pursuant to the terms of this Reimbursement Agreement (such commitment to reimburse, the *Reimbursement Obligation*); and

WHEREAS, contemporaneously herewith, the Council adopted an assessment ordinance determining the estimated costs of the Authorized Improvements and levying Special Assessments against the assessable property within District to generate revenues (such Special Assessments, the *Assessments*; revenues therefrom, the *Assessment Revenues*) to pay Authorized Improvements Costs (or repay obligations incurred in satisfaction thereof, including the PID Bonds and the Reimbursement Obligation); and

WHEREAS, under the Indenture, the City has covenanted to deliver to the Trustee upon receipt, and has pledged as security for the repayment of the PID Bonds, certain of the Assessment Revenues (though it is the intent and expectation of the Parties that a portion of the pledged Assessment Revenues, on a subordinate basis and subject to availability after payment of debt service and other financial obligations relative to the PID Bonds and amounts owed to the City in satisfaction of the Allocated Water Capacity Cost (as defined in the Development Agreement), will be used to repay the Developer for the Reimbursement Obligation, as described in the following recital and elsewhere herein); and

WHEREAS, the Financing Agreement provides that the Reimbursement Obligation shall be repaid solely from (i) excess Assessment Revenues deposited to and from time to time held in the Reimbursement Fund (as defined in the Indenture) on a cash-flow basis and (ii) proceeds realized from the issuance of future series of PID Bonds; and

WHEREAS, the Parties now desire to enter into this Reimbursement Agreement for the purpose of establishing terms and conditions relating to the Reimbursement Obligation; and

NOW THEREFORE, FOR VALUABLE CONSIDERATION THE RECEIPT AND ADEQUACY OF WHICH ARE ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. Recitals. The recitals to this Reimbursement Agreement are true and correct and are incorporated as part of this Reimbursement Agreement for all purposes.

2. City Deposit of Revenue. The City shall cause the Assessment Revenues to be deposited as provided in the Development Agreement and the Indenture.

3. Payment of Authorized Improvement Costs. The City shall cause payment of the Authorized Improvements Costs, pursuant to executed and approved Certifications for Payment in and from the Available Sources of Payment (as defined in Section 2.02(a) of the Financing Agreement), all in accordance with the Financing Agreement and, as applicable, the Development.

4. Reimbursement Obligation. Subject to and in accordance with the terms, conditions, and requirements contained herein, the City agrees to reimburse Developer, and Developer shall be entitled to receive from the City, the Reimbursement Obligation. The effectiveness of the City's agreement to reimburse commences on the date of initial delivery of the initial series of PID Bonds and continues until the earlier of (i) the Reimbursement Obligation is fully satisfied and (ii) [DATE], 20__ (the *Maturity Date*).

The City's payment of the Reimbursement Obligation from available Assessment Revenues is authorized by the PID Act, and was approved by the City pursuant to the Council's adoption of an ordinance on [DATE], 202__. The Reimbursement Obligation shall be payable to Developer solely from (i) amounts from time to time on deposit in the Reimbursement Fund, on a cash-flow basis and pursuant to the payment terms specified in the Indenture and the Development Agreement and (ii) the proceeds of any future series

of PID Bonds. The Parties acknowledge and agree that the City is not responsible for any portion of the Reimbursement Obligation that remains unsatisfied beyond the latest possible Maturity Date.

The Reimbursement Obligation is payable to Developer solely as described herein. No other City funds, revenue, taxes, income, or property shall be used, even if the Reimbursement Obligation is not paid in full by the latest possible Maturity Date. The Reimbursement Obligation is not a City debt within the meaning of Article XI, Section 5, of the Constitution of the State of Texas. Notwithstanding the foregoing, the City acknowledges and agrees that until the Reimbursement Obligation is paid in full, the obligation of the City to cause the use of amounts on deposit in the Reimbursement Fund to pay the Reimbursement Obligation, or the use of proceeds of future series of PID Bonds issued (in whole or in part) to satisfy any portion of the Reimbursement Obligation is absolute and unconditional. The City does not have, and will not assert, any defenses to such obligation.

5. City Collection Efforts. The City will use all reasonable efforts to receive and collect, or cause to be received and collected by the Medina County Appraisal District, Assessments (including the foreclosure of liens resulting from the nonpayment of Assessments), and other charges due and owing under the Service and Assessment Plan, in the manner described and required in Section 2.03 of the Financing Agreement.

6. Process for Payment for the Reimbursement Obligation. The Developer may submit to the City a written request for payment (a *Payment Request*) of any funds at such time available in the Reimbursement Fund following February 1st of each year. Upon receipt of the Payment Request, and its determination of the accuracy, adequacy, and sufficiency thereof, the City shall cause funds within the Reimbursement Fund to be disbursed to Developer within 30 days of such determination (subject and pursuant, however, to the applicable Indenture and project plan and financing plan provisions concerning disbursement funds on deposit in the Reimbursement Fund). This process will continue until the Maturity Date. Under no circumstances will payments made under this Reimbursement Agreement, whether by periodic reimbursement from amounts from time to time held in the Reimbursement Fund, from the proceeds of any future series of PID Bonds, or a combination of each of the foregoing equal more than the Reimbursement Obligation.

7. Termination. At the Maturity Date, this Reimbursement Agreement shall terminate. If the Maturity Date occurs on [DATE], 20__ and at such time any portion of the Reimbursement Obligation remains unsatisfied (the *Unsatisfied Reimbursement Obligation*), such Unsatisfied Reimbursement Obligation shall be canceled and for all purposes of this Reimbursement Agreement shall be deemed to have been conclusively and irrevocably PAID IN FULL; provided, however, that if any Assessments for such tax year remain due and payable and are uncollected on such Maturity Date, the resultant Assessment Revenues, when, as, and if collected after such Maturity Date, (1) if any series of PID Bonds at such time remain outstanding or Allocated Water Capacity Cost remains unsatisfied, shall be deposited with the Trustee for disposition in the manner specified in the Indenture and (2) if no PID Bonds at such time remain outstanding, all or a portion thereof not in excess of the Unsatisfied Reimbursement Obligation shall be paid directly to Developer and applied against the Unsatisfied Reimbursement Obligation.

8. Mandatory Prepayments. Notwithstanding any provision of this Reimbursement Agreement to the contrary, the Parties hereby acknowledge and agree that to the extent a prepayment of an Assessment is required pursuant to the provisions of Section VI.F.1 of the Service and Assessment Plan in effect as of the date of this Reimbursement Agreement and remains unpaid for 90 days after such notice, the City, upon providing prior written notice to Developer, may reduce the amount of the Reimbursement Obligation by a corresponding amount; provided, however, that any such reduction shall never cause a reduction in the amount of the Reimbursement Obligation to less than zero.

9. No Waiver. Nothing in this Reimbursement Agreement is intended to constitute a waiver by the City of any remedy the City may otherwise have outside this Reimbursement Agreement against any person or entity involved in the design, construction, or installation of the Authorized Improvements.

10. Governing Law, Venue. This Reimbursement Agreement is being executed and delivered, and is intended to be performed in, the State of Texas. Except to the extent that the laws of the United States may apply to the terms hereof, the substantive laws of the State of Texas shall govern the validity, construction, enforcement, and interpretation of this Reimbursement Agreement. In the event of a dispute involving this Reimbursement Agreement, venue for such dispute shall lie in any court of competent jurisdiction in Medina County, Texas.

11. Notice. Any notice required or contemplated by this Reimbursement Agreement shall be deemed given at the addresses shown below: (i) one business day after deposit with a reputable overnight courier service for overnight delivery such as FedEx or UPS; or (ii) one business day after deposit with the United States Postal Service, Certified Mail, Return Receipt Requested. Any Party may change its address by delivering written notice of such change in accordance with this section.

To the City: Attn: City Administrator
City of Castroville
1209 Fiorella Street
Castroville, Texas 78009

With a copy to: Attn: Clay Binford
McCall, Parkhurst & Horton L.L.P.
112 E. Pecan Street, Suite 1310
San Antonio, Texas 78205

To the Developer: [ADD CONTACT]

With a copy to: [ADD CONTACT]

12. Invalid Provisions; Severability. If any provision of this Reimbursement Agreement is held invalid by any court, such holding shall not affect the validity of the remaining provisions, and the remainder of this Reimbursement Agreement shall remain in full force and effect. If any provision of this Reimbursement Agreement directly conflicts with the terms of the Indenture, the Indenture shall control regarding such conflicting provision.

13. Exclusive Rights of Developer. Developer's right, title and interest in and to the payments of Reimbursement Obligation, as described herein, shall be the sole and exclusive property of Developer (or its Transferee (defined herein)) and no other third party shall have any claim or right to such funds unless Developer transfers its rights to the Reimbursement Obligation to a Transferee in writing and otherwise in accordance with the requirements set forth herein and any applicable provisions of the Financing Agreement. Subject to the provisions of Section 10.01 of the Development Agreement, Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part, all or any portion of Developer's right, title, or interest under this Reimbursement Agreement including (but not limited to) any right, title or interest of Developer in and to payment of the Reimbursement Obligation (a *Transfer*; the party or entity to whom the transfer is made, a *Transferee*). Notwithstanding the foregoing, no Transfer shall be effective until written notice of the Transfer, that includes the following, is provided to the City: (A) the name and address of the Transferee and (B) a representation by Developer that the Transfer does not and will not result in the issuance of municipal securities by any other state of the United States or political subdivision thereof. Developer agrees that the

City may rely conclusively on any written notice of a Transfer provided by Developer without any obligation to investigate or confirm the accuracy or sufficiency of the notice of the Transfer. Any sale of a portion of the Property or assignment of any right hereunder shall not be deemed a Transfer unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is deemed to be a Transfer.

14. Failure; Default; Remedies.

a. If either Party fails to perform an obligation imposed on such Party by this Reimbursement Agreement (a *Failure*) and such Failure is not cured after written notice and the expiration of the cure periods provided in this section, then such Failure shall constitute a *Default.* Upon the occurrence of a Failure by a non-performing Party, the other Party shall notify the non-performing Party in writing specifying in reasonable detail the nature of the Failure. The non-performing Party to whom notice of a Failure is given shall have at least 30 days from receipt of the notice within which to cure the Failure; however, if the Failure cannot reasonably be cured within 30 days and the non-performing Party has diligently pursued a cure within such 30-day period and has provided written notice to the other Party that additional time is needed, then the cure period shall be extended for an additional period (not to exceed 90 days) so long as the non-performing Party is diligently pursuing a cure.

b. If Developer is in Default, the City's sole and exclusive remedy shall be to seek specific performance of Developer's obligations under this Reimbursement Agreement. No Default by Developer, however, shall: (i) affect the obligations of the City to reimburse Developer from amounts from time to time on deposit in the Reimbursement Fund as provided in Section 6 of this Reimbursement Agreement; or (ii) entitle the City to terminate this Reimbursement Agreement. In addition to specific performance, the City shall be entitled to attorney's fees, court costs, and other costs incurred by the City in obtaining such remedy.

c. If the City is in Default, Developer's sole and exclusive remedies shall be to: (i) seek a writ of mandamus to compel the City's performance hereunder; or (ii) seek specific performance of the City's obligation hereunder.

15. No Personal Liability. None of the City, any of its elected or appointed officials, or any of its employees shall incur any liability hereunder to Developer or any other party in their individual capacities by reason of this Reimbursement Agreement or their acts or omission under this Reimbursement Agreement.

16. Estoppel Certificate. Within 30 days after the receipt of a written request by Developer or any Transferee, the City will certify in a written instrument duly executed and acknowledged to any person, firm or corporation specified in such request as to (i) the validity and force and effect of this Reimbursement Agreement in accordance with its terms, (ii) modifications or amendments to this Reimbursement Agreement and the substance of such modification or amendments; (iii) the existence, to the best of the City's knowledge, of any Default hereunder; and (iv) such other factual matters that may be reasonably requested (which may, at the City's discretion, be qualified with necessary and appropriate knowledge qualifications).

17. Anti-Boycott Verification, No business with Sanctioned Countries. Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Reimbursement Agreement is a contract for goods or services, will not boycott Israel during the term of this Reimbursement Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section

does not contravene applicable State or federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with Developer and exists to make a profit.

Developer represents that neither it nor any of its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

https://comptrolier.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or
https://comptroller.texas.gov/purchasing/docs/fto-list.pdf.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable State or federal law and excludes Developer and any of its respective parent companies, wholly- or majority owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with Developer and exists to make a profit.

18. Form 1295. Submitted herewith is a completed Form 1295 in connection with Developer's participation in the execution of this Reimbursement Agreement generated by the Texas Ethics Commission's (the *TEC*) electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the *Form 1295*). Developer and the City understand and agree that, with the exception of information identifying the City and the contract identification number, none of the City or its officials, employees, or consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by Developer; and none of the City or its officials, employees, or consultants have verified such information.

19. Senate Bills 13 and 19 Compliance To the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section, to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

To the extent this Agreement constitutes a contract for goods or services for which a written

verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Developer verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law.

As used in the foregoing verification and the following definitions,

a. 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

b. 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

c. 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

20. Miscellaneous.

a. The failure by a Party to insist upon the strict performance of any provision of this Reimbursement Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Reimbursement Agreement.

b. The City does not waive or surrender any of its governmental powers, immunities, or rights except to the extent permitted by law and as necessary to allow Developer to enforce its remedies under this Reimbursement Agreement.

c. Nothing in this Reimbursement Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and Developer any rights, remedies, or claims under or by reason of this Reimbursement Agreement, and all covenants, conditions, promises, and agreements in this Reimbursement Agreement shall be for the sole and exclusive benefit of the City and Developer.

d. This Reimbursement Agreement may be amended only by written agreement of the Parties.

e. This Reimbursement Agreement may be executed in counterparts, each of which shall be deemed an original.

* * *

EXECUTED by the Parties hereto to be effective as of _____, 202__.

ADDRESSES OF PARTIES:

CITY OF CASTROVILLE, TEXAS

1209 Fiorella Street
Castroville, Texas 78009

By:_____
Name: _____
Title: _____

[DEVELOPER]

[ADDRESS]

By:_____
Name: _____
Title: _____

THE STATE OF TEXAS §
§
COUNTY OF MEDINA §

This instrument was acknowledged before me on the _____ day of _____, 202__, by _____, _____ of City of Castroville, Texas, a home rule city, body corporate and a political subdivision of the State of Texas, on behalf of the City of Castroville, Texas.

_____
Notary Public in and for
the State of Texas

_____
(Printed Name of Notary)

My Commission Expires:_____

THE STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the ___ day of _____, 202__, by _____, _____ of [DEVELOPER].

_____
Notary Public in and for
the State of Texas

_____
(Printed Name of Notary)

My Commission Expires:_____

Exhibit I

RESIDENTIAL CONSTRUCTION STANDARDS

As and if applicable, the specifications hereinafter provided may be modified to the extent contrary specifications are included in the Consultant's Plan and identified as having direct application to the Residential Project. Except as specifically provided in the Development Agreement, all development of the Residential Project shall be governed by the Code (including the City Subdivision Ordinance). The Residential Plan shall minimally incorporate the elements hereafter described.

- Centralized location of the amenity center.
- Developer will meet or exceed the area requirement set for total pond and open space inclusive of amenity center site.
- No single-family residential lot within the Residential Project shall be smaller than 6,000 square feet.
- Maximum Density: Overall single-family density will not exceed 5 units per acre.
- Minimum Building Setbacks:
  - Front Setback Line: twenty feet (20') and fifteen feet (15') on irregular shaped lots;
  - Side Setback Line: five feet (5'); and
  - Rear Setback Line: twenty feet (20').

- Residential Street and Walkway Construction:
  - Cul-de-sacs shall have a minimum diameter of 80' of pavement and 100' of Right of Way.
  - Residential areas will be connected by walkable trails and sidewalks.

- Prohibited Elements applicable to single-family residences:
  - Flat roofs;
  - Stove pipe chimneys;
  - Random roof penetrations or skylights facing the street;
  - White skylights;
  - Mirrored glass or any reflective film or windows;
  - Wood siding; however, cedar wood siding accents may be permitted as defined below;
  - Stone which appears glued on (cultured stone accents may be permitted);
  - Vivid, strong, bright colors; and/or
  - More than three (3) materials on front elevation.

- Minimum House Size; Slab and Exterior Construction Standards
  - All single-family houses shall consist of a minimum of 1,400 square feet in gross floor area.
  - Site-built on engineered, concrete slabs.

- Design Elements:
  - Variation to roof or building lines are required.
  - Decorative window shutters are encouraged.
  - Functional dormers are encouraged.
  - A minimum of two (2) of the following are required:
    - Windows and/or entries recessed into the façade by a minimum of one inch (1");
    - Pillar posts;
    - Balconies, porches or patios;
    - Window hoods/screens; and/or
    - Use of varying building materials; however, the use of more than three (3) building materials is prohibited.

- Heights and Views:
  - No building or residential structure may exceed thirty-five feet (35') in height as measured from the elevation of the finished slab, exclusive of chimneys and ventilators.

- Masonry:
  - Defined as Stone, Stucco, Stucco Board, or Brick
  - Masonry accents are masonry materials to create diversity in the façade or emphasis of architectural features.
  - 75% Masonry on the front elevation.
  - All Lots that back up to a street or thoroughfare, or an open space shall be 100% Masonry to the first-floor plate on the rear elevation that faces such street, thoroughfare, or open space.
  - Side elevations shall be 100% Masonry to the first-floor plate.
  - Masonite sheet or other sheet siding is not allowed.
  - Siding: Any siding shall be vertical board and batten or horizontal lap.
  - Decorative Shakes or Decorative Siding such as shakes, scallops or other decorative siding facades shall be no more than 20% of the front elevation, 20% of each side, or 20% of the rear of the home.
  - Decorative Cedar shakes are allowed in the shapes of (Fish-scale, Diamond, Half Cove, Hexagon, Octagonal, Round, Arrow or Bell).

- Driveways:
  - Developer shall provide for two (2) parking spaces on the driveway (which are in addition to the two (2) garage spaces identified and described below).

- Roofing:
  - 30-year dimensional shingles, standing seam metal, tile or similar are allowable roofing materials.
  - Roof pitches shall be no less than 4:12 to 8:12 with City Administration approval, such approval to not be unreasonably withheld if the home elevation fulfills a majority of the Residential Construction Standards.
  - Accent or decorative roof pitches shall be no less than 2:12.
  - Accent or Decorative Roofs include porches, dormers, shed roofs over windows, box or bay windows, etc.

- Architectural Features:
  - Porches, patios, and/or courtyards may protrude into the front or rear setback by no more than five feet (5').
  - Eaves and roof extensions may protrude into setbacks by no more than two feet (2').
  - Windowsills, belt courses, cornices, and other architectural features may protrude into setbacks by no more than twelve inches (12").

- Front Doors:
  - Front doors shall be a solid core door not less than six foot eight inches (6'8") in height.
  - Clear leaded glass or eight (8) panel distinguished by mullions are encouraged.
  - The use of double doors, enhanced by side lights or transoms is encouraged.

- Floorplan Restriction:
  - Homes with identical elevations shall be restricted from being built on adjacent lots or on lots directly across from each other on the same street and shall have two full lots separation between them on the i) same or ii) opposite side of the street.

- Garage Doors:

- Two (2) single garage doors, divided by an 8”-12” column, are encouraged.
- Garage doors shall be of a non-warping, non-peeling material, design and color complimentary of the adjacent elevation of the residence and consistent with the overall architectural style of the residence.
- Windows along the top of the garage doors are permitted.
- Must not extend beyond the front of the home or front porch, J-drive and side entry garages shall be exempt from this requirement. The garage may extend up to five (5’) feet in front of the body of the home or front porch with City Administration approval, such approval to not be unreasonably withheld if the home elevation fulfills a majority of the Residential Construction Standards.
- Detached, J-swing, side entry, carports, and recessed garages are encouraged.

- Accessory Buildings:
  - Accessory buildings, if permitted, including pool cabanas, detached garages and guesthouses, shall be constructed of the same materials and with the same quality of construction as the principal residence.

- Address Markers
  - Address markers shall be centrally located on the residence and well-lit, so as to be visible from the street.

- Enclosures:
  - Air conditioning compressors and pool equipment shall be enclosed by a structural screening element constructed of the same masonry materials as the principal residence, lot fencing, or non-deciduous landscaping.
  - In the event non-deciduous landscaping is used to screen any air conditioning compressor, at the time of installation, the non-deciduous landscaping shall screen one-half (1/2) of the vertical height of the air conditioning compressor.

- Landscaping Requirements for 50’ Lots:
  - Minimum of 100 square foot mulched landscape bed in the front yard.
  - Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
  - Minimum of ten (10) one (1) gallon plants in the front yard.
  - Minimum of six (6) three (3) gallon plants in the front yard.
  - Minimum of one (1) two-inch (2”) caliper hardwood tree shall be planted within the rear yard inside of any fencing.
  - Minimum of one (1) two-inch (2”) caliper hardwood tree shall be planted within the front yard or side yard in front of any fencing.
  - Landscape irrigation system for entire front and rear yard shall be installed.
  - Any Lots which are corner lots or side open space lots shall include the following:
    - Minimum of 100 square foot mulched landscape bed in the front yard.
    - Minimum of 100 square foot mulched landscape bed in the side yard.
    - Front yard and rear yard shall be fully sodded, except for landscape bed(s).
    - Minimum of fifteen (15) one (1) gallon plants in the front yard.
    - Minimum of ten (10) five (5) gallon plants in the front yard.
    - Minimum of three (3) two-inch (2”) caliper hardwood trees, planted not less than twelve feet (12’) apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
    - Minimum of six (6) one (1) gallon plants in the side yard.
    - Minimum of five (5) five (5) gallon plants in the side yard.
    - Landscape irrigation system for entire front yard, side yard and rear yard shall be

installed.

- Landscaping Requirements for 60’ Lots:
  - Minimum of 125 square foot mulched landscape bed in the front yard.
  - Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
  - Minimum of twelve (12) one (1) gallon plants in the front yard.
  - Minimum of eight (8) three (3) gallon plants in the front yard.
  - Minimum of one (1) two-inch (2”) caliper hardwood tree shall be planted within the rear yard inside of any fencing.
  - Minimum of two (2) two-inch (2”) caliper hardwood trees shall be planted within the front yard or side yard in front of any fencing.
  - Landscape irrigation system for entire front and rear yard shall be installed.
  - Any Lots which are corner lots or side open space lots shall include the following:
    - Minimum of 125 square foot mulched landscape bed in the front yard.
    - Minimum of 125 square foot mulched landscape bed in the side yard.
    - Front yard and rear yard shall be fully sodded, except for landscape bed(s).
    - Minimum of eighteen (18) one (1) gallon plants in the front yard.
    - Minimum of twelve (12) five (5) gallon plants in the front yard.
    - Minimum of three (3) two-inch (2”) caliper hardwood trees, planted not less than twelve feet (12’) apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
    - Minimum of eight (8) one (1) gallon plants in the side yard.
    - Minimum of seven (7) five (5) gallon plants in the side yard.
    - Landscape irrigation system for entire front yard, side yard and rear yard shall be installed.

- Landscaping Requirements for 70’ Lots:
  - Minimum of 150 square foot mulched landscape bed in the front yard.
  - Front yard shall be fully sodded, except for landscape bed, and rear yard shall be fully sodded, except for any landscape bed(s).
  - Minimum of fifteen (15) one (1) gallon plants in the front yard.
  - Minimum of ten (10) three (3) gallon plants in the front yard.
  - Minimum of one (1) two-inch (2”) caliper hardwood tree shall be planted within the rear yard inside of any fencing.
  - Minimum of two (2) two-inch (2”) caliper hardwood trees shall be planted within the front yard or side yard in front of any fencing.
  - Landscape irrigation system for entire front and rear yard shall be installed.
  - Any Lots which are corner lots or side open space lots shall include the following:
    - Minimum of 150 square foot mulched landscape bed in the front yard.
    - Minimum of 150 square foot mulched landscape bed in the side yard.
    - Front yard and rear yard shall be fully sodded, except for landscape bed(s).
    - Minimum of twenty (20) one (1) gallon plants in the front yard.
    - Minimum of fourteen (14) five (5) gallon plants in the front yard.
    - Minimum of three (3) two-inch (2”) caliper hardwood trees, planted not less than twelve feet (12’) apart, two (2) of which shall be a side yard tree, and one (1) of which shall be front yard trees.
    - Minimum of eight (8) one (1) gallon plants in the side yard.
    - Minimum of seven (7) five (5) gallon plants in the side yard.
    - Landscape irrigation system for entire front yard, side yard and rear yard shall be installed.

- Fencing:
  - Fences are not required, but, if they are built facing adjacent to a street, all fencing shall be six-foot (6') cedar fencing, black decorative metal, or other with City Approval, including rustic Cedar posts and rails with or without wire fencing. Chain link fencing is prohibited.
  - Fencing shall have a total of three (3) 2x4 stringers for support.
  - Fencing on corner lots can be installed no closer than 7.5' to the Property Line on corner lots siding a street.

- Street Sign Examples

Ball on

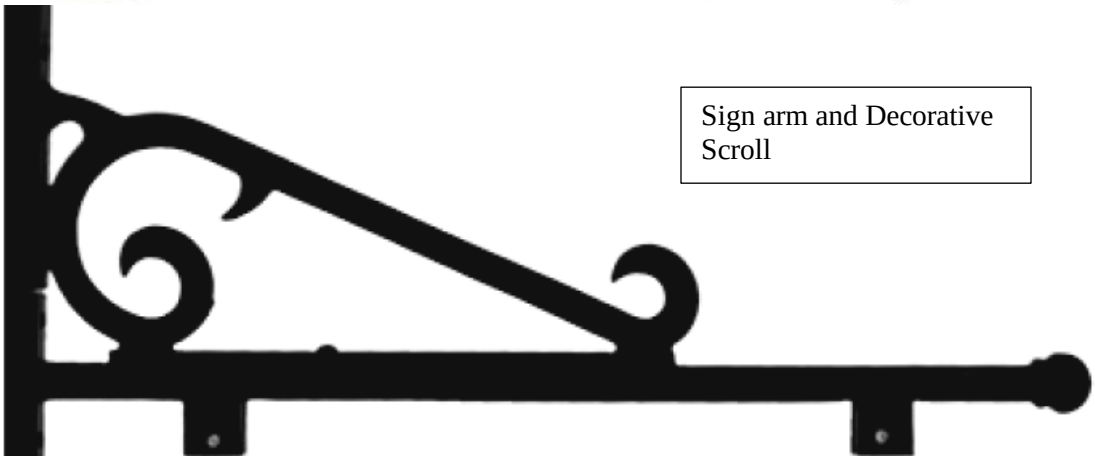


Fluted



Logo

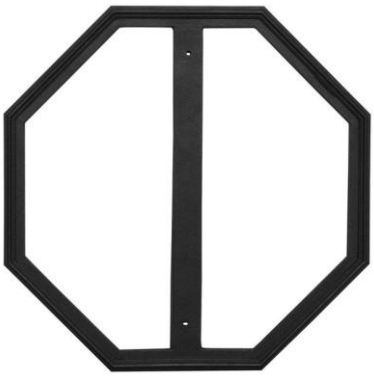




Sign arm and Decorative Scroll



Base



Traffic Sign

Exhibit J

FORM OF UTILITY SERVICE AGREEMENT

UTILITY SERVICE AGREEMENT

STATE OF TEXAS	**§**
	§
COUNTY OF MEDINA	**§**
	§
CITY OF CASTROVILLE	**§**

This Utility Service Agreement (including the General Conditions, the Special Conditions, and the Attachments hereto, this *Agreement*) is entered into by and between the CITY OF CASTROVILLE, TEXAS (the *City*) and [DEVELOPER] (the *Developer*). The City and the Developer are herein referred to generally as a *Party* and, together, the *Parties*. Terms capitalized but not otherwise defined herein shall have the meanings ascribed to them in the hereinafter-defined Development Agreement, a copy of which is attached hereto as Attachment IV.

W I T N E S S E T H

WHEREAS, the City and the Developer have entered into that certain Development Agreement (as the same is amended from time to time, the *Development Agreement*), pursuant to which the City and the Developer are obligated to undertake specified actions relative to the development that is the subject of the Development Agreement (such development, the *Development*; the property that is the subject of the Development Agreement and the location of the Development, the *Property*); and

WHEREAS, the Development Agreement contemplates the need for improvements to the City's water and wastewater utility systems (respectively, the *Water System* and the *Wastewater System* and, together, the *Systems*) that are outside the boundaries of the Property to extend Systems infrastructure to the Property's border for connection to necessary water and wastewater infrastructure improvements within the Property (such offsite improvements, as further defined and described herein (but specifically excluding the Water System improvements that are the subject of the Multi-Party Agreement, dated as August 9, 2022, among the City and various parties, including the Developer), the *Offsite Improvements*; such onsite improvements, as further defined and described herein, the *Onsite Improvements*; the Offsite Improvements and the Onsite Improvements, together, the *Improvements*); and

WHEREAS, the Development Agreement requires the Developer to design, construct, and finance all requisite Improvements, which includes all Improvements within and beyond the boundaries of the Property that are necessary for connection to the Systems to provide retail water and wastewater utility service (*Water Service* and *Wastewater Service*, respectively; together, *Service*) to the Development, and upon completion thereof, dedicate the same to the City; and

WHEREAS, the completion of the Offsite Improvements will allow for the Developer's connection of the Onsite Improvements to the Systems; and

WHEREAS, the Parties now desire to enter into this Agreement to memorialize the terms and conditions by which (i) the Improvements will be designed, constructed, financed and dedicated to the City and made a part of the Systems and (ii) Systems capacity is reserved for the purpose of providing Service to the Development; and

NOW, THEREFORE, in consideration of the foregoing Recitals, the covenants contained herein, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Developer and the City hereby agree as follows.

1. Interpretation of Agreement.

   a. The Parties acknowledge that the Service contemplated by this Agreement shall be provided in accordance with the applicable Governing Regulations identified in Section 3.01(b) of the Development Agreement. In the event the specific terms of this Agreement conflict with the Governing Regulations, the specific terms of this Agreement shall apply. The above notwithstanding, for the specific conflicting terms to prevail, the conflict must be expressly noted in this Agreement. The Parties further acknowledge that this Agreement is subject to future acts of the City Council with respect to the adoption or amendment of Impact Fees and City ordinances or resolutions specifying rates for Service.

   b. The Parties agree that a purpose of this Agreement is the City's reservation and dedication of [NUMBER] of Water Service living unit equivalents (*LUEs*) and [NUMBER] of Wastewater Service LUEs (such dedicated capacity, *Water Capacity* and *Wastewater Capacity*, respectively, and *Guaranteed Capacity*, collectively) from available Systems capacity (whether currently existing or to result from ongoing Systems expansion) for provision of Service to the Development.

   c. Any rights that the Developer claims arise under Chapter 245, as amended, Texas Local Government (*Chapter 245*) or Chapter 43, as amended, Texas Local Government Code, that are related to this Agreement shall be governed by the applicable provisions of the Development Agreement, particularly being Section 3.01(b) thereof.

2. Obligation Conditioned. The City's obligation to provide Service to the Property is conditioned upon present rules, regulations and statutes of the United States of America and the State of Texas and any court order that directly affects the City or its ownership and operation of the Systems. The Developer acknowledges that if the rules, regulations and statutes of the United States of America and/or the State of Texas that are in effect upon the Effective Date are repealed, revised or amended to such an extent that the City becomes incapable of, or is prevented from, providing the Service, then no liability of any nature is to be imposed upon the City as a result of the City's compliance with such legal or regulatory mandates. The City agrees that it will use its best efforts to prevent the enactment or to mitigate the impact of such legal or regulatory mandates.

3. Term.

   a. The term of this Agreement shall be twenty (20) years from the Effective Date, subject to extension in the same manner as extension of the Developer's obligations under the Development Agreement (which provisions are incorporated by reference as though herein reproduced), unless extended by mutual agreement, evidenced in writing, by the City and the Developer. Certain City obligations (described in Section 3.c below) may survive the expiration of the term of this Agreement if (i) all Impact Fees applicable to the Development have been paid and (ii) the Developer has complied with all requirements concerning the Improvements as are described, as applicable, in this Agreement and the Development Agreement.

   b. To the extent that the City's obligations do not survive the expiration of this Agreement, the Developer understands and agrees that a new utility service agreement must be entered into with the City to receive Service to the Development.

c. Provided compliance with clauses (i) and (ii) of Section 3.a above has occurred, the following obligations shall survive expiration of this Agreement:

i. The City's recognition of the Guaranteed Capacity to be provided by the Systems to the Development in the form of Service, as specified in S.C. 1.00 hereof.

ii. The City's continued provision of Service to retail customers located in the Property, so long as such customers pay for the Service and comply with the regulations applicable to individual customers (including payment of rates for Service, as from time to time specified by City ordinance or resolution).

4. Entire Agreement. The following documents attached hereto and incorporated herein are as fully a part of this Agreement as if herein repeated in full and, together, comprise this Agreement in its entirety:

Attachment I:	General Conditions
Attachment II:	Special Conditions
Attachment III:	Engineering Report Regarding Improvements
Attachment IV:	Development Agreement

Any of the above attachments that are created and submitted by the Developer as an attachment to this Agreement shall be limited to providing relevant engineering, planning, or managing information for the purposes of setting aside or reserving the Guaranteed Capacity as specified in the body of this Agreement, the General Conditions, and the Special Conditions. The Developer agrees that it will not attempt to rely, and the City does not authorize reliance, on any of the contents of any attachments created and submitted by the Developer as a basis for claiming rights under Chapter 245, except as specifically provided by Section 1.c hereof.

The Developer understands that this Agreement, including the Attachments, is subject to the Texas Public Information Act. The Developer, therefore, agrees that it will not claim that any of the information contained herein is subject to any third-party exception under that Act.

5. The Developer's Obligations. The Developer acknowledges and agrees that the Guaranteed Capacity runs with the land and shall be an appurtenance to the Property. The Developer agrees to record this Agreement in the Real Property Records of Medina County, Texas as quickly as practicable (but not more than fifteen (15) days from the Effective Date); otherwise, this Agreement will automatically terminate. Delivery to the City of a recorded copy of this Agreement shall serve as a condition precedent to any transfer of any portion of the Property or any portion of the Guaranteed Capacity in accordance with G.C.14.00. To the extent not reflected in the Plats from time to time submitted by the Developer to and accepted by the City pursuant to the terms of the Development Agreement, the Developer shall maintain records of allocated and unallocated Water Capacity and Wastewater Capacity (by LUE) for use by the Development by developers thereof and therein and provide the City with copies of such records upon receipt of the City's written request for the same.

6. **INDEMNITY**. **TO THE EXTENT ALLOWED BY APPLICABLE LAW, THE DEVELOPER FURTHER AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS THE CITY AND ITS SUCCESSOR AND ASSIGNS FROM THE CLAIMS OF THIRD PARTIES ARISING OUT OF THE CITY'S RECOGNITION RESERVATION AND TRANSFER OF THE GUARANTEED CAPACITY UNDER THIS AGREEMENT TO THE DEVELOPER'S SUBSEQUENT PURCHASERS, SUCCESSORS AND ASSIGNS.**

7. Notices. Any notice, request, demand, report, certificate, or other instrument which may

be required or permitted to be furnished to or served upon the parties shall be delivered in accordance with the provisions for notice specified in Section 8.05 of the Development Agreement.

8. Severability. If for any reason any one or more paragraphs of this Agreement are held legally invalid, such judgment shall not prejudice, affect impair or invalidate the remaining paragraphs of the Agreement as a whole, but shall be confined to the specific sections, clauses, or paragraphs of this Agreement held legally invalid.

9. Effective Date. The Effective Date of this Agreement shall be the date signed by the later of an authorized City representative and an authorized Developer representative.

10. Ownership**.** By signing this Agreement, the Developer represents and warrants that it is the owner of the Property or has the authority of the Property owner to develop the Property. Any misrepresentation of authority or ownership by the Developer shall make this Agreement voidable by the City. If the Developer does not own the Property, then the Developer must provide documentation from the owner of the Property to show that the Developer has the proper authority to develop the Property.

* * *

ACCEPTED AND AGREED TO IN ALL THINGS:

CITY OF CASTROVILLE, TEXAS	[DEVELOPER]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Address: 1209 Fiorella Street **Castroville, Texas 78009**	Address: _____ _____
Date: _____	**Date:** _____

ACKNOWLEDGEMENTS

STATE OF TEXAS, COUNTY OF MEDINA §

BEFORE ME, the undersigned Notary Public, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing instrument and that he has executed the same as _____ for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this_____day of_____, 2022.

(seal)

_____
Notary Public

STATE OF TEXAS, COUNTY OF _____ §

BEFORE ME, the undersigned Notary Public, on this day personally appeared _____ known to me to be the person whose name is subscribed to the foregoing instrument and that he has executed the same as _____ for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this_____day of_____, 2022.

(seal)

_____
Notary Public

ATTACHEMENT I

GENERAL CONDITIONS OF THE UTILITY SERVICE AGREEMENT

G.C.1.00 Definition of Terms.

Unless defined in the Agreement, the terms used in this General Conditions of the Utility Service Agreement (the *General Conditions*) shall have the same definitions and meaning as those set out in the Development Agreement. In the event a term is specifically defined in the General Conditions, and the definition is in conflict with that found in the Development Agreement or the Code, and such conflict is acknowledged in the General Conditions, the definition set out in the General Conditions shall apply.

G.C.2.00 Required Submittals.

Plans and specifications for Improvements.

G.C.3.00 Developer Development and Dedication of Improvements.

Subject to the provisions of Section G.C.4.00 and G.C.5.00 below, the Improvements shall be designed and constructed by the Developer and, upon completion, dedicated to the City, who shall thereafter own, operate, and maintain the same as a part of the Systems. Offsite Improvements shall be constructed within easements and rights-of-way provided or identified by the City (who shall, to the extent necessary and legally able, assist the Developer in obtaining, at the Developer's cost and expense, such necessary easements or rights-of-way). With respect to Onsite Improvements, the Developer shall acquire all necessary easements and rights-of-way to accommodate the development of Onsite Improvements. The Developer recognizes that the approval of easement or right-of-way adequacy, location, size, grade, and invert elevation for construction of Improvements is reserved to the City

Upon respective completion of the Offsite Improvements and Onsite Improvements, the Developer shall dedicate, grant, and convey to the City, and the City (subject to Section G.C.6.00) shall accept the dedication, grant, and conveyance of, such Improvements, accompanied by all construction warranties and associated easements and rights-of-way, without lien or other encumbrance. As and after the City's acceptance of the same, the Improvements shall be made a part of the Systems and be owned, operated, and maintained by the City.

The responsibility for payment of the costs of the development and dedication of the Improvements as herein specified, unless specifically otherwise herein provided, shall be the sole and absolute responsibility of the Developer. Except as may otherwise be specified herein, the City shall have no payment obligation for the Improvements and the Developer shall have no right or claim for City financial contribution to the costs of the Improvements. The foregoing limitation does not impact the anticipated use of assessments levied on the property pursuant to Chapter 372, as amended, Texas Local Government Code to pay for certain public improvements (including Improvements), as contemplated under the Development Agreement.

G.C.4.00 Design and Construction Requirements.

The design and construction of all Improvements shall minimally comply with all applicable Governing Regulations, applicable rules and regulations of Medina County, Texas, the State of Texas, and any agency thereof with jurisdiction thereon (including, but not limited to, the Texas Commission on Environmental Quality, the Public Utility Commission of Texas, and the Texas Department of Health). In addition, and

except as specifically provided otherwise herein, design and construction of the Improvements shall comply with the provisions of Article VIII, Chapter 100 of the Code.

The Developer shall involve the City, as and to the extent requested or required by the City, with the Improvements' design. Prior to solicitating any bid or letting any contract for construction of any of the Improvements, the City shall have approved the final plans and specifications for such Improvements. Modifications to plans and specifications to accommodate change orders shall also be subject to City approval.

Notwithstanding any provision herein to the contrary, and unless during the design process the City approves a variance to the foregoing requirement, Improvements shall be designed to provide for the same diameter, pressure, and volume capacity as the component of the Systems to which the Improvements connect. In addition, Onsite Improvements shall be extended to one or more boundaries of the Property, as determined by the City during the design process, to allow for connection to the Systems by adjoining property owners.

G.C. 5.00 Oversizing.

The City, during the design process, may require the installation of oversized Improvements or components thereof. If such oversizing requirement results in incremental cost increases attributable to the oversized Improvements component when compared to the cost of the size or capacity of such Improvements component that is required to only provide Service to the Property (such increased cost, the *Incremental Cost*), then such City oversizing requirement shall be conditioned on the City's providing to the Developer (i) compensation equal to the Increased Cost or (ii) a method of Increased Cost recovery acceptable to the Developer. Any requisite oversizing component of Improvements shall be considered Improvements, with no distinction from any other component of the Improvements, for all other purposes of this Agreement.

G.C.6.00 City Inspection; Acceptance.

The City, or any consultant acting on its behalf, shall have the right to inspect Improvements during their construction for any reasonable and legitimate City purpose, including assurance of conformity to approved designs, the terms of the construction contracts, this Agreement, and any Governing Regulations and satisfaction of warranty requirements associated with such construction. The Developer shall be solely responsible for any necessary corrections or remedial actions required by the City that result from its findings during such inspections.

The City's acceptance of the Developer's dedication of completed Improvements shall be subject to the City's prior determination that the Improvements were constructed in accordance with approved plans and specifications, that associated construction warranties remain valid and in effect (and that the Developer has taken no action that would or could compromise such validity and effectiveness) without reduction in duration or scope, and that no liens or encumbrances associated with such Improvements shall transfer to the City as a result of the subject dedication.

G.C.7.00 Joint Venture Agreements.

In the event the Developer enters into a Joint Venture Agreement covering the costs of the Improvements, the Developer shall send a copy of such agreement to the City.

G.C.8.00 Assignment.

This Agreement may be assigned only in conjunction with an assignment of the Development Agreement; provided, however, the Developer may assign, convey, or transfer some or all of the Guaranteed Capacity to buyers of portions of the Property in accordance with the terms specified in G.C.14.00.

G.C.9.00 Event of Foreclosure.

In the event the Developer's interest in the Property is extinguished by an act of foreclosure, and the foreclosing party has supplied sufficient evidence to the City that it is the successor in interest to the Property as a result of such foreclosure, and that there are no lawsuits pending concerning the Property, the City shall consider the foreclosing party a Developer successor in interest if the foreclosing party executes a utility service agreement with the City (after the City Council determines that the execution of such an agreement will not be adverse to the City's interest).

G.C.10.00 Payment for Provision of Utility Service.

Customers within the Development receiving Service shall be charged the applicable rates for Service from time to time specified by ordinance or resolution adopted by the City Council. Billing and collection for charges for Service shall be the responsibility of the City.

G.C.11.00 Impact Fee Payment.

For the Wastewater Capacity, the Developer shall pay to the City the Impact Fees in the amounts from time to time and at the times specified in the Governing Regulations. In addition, and to the extent the Developer's development of the Property results in the City's providing to the Developer Systems capacity, in the form of Water Service LUEs, in excess of the Water Capacity, the Developer agrees to pay all applicable Impact Fees as provided and in accordance with the applicable provisions of the Code and implementing City ordinances or resolutions relating to such Systems capacity in excess of the Water Capacity. Any conveyance of any portion of the Property shall include a written statement to the transferee of such portion of the Property concerning the requirement to pay Impact Fees as previously described as a result of the development of such Property pursuant to and in accordance with the applicable provisions of the Code. Notwithstanding the foregoing, the City makes no representations or guarantees concerning the availability of Systems capacity in excess of the Guaranteed Capacity.

The Developer agrees that this Agreement does not constitute an assessment of Impact Fees on the Property or the Development regarding Water Capacity; however, because fees owed to the City hereunder by the Developer for Water Capacity are used by the City to pays costs of Systems expansion to make available the Water Capacity, such payment shall supersede and replace any Impact Fees that would otherwise be due and owing to the City for the Developer's accessing the Water Capacity. This provision shall control in case of any conflict with any other provision of this Agreement or any other provision of the Development Agreement.

G.C.12.00 City's Obligation to Provide Service.

Provision of Service to the Property shall not commence until (i) completion of (a) the Offsite Improvements, (b) the Onsite Improvements necessary to provide Service to the portion of the Property for which Service is requested, and (c) the Systems improvements being undertaken by the City to expand Systems capacity in order to enable its provision of the Guaranteed Capacity, and (ii) the City has approved and accepted the Offsite Improvements and Onsite Improvements identified in Clause (i)(b) of this Section G.C.12.00.

To the extent that all applicable Impact Fees and capacity charges (including, specifically, the capacity charges relating to the Water Capacity) have been paid and all Offsite Improvements and the Onsite Improvements necessary to provide Service to the Property pursuant to an approved Plat have been completed and made a part of the Systems in accordance with the terms of this Agreement and the Development Agreement, such portion of the Property that is the subject of such approved Plat shall be entitled to Service by permanent use and benefit of Water Capacity and Wastewater Capacity from and up to the Guaranteed Capacity.

G.C.13.00 Conformance of Plans.

All water and wastewater facilities serving the Property other than and in addition to the Improvements shall be designed and constructed in conformance with this Agreement, the Development Agreement, and the Governing Regulations. Once initially approved by the City, changes in the water and wastewater system design shall be resubmitted to the City for written approval.

G.C.14.00 LUE Transfers.

The transfer of Guaranteed Capacity for use outside the boundaries of the Property shall not be allowed.

The City considers this Agreement to run with the Property; however, LUE transfers from Water Capacity and Wastewater Capacity, respectively, to subdivided tracts within the Property are the responsibility of the Developer and approval of such transfers is not required by the City. The Developer shall maintain a separate accounting of the Water Service LUEs and Wastewater Service LUEs derived from the Guaranteed Capacity that are used by the Developer and/or transferred after the Effective Date to portions of the Property. If the Developer sells a portion of the Property and transfers part of the Guaranteed Capacity that is provided under this Agreement, then that Guaranteed Capacity transfer must be included in the deed, bill of sale or instrument conveying the land and the Developer must require the buyer of the land who receives the allocated Water Service LUEs and Wastewater Service LUEs from Guaranteed Capacity to record the instrument effectuating the transfer.

If and as applicable, the City will recognize the LUE allocations within the Property site plan delivered to the City so long as those allocations are compliant and consistent with the provisions of this Agreement and do not, in the aggregate, exceed the Guaranteed Capacity. For portions of the Property that have areas of unplanned use, the demand will be calculated at four (4) Water Service LUEs and Wastewater Service LUEs per acre unless the engineering report specifies otherwise or there is not enough Guaranteed Capacity remaining for the Property to allocate four (4) LUEs per acre.

In no event will the City be responsible to third parties for providing Service beyond the total Guaranteed Capacity identified in this Agreement for the Property. The Developer expressly disclaims, releases, and holds harmless the City from any liability, damages, costs, or fees, and agrees to indemnify the City for any liability, including, costs and attorney's fees, associated with any dispute related to the transfer of all or a portion of Guaranteed Capacity approved for the Property in this Agreement.

* * *

ATTACHMENT II

SPECIAL CONDITIONS OF THE UTILITY SERVICE AGREEMENT

S.C.1.00 Tract Location; Ultimate Demand; and Cost.

The Property is described in the Development Agreement. The Property is not located over the Edwards Aquifer Recharge or Contributing Zone. The Property is located inside the City's water certificate for convenience and necessity (*CCN*), inside the City's wastewater CCN, and does not require the City's financial participation in the development of infrastructure.

Water Capacity. The Water Capacity shall not exceed [NUMBER] (__) Water Service LUEs. The Parties agree that the Developer shall pay the City an amount equal to $[_____] per Water Service LUE, for a total of $[_____], for the Water Capacity, which amount shall be payable to the City from Assessment Revenues in accordance with the Service and Assessment Plan (each of such terms as defined in the Development Agreement).

Wastewater Capacity. The Wastewater Capacity shall not exceed [NUMBER] (__) Wastewater Service LUEs. The Parties agree that the Wastewater Capacity shall be subject to Impact Fees and that the timing and amount of payment shall be in accordance with the Code or City ordinance or resolution (as the same exists as the date hereof and may be updated, supplemented, or amended from time to time).

S.C.2.00 Requirement for Utilization of Guaranteed Capacity.

The City's dedication of the Guaranteed Capacity to the Developer represents an allocation by the City of a scarce City resource. By entering into this Agreement, the Developer represents to the City that the Developer has a present intent to utilize the Guaranteed Capacity for the purpose of making Service available to the Property. If all of the Guaranteed Capacity has not been utilized by the fifteenth (15^{th}) anniversary of the Effective Date, the City shall have the ability, exercisable at its discretion upon prior delivery of written notice to the Developer, to reallocate to another user such unutilized portion the Guaranteed Capacity. Any such reallocation shall be conditioned on the City's reimbursement to the Developer of any amounts paid by the Developer to the City for such reallocated portion of the Guaranteed Capacity pursuant to this S.C.2.00.

S.C.3.00 Time for Impact Fee Assessment and Payment.

Impact Fees owed pursuant to G.C.11.00, S.C.1.00, the Code, and applicable City ordinance or resolution, if any, will be assessed at the rates, and be payable at the times, as specified in the Code and ordinances or resolutions from time to time adopted by the City implementing or modifying the same.

* * *

ATTACHMENT III

ENGINEERING REPORT REGARDING IMPROVEMENTS

To be delivered to the City by the Developer with adequate time for the City's review, comment, and approval, pursuant to the terms of this Agreement. The Parties hereby agree that adequate time means sixty (60) days from the initial date of submission. Upon the City's approval, the Engineering Report (which includes Improvements plans and specifications) shall be appended to and become a part of this Agreement as Attachment III.

ATTACHMENT IV

DEVELOPMENT AGREEMENT

Exhibit K

PETITION FOR ANNEXATION OF LAND INTO THE CITY OF CASTROVILLE EXTRATERRITORIAL JURISDICTION

TO THE HONORABLE CITY COUNCIL, CITY OF CASTROVILLE, TEXAS:

I or we, , owner(s) of the land described below by metes and bounds and, being contiguous and adjacent land and territory to the present corporate limits of the City of Castroville, Texas, hereby request annexation of the described land into the City of Castroville Extraterritorial Jurisdiction. I (we) understand that the request does not necessarily mean that the land will be annexed into the Extraterritorial Jurisdiction, but that the City will consider the request based upon requests received from other Developers and an evaluation of services to be provided.

Name: Address: City/State/Zip:
{INSERT LEGAL DESCRIPTION AND/OR ATTACH PLAT & METES AND BOUNDS DESCRIPTION}

Wherefore, petitioners respectfully request that the hereinabove described land be forthwith incorporated into and become a part of the territory of the municipal corporation of the City of Castroville, Medina County, Texas.

Respectfully Submitted, [NAME OF LANDOWNER]

By: [NAME, TITLE]

STATE OF TEXAS COUNTY OF MEDINA

BEFORE ME, the undersigned authority, on this day personally appeared as of petitioner , who having knowledge of the facts contained herein acknowledged to me that he executed the same for the purposes and consideration therein expressed, on this day of , 2023.

_____
Notary Public

Exhibit L

PETITION FOR ANNEXATION OF LAND INTO THE CITY OF CASTROVILLE

TO THE HONORABLE CITY COUNCIL, CITY OF CASTROVILLE, TEXAS:

I or we, , owner(s) of the land described below by metes and bounds and, being contiguous and adjacent land and territory to the present corporate limits of the City of Castroville, Texas, hereby request annexation of the described land into the City of Castroville. I (we) understand that the request does not necessarily mean that the land will be annexed, but that the City will consider the request based upon requests received from other Developers and an evaluation of services to be provided.

Name: Address: City/State/Zip:
{INSERT LEGAL DESCRIPTION AND/OR ATTACH PLAT & METES AND BOUNDS DESCRIPTION}

Wherefore, petitioners respectfully request that the hereinabove described land be forthwith incorporated into and become a part of the territory of the municipal corporation of the City of Castroville, Medina County, Texas.

Respectfully Submitted, [NAME OF LANDOWNER]

By: [NAME, TITLE]

STATE OF TEXAS COUNTY OF MEDINA

BEFORE ME, the undersigned authority, on this day personally appeared as of petitioner , who having knowledge of the facts contained herein acknowledged to me that he executed the same for the purposes and consideration therein expressed, on this day of , 2023.

_____
Notary Public

Exhibit M

MULTI-PARTY AGREEMENT

MULTI-PARTY AGREEMENT TO PAY DESIGN COSTS ASSOCIATED WITH PLANNED CITY UTILITY SYSTEM EXPANSION

STATE OF TEXAS	§
	§
COUNTY OF MEDINA	§
	§
CITY OF CASTROVILLE	§

THIS MULTI-PARTY PARTY AGREEMENT (this *Agreement*) is made effective this 9th day of August, 2022 (the *Effective Date*), by and among the City of Castroville, Texas (the *City*) and the parties initially and from time to time identified in Schedule I hereto (collectively, the *Private Parties*; the City and the Private Parties, together, the *Parties*).

W I T N E S S E T H

WHEREAS, the City has been approached by the Private Parties concerning development of currently vacant land in and around the northeastern and southeastern quadrants of the City and within its water certificate of convenience and necessity; and

WHEREAS, to accommodate and serve the complete development of these parcels as represented to the City, the City's water system (the *System*) will require significant capacity upgrades and expansion; and

WHEREAS, the City desires that System expansion be undertaken in a comprehensive manner, taking into consideration efficient operation and provision of service to all planned developments in the general, geographic region (as opposed to accommodating individual tracts of land or development as and when requested); and

WHEREAS, the Parties have previously collaborated to determine the necessary size, scope, and location of System improvements to accommodate communicated and projected development growth in the manner heretofore described (together, and as further described in the hereinafter-defined Report attached hereto Exhibit A, the *Improvements*); and

WHEREAS, the City has communicated to the Private Parties a comprehensive plan to design, finance, construct, and make available for connection to the Improvements (together, the *Plan*), generally to include each of the Parties paying their pro-rated cost therefor (on the basis of allocated System capacity as a percentage of all System capacity resultant from the Improvements), either (with respect to the City) directly or (with respect to the Private Parties) through a financing mechanism resultant from the establishment of separate public improvement districts (*PIDs*), each unique to the respective Private Parties' developments; and

WHEREAS, the City seeks from the Private Parties evidence of their commitment to participate in the Plan; and

WHEREAS, the Private Parties have expressed to the City their respective desire to accelerate the timeframe for commencement of construction of the Improvements, which will require the City's

engagement of its engineers, RESPEC Company, LLC (the *Engineer*), prior to implementation, but during development, of the Plan; and

WHEREAS, the Parties have determined that entering into this Agreement to memorialize commitment to Plan participation and to facilitate initiation of Improvements design is in their respective best interest; and

NOW, THEREFORE, in consideration of the foregoing Recitals, the covenants contained herein, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties agree as follows:

1. System Capacity Increase Resultant from Improvements; Allocation of Capacity. Based on the report of the Engineer attached hereto as Exhibit A (the *Report*), the findings and conclusions of which the Parties hereby agree and concur, the Improvements will result in increased System capacity equal to 5,000 living unit equivalents or *LUEs* (the *Capacity*). The City's Comprehensive Development Ordinance (Chapter 100 of the City's Code of Ordinances) defines an LUE to mean "the typical flow that would be produced by a single-family residence", which definition is hereby incorporated into and made part of this Agreement.

Utilizing information heretofore provided to the City, acting by and through the Engineer, by the respective Private Party (or representative thereof), with respect to which information the City and the Engineer disclaim any and all responsibility for completeness or accuracy, the Parties agree to the allocation of the Capacity and the corresponding percentage as the applicable allocation of all Improvements costs to the Parties (the *Allocation Percentage*), as evidenced in the following table.

Party	Allocated LUEs	Allocated Percentage (%)
City of Castroville, Texas	1,936	38.72
Cobblestone (Gutierrez)	1,300	26.00
Alsatian Oaks Phase II	789	15.78
Jagge Ranch	800	16.00
Victory Lane	175	3.50
Total	**5,000**	**100.00**

2. Reallocation of Capacity. Subject to LUE availability and written approval by the City Administrator (upon approval of the City Council), a Private Party may request an increase or decrease in the amount of initially Allocated LUEs (as evidenced in the table appearing in Section 1 above). If approved, the City shall adjust the Allocated LUEs, Allocated Percentage and Allocated Cost and make corresponding financial arrangements to reconcile the economic impact of such adjustment.

3. Engineer's Performance of Improvements Design; Scope and Ownership of Designs. The Engineer will design the Improvements, the scope and estimated cost of which are as evidenced in Exhibit B attached hereto (the *Scope of Work*). The Engineer shall be engaged by the City to design the Improvements in accordance with the findings of the Report. The responsibility for enforcement of the terms of the contract under which the Engineer is engaged shall belong to the City. The designs shall be subject to approval solely by the City. All Improvements designs prepared by the Engineer shall be owned solely and exclusively by the City.

4. Payment of Costs of Improvements Design. Each of the Parties shall be responsible for the costs of the Scope of Work in an amount equal to the total of such costs multiplied by each Parties' respective Allocation Percentage. The Engineer has provided an initial estimated cost of the Scope of Work of $1,096,540 (the *Initial Cost*), to which amount all Parties agree. During the course of the Improvements' design, the City is authorized to agree to increase the Initial Cost by up to 33 1/3% without seeking the consent of the Private Parties, with such increase allocable to the Parties on the basis of their respective Allocation Percentage (such increased cost, plus the Initial Cost, the *Cost*). The City shall notify each of the other Private Parties within seven business days of its agreement to an increase in the Initial Cost of the Scope of Work, as well as within seven business days of any subsequent increase in Cost.

At execution of this Agreement, each of the Private Parties agree to pay to the City an amount equal to 40% of the Initial Cost allocated to such Private Party, as evidenced in the table below. This initial amount is anticipated, when added to the City's own contributed amounts, to satisfy periodic Scope of Work billings by the Engineer through Plan implementation, when the unpaid balance of the allocated Cost is due and owing from each of the Private Parties (through financial resources anticipated to result from implementation of the Plan, to include proceeds resultant from the issuance of individual series of PID bonds).

Party	Allocated Percentage (%)	Allocation of Estimated Cost of Scope of Work ($)	% of Allocated Cost Due at Execution	Allocated Cost Due at Execution ($)
City of Castroville, Texas	38.72	429,405.29	--	--
Cobblestone (Gutierrez)	26.00	285,100.40	40.00	114,040.16
Alsatian Oaks Phase II	15.78	173,034.01	40.00	69,213.61
Jagge Ranch	16.00	175,446.40	40.00	70,178.56
Victory Lane	3.50	38,378.90	40.00	15,351.56
Total	**100.00**	**1,096,540.00**		**268,783.89**

In the event that Scope of Work billings of the Engineer exceed the amounts deposited by the Private Parties with the City at the time of execution of this Agreement or at any time thereafter, and the Plan's implementation, in the City's sole discretion, is not anticipated to occur in a manner that will permit the timely payment of these billings, the City may demand in writing from the Private Parties payment of an additional 20% of the Costs (as allocated to each of the Private Parties in accordance with the Allocation Percentage) at such time unpaid. These additional amounts shall be deliverable to the City, in available funds, within 10 calendar days of the date of demand.

Payments made by the Private Parties to the City to pay Costs shall be nonrefundable to the Private Parties. The Parties agree and acknowledge that Costs paid by the Prior Parties prior to implementation of the Plan are eligible for reimbursement to each Private Party pursuant to the relevant Plan provisions applicable such Private Party.

5. No Property Substitution. This Agreement is specific to the parcels of properties identified in the Report. As a result, no substitution of property by any Private Party is permitted. Removal of a parcel of property from the Plan will result in the applicable Private Party's removal from this Agreement (in which case Capacity shall be reallocated as specified in Section 5 hereof).

6. Termination of Agreement; Release/Expulsion of Parties. This Agreement shall remain valid and in effect until completion of the Scope of Work or superseded by Plan implementation. At its discretion, the City may, in writing, release a Private Party herefrom upon the City's receipt of written request of such Private Party that specifies its reasons for requesting release. Release of a Private Party herefrom shall result in a termination of that Party's participation in the Plan and the Capacity allocated to such Private Party pursuant to Section 1 hereof to be reallocated to the City.

The City is engaging the Engineer and authorizing commencement of the Scope of the Work in advance of the Plan's effectiveness at the request of the Private Parties. Further, execution of the Plan requires coordinated, timely performance by all Parties and their consultants. Accordingly, the City expressly reserves the unilateral right to terminate a Private Party's continued participation under this Agreement for nonperformance, which termination shall be conditioned on at least five days' prior written or verbal notice of such nonperformance to the nonperforming Private Party. Termination of a Private Party herefrom shall result in a termination of that Party's participation in the Plan and the Capacity allocated to such Private Party pursuant to Section 1 hereof to be reallocated to the City.

7. Covenants. The Parties covenant that each will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Agreement. Each of the Parties covenants that it is duly authorized under the laws of the State of Texas to execute and deliver this Agreement and to perform its respective duties and obligations hereunder.

8. Covenants Evidencing Qualifications to Contract with a Texas Political Subdivision. Each of the Private Parties represent that neither it nor any of its parent company, any wholly- or majority-owned subsidiaries, or other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on any of the following pages of such officer's Internet website:

https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or
https://comptroller.texas.gov/purchasing/docs/fto-list.pdf.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, as amended, and to the extent such Section does not contravene applicable Texas or federal law and excludes one of the Private Parties and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. Each of the Parties understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with such Party and exists to make a profit.

To the extent this Agreement constitutes a contract for goods or services within the meaning of Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, each of the Private Parties hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section, to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by such Senate

Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, each Private Party verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of the applicable agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law.

As used in the foregoing verification and the following definitions,

(i) 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association,

(ii) 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or

propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and

(iii) 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code

9. Notice. Any notice required or permitted to be delivered hereunder shall be in writing and shall be deemed received on the earlier of (i) actual receipt by mail, Federal Express or other delivery service, fax, email or hand delivery; or (ii) three (3) business days after being sent by United States mail, postage prepaid, certified mail, return receipt requested, addressed to a Party, as the case may be, at the address stated on the applicable signature page hereto.

10. No Oral Modification; Amendments in Writing. This Agreement may not be modified, amended or altered except by an agreement in writing signed by the City and the Private Parties that at such time are parties hereto; provided, however, that Schedule I hereto may be modified to accommodate the City's addition or removal from time to time of any Private Parties hereto (any of which additions or removals shall not be considered an amendment or modification hereto and may be undertaken by the City at its sole discretion and without necessary consent from any of the other Private Parties that are at such time a party hereto); provided further, however, that no modification to Schedule I by the City shall result in an increase to a then-participating Private Party's Allocated Capacity unless agreed to in writing by that Private Party.

11. Governing Law. This Agreement has been prepared, is being executed and delivered, and is intended to be performed in the State of Texas, County of Medina, City of Castroville, and the substantive laws of such state and county shall govern the validity, construction, enforcement and interpretation of this Agreement.

12. Severability. If any covenant, provision, or agreement of this Agreement shall be held illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement, then and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and that this Agreement shall otherwise continue in full force and effect.

13. Entirety This Agreement embodies the entire agreement between the Parties, and supersedes all prior agreements and understandings, if any, relating to the subject matter hereof.

14. Binding Effect and Assignment. The terms of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives; provided, however, that none of the Private Parties may, without the prior written consent of the City and evidence that all Costs at such time and owing by the assigning Private Party have been paid, assign any rights, powers, duties, or obligations hereunder; provided further, however, that

this Agreement shall not inure to the benefit of any party other than the Parties. Notwithstanding the foregoing, assignment by a Private Party to a parent, subsidiary, affiliate entity or newly-created entity resulting from a merger, acquisition or other corporate restructure or reorganization of the Private Party, or to any entity owned or controlled, or under common control, directly or indirectly by Private Party, or to a designated assignee thereof (as identified on such Private Party's signature page hereto) shall not require the City's consent, so long as no Costs are owed by the assigning Private Party at the time of assignment. The assigning Private Party shall notify the City in writing as of the effectiveness of any such assignment.

15. Headings. Section headings are for convenience of reference only and shall in no way affect the interpretation of this Agreement.

16. Counterparts. This Agreement may be executed in any number of counterparts, all of which taken shall constitute one and the same agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart.

17. Time of the Essence. Time is of the essence of this Agreement and undertaking and implementing the objectives hereof.

18. Construction. The parties hereto acknowledge that such parties and their respective counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

* * *

EXECUTED this 9th day of August, 2022.

CITY OF CASTROVILLE, TEXAS

By: _____

Name: DARRIN Schroeder

Title: MAYOR

Address: 1209 Fiorella Street
Castroville, Texas 78009

EXECUTED this 5th day of August, 2022.

HWY 90 CASTROVILLE PARTNERS, LTD

By: J.W. Collins Jr

Name: Will Collins

Title: Managing Member

Address: 4040 Broadway, Suite 508
San Antonio, Texas 78209

EXECUTED this 5th day of August, 2022.

VICTORY LANE PARTNERS, LTD

By: _____

Name: Greg Gibson

Title: Co-Manager

Address: 9311 San Pedro Ave., Suite 850
San Antonio, Texas 78216

EXECUTED this 3 day of August, 2022.

DICKERSON TAUSCH PROPERTIES, LLC

By: _____

Name: Terry Dickerson

Title: Mgr.

Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

CROWN MONEY, LLC

By: _____

Name: Terry Dickerson

Title: _____ Mgr

Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

MKT 179, LLC

By: _____

Name: Terry Dickerson

Title: _____ Mgr

Address: c/o Richard Wesley Russell
Attorney for Dickerson Tausch Properties, LLC
413 Lafayette
Castroville, Texas 78009

DocuSign Envelope ID: 2E027DD4-5AEE-4356-A6AF-05352BDFB731

EXECUTED this 9th day of August, 2022.

CASTROVILLE HOLDINGS CO. LTD.

By: _____

Name: Hugo A. Gutierrez, Jr.

Title: Managing Partner

Address: 19230 Stone Oak Parkway, Suite 30
San Antonio, Texas 78258

McCOY-JONES VENTURES, LLC

By: _____
4CD47D77CB10489...

Name: Odis Jones

Title: Manager

Address: 77 Sugar Creek Center Blvd, Suite 405
Sugarland, Texas 77478

SCHEDULE I

Parties to Agreement

- HWY 90 Castroville Partners, LTD
- Victory Lane Partners, LTD
- Dickerson Tausch Properties, LLC
  Crown Money, LLC
  MKT 179, LLC
- Castroville Holdings Co. Ltd.
  McCoy Jones Ventures, LLC

EXHIBIT A

REPORT ON RECOMMENDED WATER IMPROVEMENTS FOR ALSATIAN OAKS DEVELOPMENT PHASE II AND FOUR ADDITIONAL SUBDIVISIONS

EXHIBIT B

SCOPE OF WORK AND ESTIMATE COST

MASTER SERVICES AGREEMENT – TASK ORDER 16

THIS CONTRACT effective this 28th day of June, 2022, by and between City of Castroville (hereinafter referred to as the "Client"), and RESPEC Company, LLC, a company authorized to do business under the laws of the State of Texas with an office at 407 Paris St, Suite 1, Castroville, TX 78009 (hereinafter referred to as the "Consultant").

WITNESSETH:

The Client is a State of Texas Municipality. This Master Services Agreement is agreed such that the Consultant can provide engineering and consulting services in support of the Client.

WHEREAS, the Client desires to retain the Consultant to perform certain services as hereinafter set forth, and the Consultant wishes to perform such services, upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, the parties hereby agree to amend the agreement as follows:

EXHIBIT A - Scope of Services

Add:
Base Services

This project is proposed to develop a new groundwater source, treatment, a new pressure zone, and water storage. The site is expected to be in the northeastern corner of the development known as Alsatian Oaks. The facilities are expected to include;

- new well and planning for future well location onsite;
- chlorination;
- disinfection contact facilities;
- connecting pipelines;
- site power requirements and backup power;
- security fencing and facility access;
- pumping;
- interface with existing pressure zone; and
- either an elevated tank or ground storage and elevated combination of roughly 1.5 MGD to serve approximately 5,000 living unit equivalents (LUEs).

Consultant will complete the following scope:

- Task 1 – Finalize Conceptual Design and Planning
  - Finalize exact site location and size of facilities.
  - Prepare draft easement for sanitary control – coordinate with property developer's engineer for legal description, and potential plat of proposed well site.
  - Determine final facilities configuration and sizes.
  - Develop a process flow diagram complete with sizes of all facilities.
  - Review permitting requirements and begin process.
  - Review FAA standards for height restrictions and/or lighting requirements for elevated structures

- Review specific design requirements for water demand and verify approach for balancing elevated capacity needs and/or ground storage capacity.
- Establish proposed water system model based on new pressure zone and how that new zone interfaces with the existing City pressure zone.
- Define facilities necessary to treat the water (assumes disinfection through chlorine and contact time);
- Prepare treatment scheme.
- Prepare facilities layout plan, preliminary site plans, opinion of probable construction costs, and process flow diagrams; and
- Present facilities layout and sizing to City for feedback.

- Task 2 – Preliminary Engineering
  - Develop more detailed site plan and layout of facilities including yard piping;
  - Develop plan views of facilities, including location and nature of pressure zone interface with current pressure zone;
  - Develop plan views of connection piping and yard piping
  - Prepare ultimate water main sizing for distribution from the new water source to the overall water system;
  - Develop hydraulic profile of facilities making up new source of supply
  - Develop and layout plan for treatment, equipment, and contact time requirements
  - Prepare a preliminary control narrative outline
  - Prepare initial plan and profile of tank requirements
  - Prepare Opinion of Probable Construction Costs; and
  - Present preliminary plans to City for feedback.
- Task 3 – Final Design and Permitting
  - Develop construction documents for new well, storage and associated improvements.
  - Develop full plans including all sections, profiles, and plan views, as well as necessary details.
  - Prepare technical specifications for all materials, equipment and construction. Note specifications will be in CSI format and consistent with any Castroville adopted
  - Submit plans and application for approval to Texas Commission on Environmental Quality. Provide follow-up with TCEQ for approvals of new source of supply system.
  - Establish new water system ID for the new production facility.
  - Obtain final approval for electrical upgrades to the facility and work with City to have CPS Energy scheduled.
  - Achieve final permit requirements for well construction from the Edwards Aquifer Authority.
  - Submit any portions of the work that require building permits for required permitting
  - Prepare Final Opinion of Probable Construction Costs based on final design plans; and
  - Finalize construction documents for bidding purposes.
- Task 4 – Bidding
  - Issue Construction documents and specifications for solicitation.
  - Respond to Requests for Information (RFIs);
  - Issue addenda as necessary; and
  - Provide feedback on responsive contractors for construction of new well production facility.

- Task 5 – Construction Phase services
  - Attend construction progress meetings.
  - Review submittals.
  - Respond to RFI's as necessary; and
  - Construction administration services and oversight.
- Task 6 – Close Out
  - Coordinate with Contractor and Subconsultants for record drawings

Assumptions:

- Purpose of this effort is to develop construction documents for the creation of a new source of supply and pressure zone which would include new water plant site to include a new well, storage capacity, water main extension to connect to the existing water system and associated improvements.
- Based on feedback from the Alsatian Oaks Feasibility, the site at the northeast corner of the Alsatian Oaks Master Plan area will be utilized for these improvements.
- City has adequate water rights to support the proposed water plant capacity.
- Cursory review request via the FAA system will be submitted for the elevated tank. It is assumed additional studies for FAA compliance are not required.
- Construction phase services assumes a 12-month construction schedule.

Exclusions:

- Fees
- Materials Testing
- Land Acquisition

EXHIBIT B – Compensation

Add:
The base contract is amended to include a not-to-exceed lump sum amount of $1,096,540 and work will commence on June 28, 2022.

IN WITNESS WHEREOF, the parties hereto have signed their respective names on the date first above written.

City of Castroville	RESPEC Company, LLC
By _____	By _____
Title City Administrator	Title Sr. Vice President
Date JUN. 30, 2022	Date 06/28/2022

Exhibit N

AIRPORT PROXIMITY CONSENT

Instructions for the Airport Zone Disclosure Form

(1) Written notice that the residential property to be sold or leased is within an established Airport Zone shall be disclosed to the buyer/lessee as soon as possible after the start of the transaction. All advertising materials for the property should include the pertinent Airport Zone information, including all applicable zones, the name of the public airport, and references to where the buyer/lessee can find more information in relation to Airport Zones. Information about disclosure requirements in relation the Airport Zones, as well as other pertinent Airport Zone requirements, may be found in the Castroville Zoning & Development Code which is available on the City of Castroville web page at www.castrovilletx.gov.

(2) The determination as to whether the property lies within an Airport Zone or any other applicable zone may be made by using the Castroville Interactive GIS Mapping System. The GIS portal can check if any of the Airport Zones apply to a particular parcel of land through by comparing the embedded Medina CAD parcel data with the airport zoning layer.

Alternatively, the Castroville Department of Planning, Zoning, and Development may make the determination upon the written request of the property owner or agent. The request must include the street address of the subject property as well as the parcel identification number (tax identification number) for the property. Requests may be submitted via e-mail (Permits@castrovilletx.gov).

(3) For sales transactions, a copy of the fully executed Airport Zone Disclosure Form shall be attached to the contract for sale. For lease transactions, a copy of the fully executed Airport Zone Disclosure Form must be attached to the lease agreement. For both sale and lease transactions, the Seller or Lessor is responsible for providing a copy of the fully executed Airport Zone Disclosure Form after closing of the sale or commencement of the lease to the Castroville Department of Planning, Zoning, and Development at 1209 Fiorella St. Castroville, TX 78009. The completed form may also be e-mailed to Permits@castrovilletx.gov.

(4) Failure to complete this form and follow the provisions of the Castroville Zoning & Development Code could subject a property owner and/or sales agent to penalties or fines as set forth in the laws and ordinances of the City of Castroville. For more information regarding the designated areas listed above, the possible impacts due to the proximity of public airports, and the zoning requirements, please contact the Castroville Department of Planning, Zoning, and Development at 830-931-4070 or visit the website at www.castrovilletx.gov/2215/Community-Development.

DRAFT

STATE OF TEXAS

COUNTY OF

MEDINA

Airport Zone Disclosure Form

ATTENTION: Pursuant to City of Castroville Ordinance XXXX, any owner of residential property who sells or leases that property is required to disclose to buyers or lessees (for leases that run for more than seven (7) months) if the property is located, in whole or in part, within a Public Airport Notification Zone, and any other designated areas, as defined by the Castroville Comprehensive Plan and Land Development Code, and that said property may be subject to varying degrees of accident potential, noise, and other impacts from operations conducted at or above public airports. **This disclosure must be attached to the contract of sale or the lease agreement. The Seller or Lessor must provide a completed copy of this disclosure after closing of the sale or commencement of the lease to the Castroville Department of Planning, Zoning, and Development at 1209 Fiorella St. Castroville, TX 78009. The completed form may also be e-mailed to Permits@castrovilletx.gov).**

****

To be completed by Sellor/Lessor

Street Address of Property:

Parcel Identification Number of Property:

Public Airfield:_____

This property also lies, in whole or in part, within an area(s) designated as a(n):

Public Airport Zone	_____	Castroville Airport Zone 1	_____
Clear Zone/Runway Protection Zone	_____	Castroville Airport Zone 2	_____
Noise Zone 55 decibels or greater	_____	Public Airport Influence Area	_____
Castroville Airport Notification Zone	_____	Public Airport Influence Area	_____

****

**** CERTIFICATION**

As to Seller/Lessor:

Seller/Lessor:_____Printed Name:_____Date:_____

Seller/Lessor:_____Printed Name:_____Date:_____ Sales Agent:_____

_____License Number:_____

(Sales Agent/Realtor must sign if involved in the transaction)

As to Buyer/Lessee:

Buyer/Lessee:_____Printed Name:_____Date:_____ Buyer/Lessee:_____Printed Name:_____

_____Date:_____ Sales Agent:_____

_____License Number:_____

(Sales Agent/Realtor must sign if involved in the transaction)

This form must be affixed to the contract of sale or lease agreement.
Failure to complete this form and follow the provisions of Ordinance XXXX and the Castroville Land Development Code could subject a property owner and/or sales agent to penalties or fines as set forth in the laws and ordinances of Castroville County. For more information regarding the designated areas listed above, the possible impacts due to the proximity of public airports, and the requirements of Ordinance XXXX, contact the Castroville Department of Planning, Zoning, and Development at 830-931-4070 or visit the website at www.castrovilletx.gov/2215/Community-Development.

DRAFT

City of Castroville Aircraft and Airport Noise Disclosure Statement

The buyer hereby acknowledges that they are aware of the proximity of Castroville Municipal Airport. The buyer is also aware of flight paths that aircraft use to ingress and egress the airport and the proximity of the same to the lot and property that they have offered to purchase. The buyer also understands that existing and future noise levels at this location, associated with future airport operations, may have an adverse effect on the property. The buyer also understands that local airports have been at their present location for many years and that future demand and airport operations may increase significantly. For further information, please contact the Castroville City Administrator or the Airport Manager at1209 Fiorella St. Castroville, Texas 78009.

The Buyer acknowledge receipt of this disclosure.

Buyer's Signature	Buyer's Signature

DRAFT

City Administrator's Report

To: Mayor Alexander & City Council

CC: Staff

From: R. Scott Dixon, City Administrator

Date: January 20, 2026

Re: City Administrator's Report

Mayor and Council,

The items listed below are in no particular order and only cover some of the issues that have been inquired about or that council has requested to be kept up to date on. If you have any questions about any of these items or there are other things that you would like me to report on, please let me know.

Drainage Projects

Geneva Channel – Following the discussion with the Dybowsky's at the January 13th council meeting, staff measured and confirmed the width of the road. The portion of the public access that has been improved with road base is 12'7" at its most narrow and 13' 11" at its widest. In prior agreements with the homeowners, the City assured them that we would provide a minimum of 11' (typical width of a driving lane) to the end of the developable area (tree line) on the rear lot. The road beyond this point is not intended for vehicle traffic, it is a dirt path approximately 8' wide. Staff will continue to coordinate with the property owners to evaluate safety concerns and alternate ingress/egress options including the "flag" lot that council discussed.

No Change - Athens-area drainage – Once the Geneva channel is complete, staff will begin some of the other drainage projects that were identified in the Athens area. These include: additional street and bar ditch work on Gentilz, re-establishing bar ditches, establishing new bar ditches.

Country Village Channel – Staff is currently reviewing the Country Village drainage channel work that was planned to be completed by NP Homes for removal from the development agreement and completion by city staff. This work is substantially similar to the work that is nearly complete on the Geneva project. Staff will provide cost estimates and project scope as part of the CIP workshop later this month.

Garza Creek – Staff has developed the design-build bid specifications for the Garza Creek drainage project. The RFP for the project has been advertised. The project should be ready for council review and award at the March 10th meeting.

BMA Trail Access

The council agenda contains a proposed Interlocal agreement between the City of Castroville and the BMA to restore pedestrian access to the BMA canal trails. Staff will seek council input and direction related to this item.

Streets Maintenance and Paving Plan

Included with my prior report were the findings of the pavement study as well as recommended streets pavement repair and maintenance plan. Hopefully, council has had an opportunity to review, we will discuss it in greater detail at the CIP workshop on January 29th.

WWTP Pond Closure

No Change - TCEQ has approved closure of the two ponds. The east pond has been mostly emptied and has begun to be filled in. Following the directions that staff and council received regarding professional services that are provided by elected officials whether with or without compensation, staff will re-engage the City's engineer to coordinate a design for the pond closure process. The elements that need to be addressed are the road access to the WWTP, the slope and design of the hillside, and drainage around the WWTP and to the Medina River.

CPSE Dispute

Mayor Alexander has had recent communication with CPSE and we are hopeful that a meeting will be scheduled within the next month. Staff will continue to pursue resolution of the CPSE dispute and related items and will update council accordingly.

Community Center at Regional Park

The work on the Community Center building at Regional Park continues. The project is scheduled to be complete by the first week in May, sooner if possible. The USDA is currently behind on their payment application process (November and December), the total amount due is $46,000. Staff is pestering them as often as we dare. Staff will continue to update council on this project and its completion timeline.

Lion's Park Splash Pad

No Change - As reported previously, the splash pad is inoperable due to apparent leaks in the water and sewer systems. The concrete around the central hub of the splash pad has been removed to expose the water and sewer pipes. Included with this report are pictures of what was revealed. There are large cracks in both the water and sewer lines that appear to be the result of settling or lack of adequate fill and compaction (or both). These leaks in turn have caused large voids under the slab. Staff is in the process of determining whether sufficient repairs can be made to put the splash pad back into operation or whether the entire site needs

to be re-built. In either case, it is the position of the city staff that this is a warranty claim and should be remediated by those responsible as per the terms of our contracts for service and installation.

Facilitated Council Workshop

Staff is coordinating with Cathi Hight, the facilitator for the council workshop that will take place on February 27th and 28th. As part of this workshop, a council survey will be shared with current and future council members to collect perspectives on the current mission, vision, and core values; role clarification (for City Council members and City operations); how City Council and the City can work effectively together; anticipated strategic issues and priorities; expected outcomes of the workshop and plan; and suggested goals to focus on. This survey will likely be shared with council in the coming weeks.

Hwy 90 TxDoT Construction Project

No Change - Respec has submitted the city's response to the 'conflicts report' (a report that outlines potential areas where city utility services may need to be relocated based upon preliminary project scoping data) and it is currently under review by TxDoT. Staff has not received the 30% plans, and TxDoT has not provided an ETA for delivery. No projected cost estimates are available yet; this will be part of a joint bid, and further coordination is needed to discuss details once plans have been refined.

County Streets Plan

No Change - Staff followed up with Commissioner Sittre regarding the county streets work. He confirmed that he is continuing to coordinate development of an interlocal agreement with the County Attorney.

Multimodal Planning Effort

The TxDoT planning grant project to develop an active transportation plan for Castroville continues to progress. Staff will publish an update on the project that details the feedback that has been given through public engagement, and the (very) preliminary draft goals and recommendations the week of January 12th. The next community meeting is scheduled for February 2nd from 5 PM to 7 PM at the City Hall.

Medina County Public Utility Agency

The Medina County Rural Water Association (MCRWA) that was formed to investigate the feasibility of an aquifer storage and recovery (ASR) operation in Medina County is being converted to a Public Utility Agency in order to allow greater cooperation between the parties and (hopefully) greater access to State and federal funding. The Notice of Intent to create the PUA has been issued, as required. Council will consider this matter at the February 10th meeting.

Chamber Contract

Staff is working with Mayor Alexander, the Chamber Liaison, Councilman Marchman, other stakeholders, and the Chamber of Commerce to explore both the use of the City's hotel occupancy funds and the potential for a service contract with the Chamber of Commerce. Staff will continue to provide updates as this progresses.

TPWD Grant Award

Staff was notified on January 12th that our grant request with the Texas Parks & Wildlife has been recommended for funding by the TPWD staff. The final decision will be made by the TPWD Commission at a meeting that will be held on January 22nd in Austin. Jonah Chang will represent the City at this meeting. Staff will update council on the outcome at the January 27th meeting.

Warrant Roundup

Staff is coordinating with the municipal court and our local and regional law enforcement to conduct a "Warrant Roundup" in the month of February. The City currently has over 1,000 outstanding warrants that will be acted upon. Letters have been sent to those with warrants and a notice has been published to encourage people to take care of them so that they are not arrested in February.

There is a lot going on in the City of Castroville! If I have left anything out of this report, it was not intentional. It is my pleasure to serve the people of Castroville!

Thank you,



R. Scott Dixon, MPA

City Administrator, Castroville, TX

Airport Report – December 2025

Airport Monthly Report – December 2025

Prepared by: Michael Haley, Airport Manager

EXECUTIVE SUMMARY

Reporting period: Dec 01–31, 2025

Total fuel dispensed: 10,193.1 gal

Total fuel revenue: $39,389.45

POS-recorded gallons: 6,026.320 gal; POS sales: $26,969.02 across 254 transactions

FUEL SALES SUMMARY (By Type)

AVGAS – 13 transactions – 232.0 gal – $1,028.53

Jet A (CF) – 7 transactions – 1,366.0 gal – $0.00

Jet A – 61 transactions – 8,595.1 gal – $38,360.92

OPERATIONS REPORT – VIR TOWER (Dec 2025)

Reporting Period: Dec 01–31, 2025

Generated: Jan 14, 2026

SUMMARY OF OPERATIONS

Landings: 1,284

Takeoffs: 1,266

Total Movements: 2,550

PROJECTS

Before



After



New Sign


Ferdinand A.Tschirhart Terminal Building
AIRPORT
10500 Airport Road,Castroville 78009
CASTROVILLE MUNICIPAL



Office of Anton Haller, justice of the Peace, in the Joseph Carle House and Store Building, Madrid Street (Houston Square), circa 1940.

Just a reminder that we have online permitting. You can apply, pay fees, and check status! Here is the link. Citizen Portal (iworq.net)

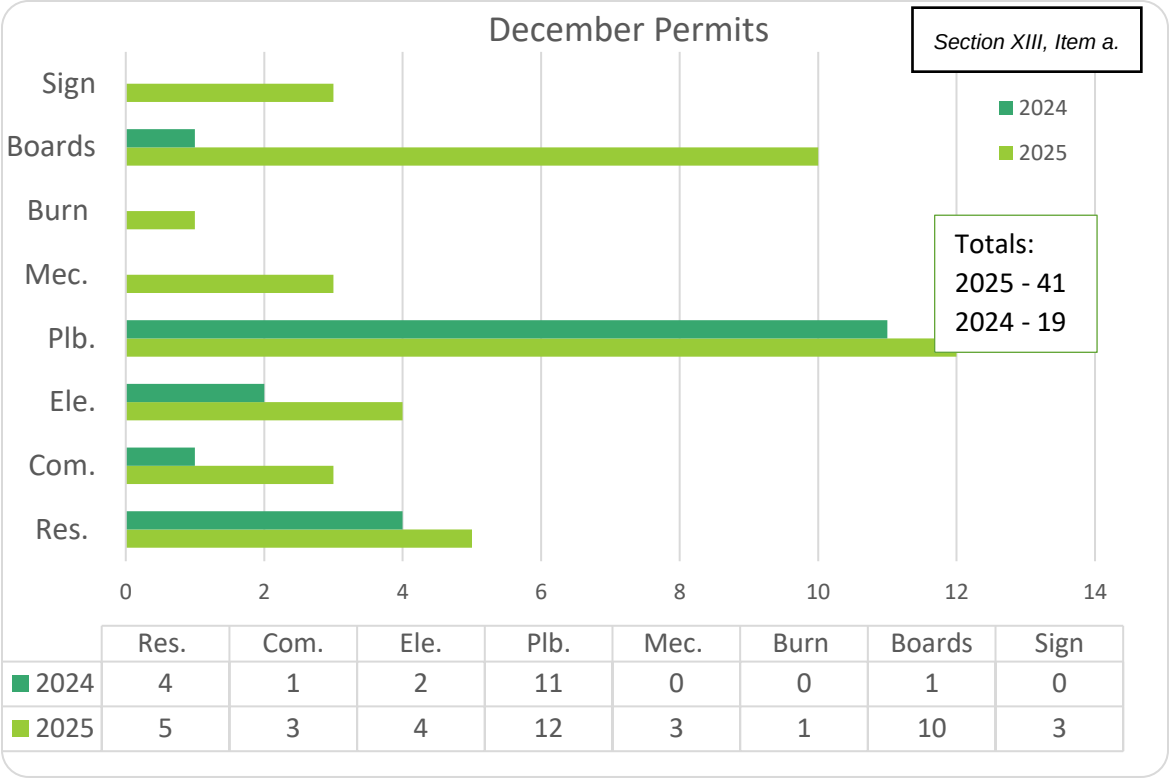
Monthly Community Development Report

NEW BUILDS

Pending Plan Review: 2

Approved and Issued: 6

Completed and Closed: 0



	Res.	Com.	Ele.	Plb.	Mec.	Burn	Boards	Sign
2024	4	1	2	11	0	0	1	0
2025	5	3	4	12	3	1	10	3

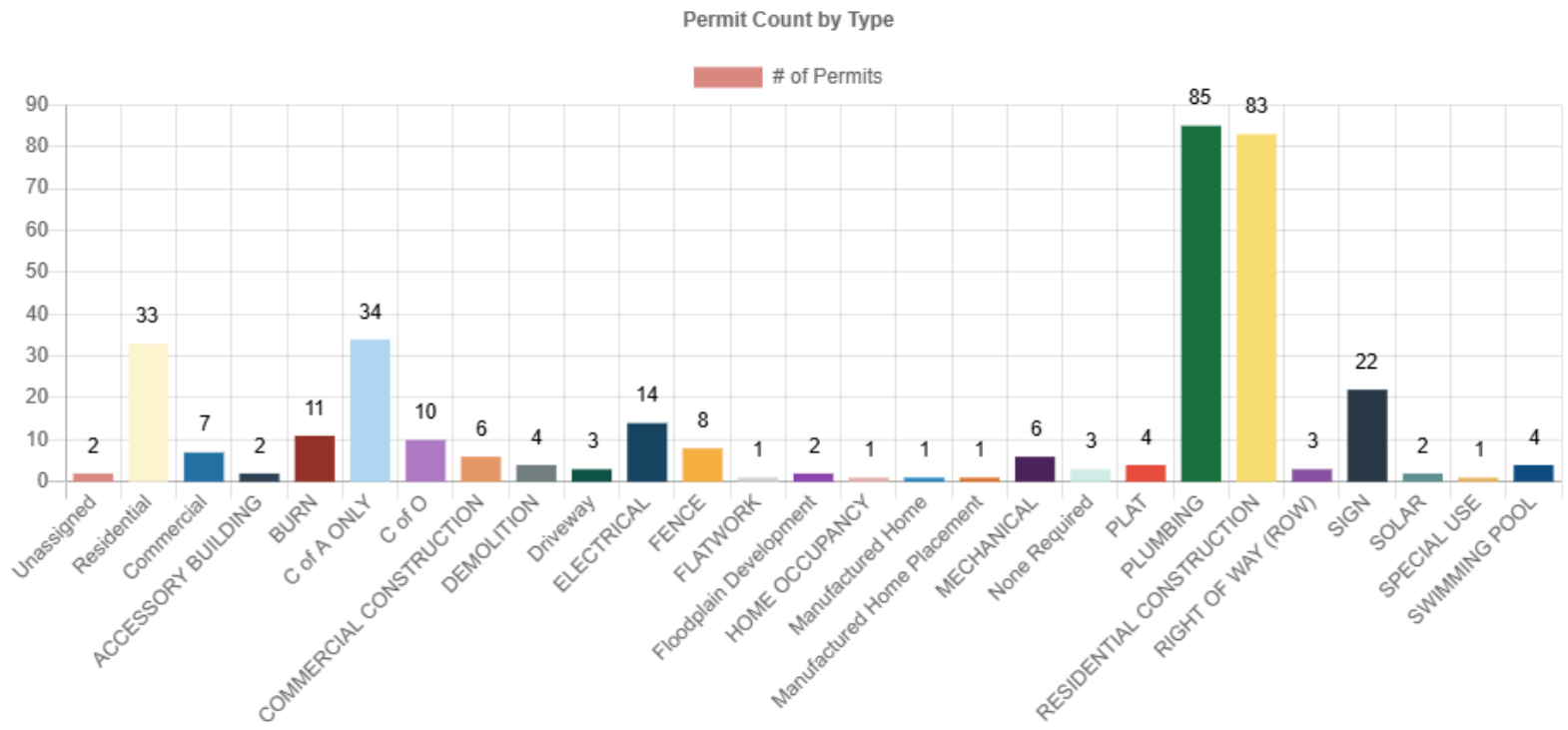
	2025	2024
Permit Fees	$34,615	$8,133

Boards and Commissions

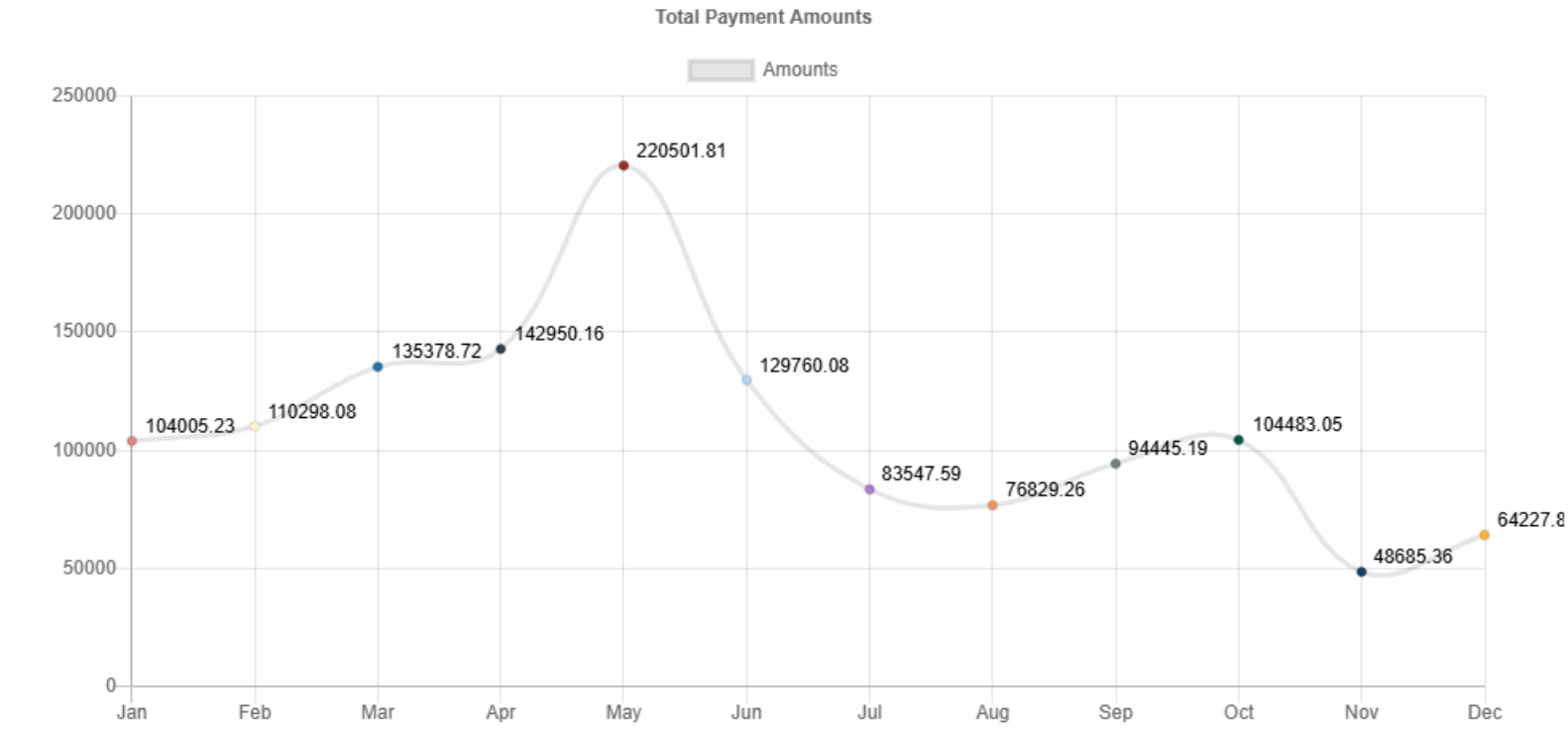
	HLC	P&Z	ZBOA
Next Meeting Date	January 20, 2026	January 14, 2026	TBD
Meeting Date and Items	DECEMBER 17th • 702 Paris St. – Approved • 505 Houston – Approved • 1109 Fiorella – Approved • 501 Vienna – Approved • 902 London – Approved • 405 Paris St. - Approved	December 3, 2025 • Discussion on Chapter 24 - Sign and Signage. - No action. Only for discussion. • Discussion of Temporary Storage • Victory Lane Development Agreement - Approved	December 29th • 803 Paris- Approved • 905 Lisbon- Denied

If you live in one of our 96 Historic Structures and need a plaque or would like to replace your existing one, please contact Breana.soto@castrovilletx.gov

2025 Wrap-Up



Permits by type for 2025



Total fee amount for 2025

Projects

Castroville's Active Transportation Grant

- ☒ Enroll in Local Government Project Procedures Qualification for TxDOT
- ☒ Submit Qualifications Statement and Risk Assessment
- ☒ ~~Create RFQ~~ – TXDOT provided another route since such a small project. (PTN)
- ☒ Meet consultant about scope of work.
- ☒ PTN signs Oversight Special Approval (SPA) form.
- ☒ Advanced Funding Agreement Resolution approval by City.
- ☒ TXDOT approves contract.
- ☒ Bring to Council for input on how to move forward – August 12th meeting.
- ☒ Bring to Council for stakeholder committee– Tentatively scheduled for September 23th meeting.
- ☐ Public engagement meetings – National Night Out, Boo Bash. Public Engagement on 2-2-2026
- ☐ Receive feedback, create draft plan
- ☐ Open public comment period
- ☐ Bring findings to City Council
- ☐ Receive feedback, create final draft
- ☐ Bring to P&Z for adoption
- ☐ Bring to City Council for adoption

Garcia Creek Report

- ☒ Obtain & review data: Right of Entry, Records Search
- ☒ Field Survey: Field Data Collection, Digital Data Entry
- ☒ Engineer Site Visit
- ☒ Hydraulic Modeling
- ☒ Channel/Slope Stability Analysis: Field Investigations, Lab Tests, Draft Eng. Reports
- ☒ Presentations to City Council – Either of the June 24th or July 8th Meeting
- ☒ City Council will decide how to move forward with project – Design/ Build
- ☐ Go through RFP Process – Advertise on January 19th
- ☐ Start engineering/necessary action

Airport Zoning

- ☒ Update zoning and regs
- ☒ Create GIS Portal for public review
- ☒ Present to Council for review
- ☒ Reach out to County for input – No movement or input from County
- ☐ Create Joint Airport Zoning Board
- ☐ Review of zoning regulations by JAZB
- ☐ Public hearing for public input

Throughfare Plan

☒ Meet with County about alignment with County plans.

☒ Meet with TXDOT about alignment/ discrepancies with TxDOT plans.

☒ Meet with County engineer about suggestions from TxDOT. TxDOT had a lot of great suggestions.

☐ Directed to move forward with adoption of thoroughfare plan. Waiting on engineer to send revised plan for Council to review.

☐ Bring to City Council for review.

☐ Make changes to plan per Council recommendation.

☐ Send out required public notifications.

☐ Bring to City Council for approval.

January 2026 **Library Director Report** **Beth Farley**

Library Growth & Expansion Planning
The Castroville Public Library continues to see steady growth in both patron visits and community demand for services. I am currently collaborating with the Library Advisory Board on a three-year expansion plan that will help ensure we are able to meet our community's evolving needs. I will be presenting updates at the next City Council CIP meeting in January. For a list of current programs, you can look at the calendar. One of my 2026 goals is to help support local businesses by providing a space for them to come, showcase their business, provide a hands on informational class or activity.

To support this growth, we are pursuing additional parking. I am actively working on a grant application through LCRA in the amount of $20,000, which would fund the project if awarded.

Accreditation
It is once again time for accreditation renewal. I will be working through this process diligently over the next several months to ensure we remain fully accredited and compliant.

Children's Rug & Donation Funds
$500.00 was donated to the library from a mother who attends story time. She would like this money to go towards the children's room, either durable carpet or some folding chairs. We have picked out a carpet. The FOL has also received $500.00 for a grant to go towards the children's room. This will be for durable, wipeable bean-bag chairs and towards the carpet.

Children's Room Usage & Safety Compliance
We removed the existing children's furniture due to unsanitary conditions and safety concerns. Additionally, the Fire Marshal advised that the occupancy limit for the room is 30 people, and each piece of furniture reduces capacity by two individuals. Because demand for Story Time continues to rise, (38-50 we've added a second session on Tuesdays led by Erin to help alleviate the overcrowding we are experiencing which are positive signs of our continued popularity with young families.

Facility Improvements
To enhance accessibility and safety, we have installed new ramps and repainted exterior safety markings. I have submitted a request for a flood light above the handicapped parking area, which is currently unlit. I have also requested a light installation near the dumpster due to ongoing illegal dumping activity and a recent incident involving a dead animal being left onsite. I have also followed up with Debra Howe at City Hall regarding a lock for our dumpster. I was encouraged to purchase a combination lock and give the code to the company. Stephen Ayers will be helping me with this project.

Patron Safety & Staff Training
We are seeing an increase in patrons experiencing homelessness and mental health challenges. Recently, police intervention was required when a patron expressed intent to self-harm. To ensure staff are prepared and confident in responding to crisis situations, I am seeking training

opportunities dealing with mental health issues so that we are prepared to keep all patrons and staff members safe.

Staffing & Security Enhancements
To maintain safe operations and ensure customer service coverage, I am now scheduling two staff members at the service desk at all times. Additionally, a security camera has been installed at the circulation desk so I can monitor staff safety from the office. Exterior cameras will be added to our strategic plan. We have fixed our phone system so that the staff can buzz me in the office when they need me to come out to the floor and help.

Staff additions:

Toni Draper – Retired Spanish Teacher, specializing in ESL & Spanish Literature … Adult business classes

Grace Ann Daily – Artistic and specializes in Social Media Marketing – she will be tag-teaming with Jordan to grow our social media via FB, Instagram and other forms of social media building up to a business account with Facebook.

Adrian Callous – Retired School Teacher – mature, mostly service desk but will be adding other projects as needed.

Director's three main goals for 2026:

- continual pursual of grants
- accreditation (very lengthy process)
- visiting and supporting more local businesses
- safety training for staff
- Focus on our 3-5 year expansion plan.

List of grants that I've submitted the last quarter of 2025:

B	C	D	E
Project name	**Access**	**Project owner**	**Project owner email**
new doors/security system ALA Grant	completed and submitted	Beth Farley	beth.farley@castrovilletx.gov
ESL and College Prep courses	completed and submitted	Beth Farley	beth.farley@castrovilletx.gov
Customer Service Training through PLAN	completed and submitted	Beth Farley	
Senior Programs for Dementia	completed and submitted	Beth Farley	beth.farley@castrovilletx.gov
technology/pay for summer help	completed and submitted	Beth Farley	beth.farley@castrovilletx.gov
2025 Summer Staff $ and programs	completed and submitted	Beth Farley	beth.farley@castrovilletx.gov
2025 childrens room improvements $2,000.00	completed and submitted	Beth Farley	beth.farley@castrovilletx.gov
2026 outside garden preservation	completed and submitted	Beth Farley	beth.farley@castrovilletx.gov
Mental Health classes	completed and submitted	Beth Farley	beth.farley@castrovilletx.gov
ESL; Spanish literature and iPads	completed and submitted	Beth Farley	beth.farley@castrovilletx.gov
Large Print Collection	completed and submitted	Beth Farley	beth.farley@castrovilletx.gov
Floor Covering in Childrens library	completed and submitted	Beth Farley	beth.farley@castrovilletx.gov
ADA compliant doors and sidewalks (ALA) very competetiv	completed and submitted	Beth Farley	beth.farley@castrovilletx.gov
On line health literacy programs for adults	completed and submitted	Beth Farley	beth.farley@castrovilletx.gov
Garden Series with Children raised beds/compost	completed and submitted	Beth Farley	beth.farley@castrovilletx.gov

City of Castroville Parks & Recreation Department

Monthly Report: December 2025 & Year to Date 2025

Submitted by: Jonah Chang, Director of Parks & Recreation

1. Department Overview & Updates

- Community Center Construction:
  - Construction is back underway, windows have been installed and roofing install has begun.
  - The last construction schedule was sent out December 1, projecting Owner move-in March 25th, 2026. **However**, this does not account for the rain delays which are projected to be 26 Calendar days, moving owner move-in to April 30th, 2026
- Swimming Pool Covers:
  - Order has been placed and measurements have been triple confirmed with Recreonics.(Attachment #1)
- Splash Pad:
  - Excavation & repairs are currently underway. There was substantial damage to the center drain & the underground components(Attachment #2, #3, & #4.) The water supply line and sewer line are completely severed, and the center drain is sitting approximately 1 inch above the pad. The plan is to lower the center drain to keep the slope necessary and then repair all plumbing & sewer components. Once the plumbing has been repaired, a pressure test will be conducted to ensure no other leaks are hidden further down the lines. After a successful pressure test, the backfill process will begin. Since there is such a large void, we will most likely need to repair other areas of the pad with flowable fill or leveling foam.
- BMA Agreement:
  - I am pleased to inform you that the BMA Board of Directors were open and willing to discuss a new/updated Interlocal Agreement. They authorized their staff & attorney to begin reviewing the updated interlocal agreement and to work together to come up with an implementation plan. There are a few items that they would like to see in the updated agreement:
    - Gate installation by professionals to include key pads vs remotes.
    - Keep a shorter term length of 1 year that is automatically renewed unless 60 days written notice is given to either organization for termination.
    - Notify BMA Staff/Board about any repairs/maintenance being done on the canal with city equipment & vehicles. Routine maintenance/observation may not require a notice to BMA.
    - Add pictures & examples: Trail barrier signage, Interpretive panels, Map outlining City trail & BMA canal

- TPWD Grant Update:
  - We received work from Jessica Acosta at Grant Works & Dan Reece with TPWD that our Local Park application will be recommended for funding at the Texas Parks and Wildlife Commission meeting held on January 22nd!
- CIP Projects:
  - I am working on updating the CIP for Parks & Recreation and will use the most recent prioritized projects list that the Board discussed and approved.
- Master Plan Updates:
  - I plan to present to City Council at their January 27th meeting some updates to the Master Plan, which include the Lions Park Update & other miscellaneous updates i.e. updated city seal, add Council resolution, etc.
- Parks Special Project Fund:
  - The Parks & Recreation Advisory Board authorized the use of funds to purchase the pool covers from Recreonics. We have not received the final bill and therefore no change to this fund has been made.
- Parks & Recreation Advisory Board Meeting Time:
  - Would the Parks & Recreation Advisory Board like to change the regularly called meeting time from 6:00 pm to 6:30 pm?

2. Programs & Events

- Old Fashion Christmas

3. Staffing

Type:	**Status:**
Full-time Staff:	5 positions filled
Part-time Staff:	1 position filled(Facilities)
Pool Staff:	6 positions filled

4. Upcoming Priorities & Projects

- Tree Replacement (Garden of Roots & Lions Park)
- Garden of Roots Tree Sign Installation
- Continued monitoring of the Community Center construction
- Upcoming Event Prep: Easter Weekend & Tour De Castroville

5. Reservation Report December 2025

Facility	Bookings
Regional Park- Volleyball Courts	0
Regional Park- Soccer Fields	10
Regional Park- Amphitheater	0
Regional Park- Area Rentals	2
Regional Park- Pavilion Rentals	5
Regional Park Table Rentals	6
City Pool- Parties	0
RV Park Bookings	40
Regional Park- Tent Camping	3

6. Reservation Report YTD 2025

Facility	Bookings
Regional Park- Volleyball Courts	17
Regional Park- Soccer Fields	10
Lion's Park- Athletic Field	1
Lion's Park- Softball Field	40
Regional Park- Amphitheater	2
Regional Park- Area Rentals	75
Regional Park- Pavilion Rentals	106
Regional Park Table Rentals	286
City Pool- Parties	80
RV Park Bookings	585
Regional Park- Tent Camping	18

7. Work Orders & Repairs December 2025

Department	Problem Code	# of Work Orders
Parks: 102 Total	007: City Parks Maintenance	1
	500: City Parks Maintenance	17
	501: City bldg. Maintenance	2
	505: Equipment Repairs & Maintenance	0
	510: Regional Park Maintenance	29
	515: RV Park Maintenance	1
	520: Swimming Pool Maintenance	1
	530: Lions Park Maintenance	8
	535: Splash Pad Maintenance	0
	599: Misc. Facilities & Parks	24
	801: Weeds/Overgrown Brush	0
	802: Mowing & Weed Eating	15
	806: Tree Issue (Trim & Clear)	1
	819: Misc Streets	0
	978: Vehicle & Equipment Maintenance	3
Facilities: 17 Total	500: City Parks Maintenance	0
	501: City Bldg. Maintenance	11
	506: Flags	0
	515: RV Park Maintenance	0
	520: Swimming Pool Maintenance	4
	599: Misc. Facilities & Parks	2
TOTAL: 119 Work Orders		

8. Work Orders & Repairs YTD 2025

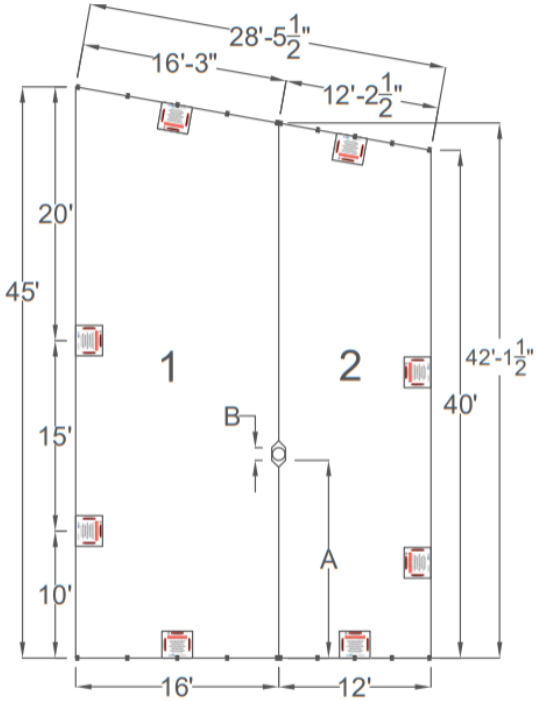
Department	Problem Code	# of Work Orders
Parks: 1,323 Total	007: City Parks Maintenance	1
	500: City Parks Maintenance	130
	501: City bldg. Maintenance	15
	505: Equipment Repairs & Maintenance	19
	510: Regional Park Maintenance	425
	515: RV Park Maintenance	25
	520: Swimming Pool Maintenance	23
	530: Lions Park Maintenance	123
	535: Splash Pad Maintenance	6
	599: Misc. Facilities & Parks	212
	801: Weeds/Overgrown Brush	9
	802: Mowing & Weed Eating	43
	806: Tree Issue (Trim & Clear)	21
	819: Misc Streets	3
	978: Vehicle & Equipment Maintenance	10
Facilities: 258 Total	500: City Parks Maintenance	7
	501: City Bldg. Maintenance	157
	506: Flags	2
	515: RV Park Maintenance	8
	520: Swimming Pool Maintenance	47
	599: Misc. Facilities & Parks	37
TOTAL: 1,581 Work Orders		

Customer Signature

ThermGard®

UNIVERSAL FILTRATION INCORPORATED

ATTACHMENT #1



THIS DRAWING AND ALL INFORMATION CONTAINED HEREIN ARE PROPERTY OF UNIVERSAL FILTRATION, INC. USED WITH WRITTEN PERMISSION ONLY

ThermGuard® Insulated Swimming Pool Covers

Style
- ■ 1010 STD
- ☐ 1014 RS
- ☐ 1212 DLX
- ☐ 1214 XL
- ☐ ULTRA

Edging
- ☐ Hemmed
- ■ Weighted

Accessories
- ☐ Long Panel ____
- ☐ Wide Panel ____
- ☐ RPE Option
- ☐ Hinge ____

Warning Label

Grommets
☐ #2 Edge ___ ☐ No Grommets
■ #4 End w/ Dowel Fasteners 5 per end

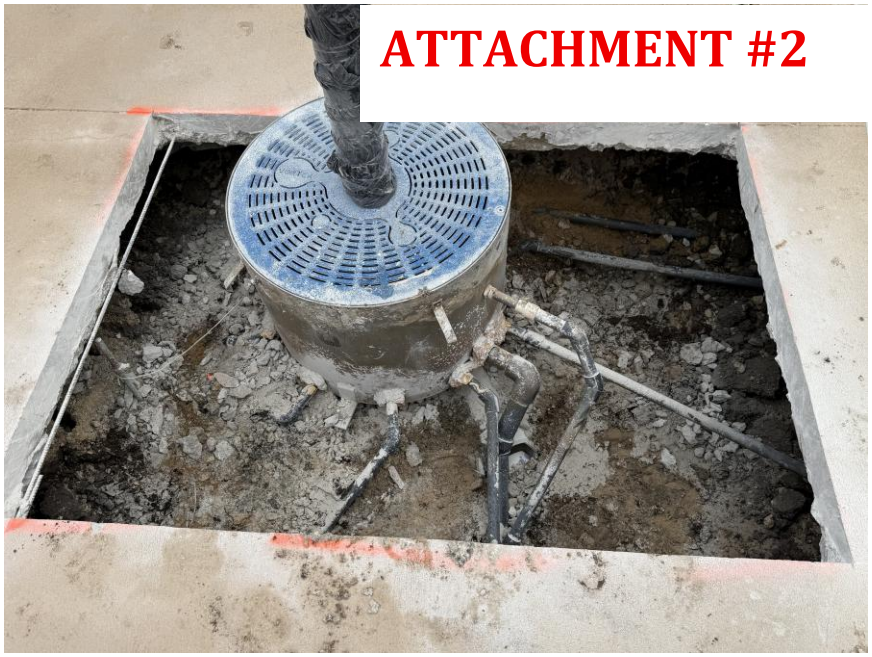
Cut-Outs Indicate A &B

Location	PO#	Date	Drawing #
Castorville	8609271	011326	1 of 1

Distributor
Recreonics

Revised - 1
Drawn by SEG

P.O. Box 400 • 601 N. First Street
Hamilton • Montana • 59840 • USA
406-363-2955 • fax 406-363-2966
www.thermgard.com • sales@uni-fil.com



ATTACHMENT #2



ATTACHMENT #3



ATTACHMENT #4

STAFF REPORT

DATE: January 09, 2026

TO: Scott Dixon, City Administrator

FROM: Jim Kohler, Chief of Police

SUBJECT: December Monthly

Grants

Officer Sapper completed 3 additional grants in December. CC agenda in January.

Generator grant at request of FEMA. Still Pending- we called and no other update. Will continue to call them.

Border Patrol notified they have 70K earmarked for equipment for Castroville will meet soon to discuss with them. Update: Request letter sent to Border Patrol for new Tahoe, 84K. Pending. **Update:** first of December we called and government shutdown affected this- Still pending though.

We are working on the flock final details of the LPR in which we were approved for 9 LPRs and 3 fixed cameras. Update: **UPDATE** They have completed 75% of the installations around the city. Thus far, we have recovered one stolen vehicle and helped SAPD with another stolen vehicle where the driver had multiple warrants. SAPD did release press release and included Castroville PD as an assisting agency.

If we are awarded the Operation Lone Star Grant. UPDATE: Approved for 100K.This includes monies for overtime and equipment. **Update:** Officers are now working overtime, and we have been purchasing equipment that includes a new ATV that seats 4.

Emergency Management

They are doing regular tests of the siren. EM is putting on a Public Information Officer (PIO) Class in January which by law we must have certified PIOs. Sending 2. **UPDATE:** This class was not on approved list, and we have scheduled an officer to attend one of the state approved PIO classes. FYI: This is state-mandated that every police/ sheriff's department has a designated PIO.

Internal Happenings

We are working with the DEA after Officer Sapper found an estimated 100K cash in a vehicle he stopped because he had warrants. The suspect was charged with Felon in Possession of Firearm, Resisting Arrest and served with the warrants-Suspect had lengthy criminal history including prior charges of drugs & guns along with assaultive offenses.

We have submitted all questions on the questionaire for the police facility needs to the firm.

Continue to have supervisors meetings.

Working on Blue Santa for the community. **UPDATE:** Blue Santa was a succcess and Officer Sammy Thomas did a great job.

The PD also partnered with several local community members to help with Christmas gifts and we have been doing this the last 3 years.

FYI: We submitted 51% more cases in 2025 than in 2024 to the District Attorney. This is mostly due to self=initated activity by the police officers and being fully staffed. Adding the new detective came at the right time.

We also had 5,921 traffic stops in 2025. FYI: No formal complaints were made which speaks volumes on our staff.

Equipment:

Still waiting on delivery of Ford Explorer that was approved by CC. **UPDATE:** Vehicle delivered and is getting the equipment installed.

Still waiting on the FEDS to release funds for the Tahoe which was part of the Stonegarden Grant where we receive a fully outfitted police vehicle with no city funds being spent other than a 100% reimbursement.

All other equipment is functioning as it should.

Monthly Crime Report
Chief Kohler

December 2025

Major Crimes

ALL OTHER LARCENY	1
ALL OTHER OFFENSES	7
DRUG / NARCOTIC VIOLATION	1
FAMILY OFFENSE	1
SHOPLIFTING	6
SIMPLE ASSAULT	3
WEAPON LAW VIOLATIONS	1

Calls for Service

450

Reports Written

53

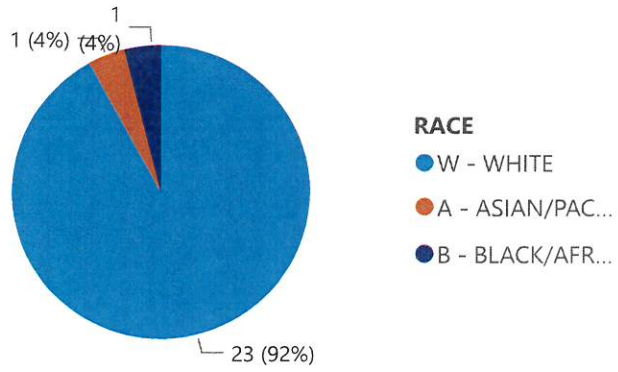
Citations

108

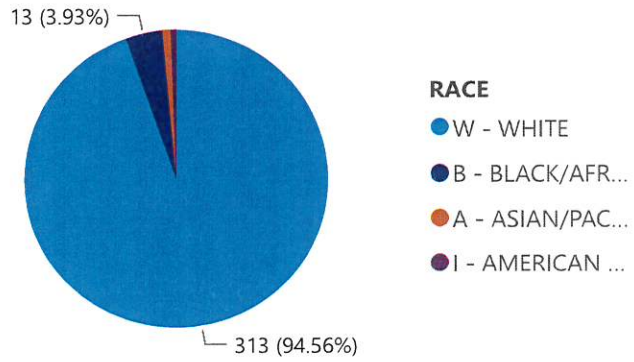
Warnings

226

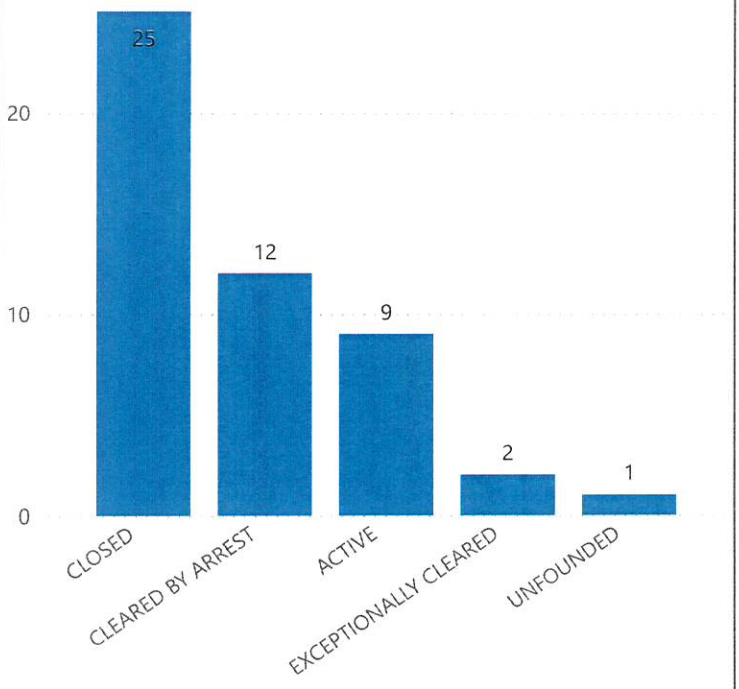
Arrests by Race



Citation by Race



Case Status for this month's reports



Castroville Police Department

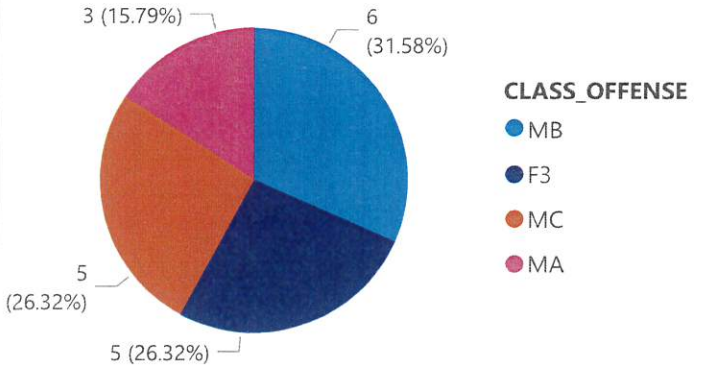
Chief of Police James Kohler

December | 2025

Calls for Service	Incidents Reported	Reports Taken
450	53	97

IBR_DESCRIPTION	Count of CASE_NUMBER
	43
ALL OTHER LARCENY	1
ALL OTHER OFFENSES	7
DESTRUCTION/DAMAGE/VANDALISM	2
DRIVING UNDER INFLUENCE	1
DRUG / NARCOTIC VIOLATION	1
FAMILY OFFENSE	1
SHOPLIFTING	6
SIMPLE ASSAULT	3
THEFT FROM MOTOR VEHICLE	1
TRAFFIC	5
WEAPON LAW VIOLATIONS	1
Total	**53**

Arrest by Offense Type



Total Arrests

18

Total Traffic Stops

167

Monthly Crime Report
Chief Kohler

December 2025

Major Crimes

ALL OTHER LARCENY	1
ALL OTHER OFFENSES	7
DESTRUCTION/DAMAGE/VANDALISM	2
DRUG / NARCOTIC VIOLATION	1
SHOPLIFTING	6
SIMPLE ASSAULT	3
THEFT FROM MOTOR VEHICLE	1
WEAPON LAW VIOLATIONS	1

Calls for Service

450

Reports Written

53

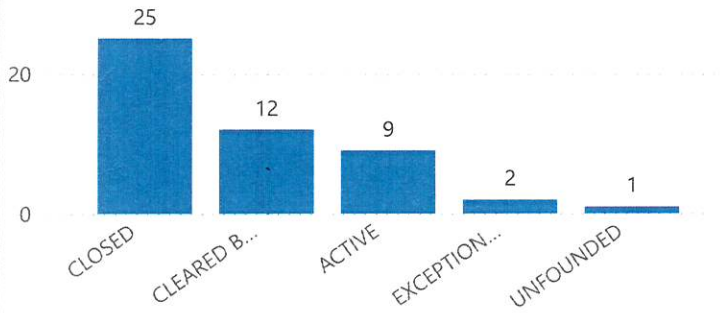
Citations

108

Warnings

226

Case Status for this month's reports



Arrests

18

Supervisor Reviewed Videos

25

Accidents

14

Cases Submitted to DA

22 YTD 223

Monthly CAD Report
Chief Kohler

December 2025

Calls for Service by Agency

CAST EMS	8
CAST FIRE	6
CASTROVILLE POLICE DEPARTMENT	450
Total	**450**

Calls for Service

450

Traffic Stops

167

Security Watch

110

Alarm Calls

4

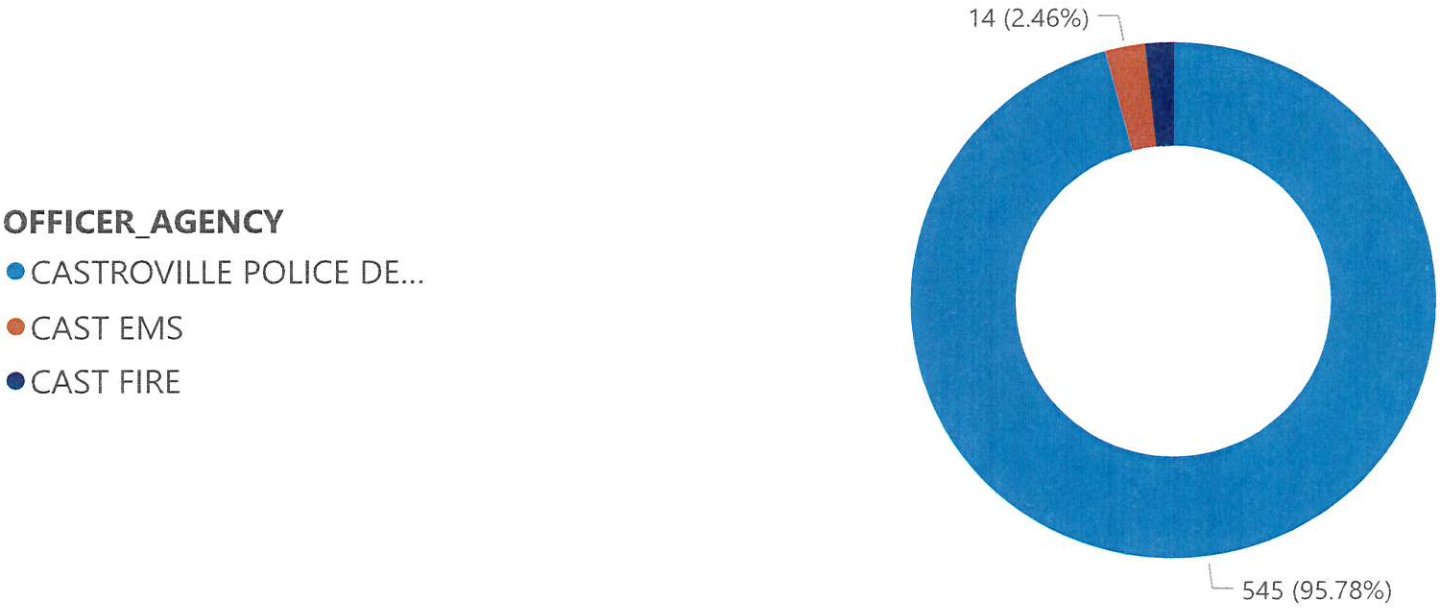
Disturbances

5

Funeral Escorts

(Blank)

Calls by Agency



memo

To: Scott Dixon

From: John Gomez

Date: 1/27/2026

Re: **Public Works Monthly Staff Report – December 2025**

Department monthly highlights:

Work Order Activity

During the reporting period, staff received a total of **110 service requests** across all departments.

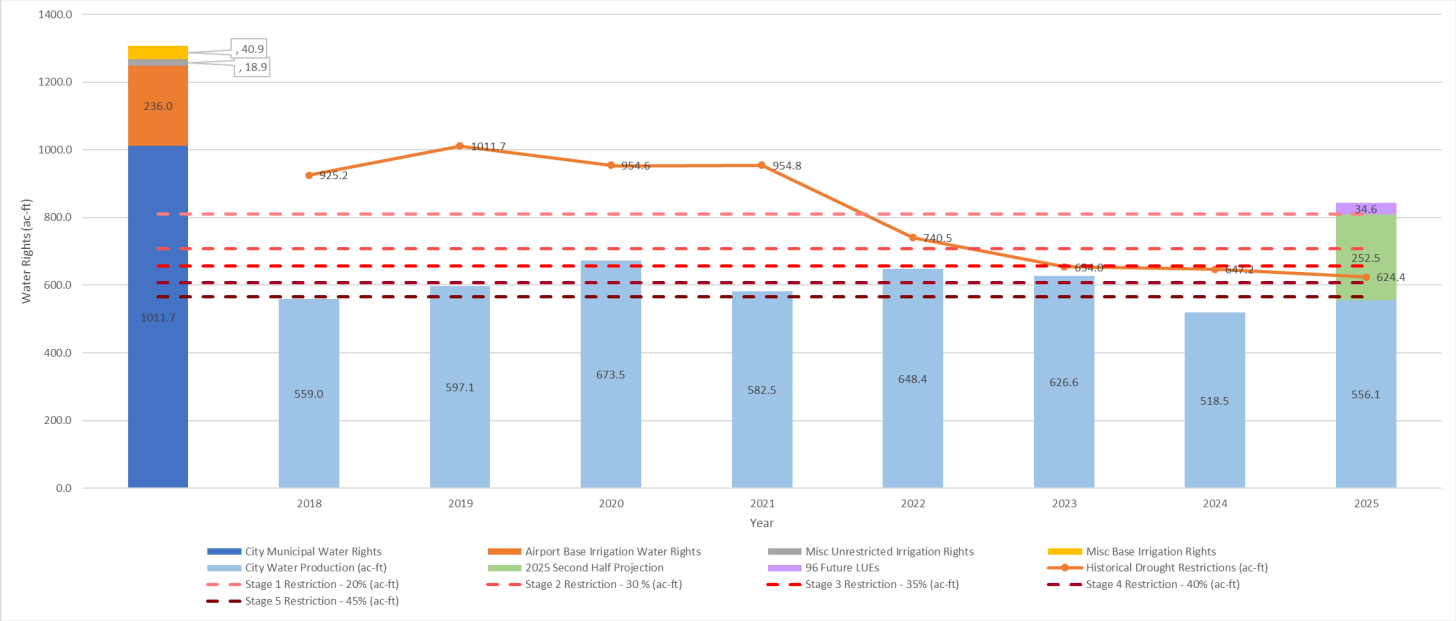
Work Orders

Department	Issued	Closed	Open (at month end)
Electric	28	26	2
Water	33	32	1
Streets	39	38	1
Gas	10	10	0
TOTAL	**110**	**106**	**4**

Staff Updates

- **Electric Department Vacancies**: The Electric Department continues to operate with existing staff while positions remain vacant. Workload adjustments and prioritization of critical tasks have allowed service levels to be maintained. Recruitment efforts are ongoing.
- **Streets Department**: A temporary employee has been hired to assist with operations and is scheduled to begin on January 20, 2026.

Water Consumption and Projections



Project Updates:

Flat Creek Subdivision

Miller Bros is on site completing the final stages of conduit installation for dry utilities, including electric, natural gas, and telecommunications, and finalizing backfilling operations. Crews continue installing pad-mounted transformers and setting light poles throughout the subdivision. Additional crews are supporting remaining tasks to ensure timely completion.







Alsatian Oaks Phase II

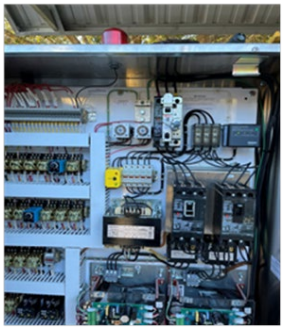
The dirt crew continued grading operations and relocated soil as needed to achieve the required elevations throughout the subdivision. The utility crew completed installation of the final water mains and service lines. The civil crew poured all trap and pilot channels to support effective drainage and stormwater control across the subdivision.





Country Village Lift Station

PSI Tech installed two new relays and rewired multiple components within the control panel, this did not resolve the issue. The lift station is currently operating on Pump 1 only.



Geneva Drainage Channel

The street crew has continued spreading base material along the access road from Geneva to the drainage bottom. No changes have been reported to date.



Town East Crossing

GC crews have completed installation of the precast concrete culverts and brought the roadway area to the required grade and elevation. The CCTV crew performed a golf-ball test from Manhole No. 1 beneath Highway 90 to the off-site manhole across the highway; however, the line did not pass due to a suspected sag (“belly”) and debris that could not be cleared by the vacuum truck. The civil crew has begun setting forms in preparation for rebar installation and the upcoming concrete roadway pour.







SCADA

Data Flow System material has been received and inspected. Instillation has begun, Future Electric installed the new server



Keeping Our City Moving

Electric Department-Transformer Swap at 110 Tumble Weed





Water Department-Sewer Repair at 1117 Alamo Street