NOTICE OF REGULAR CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS

Tuesday, September 02, 2025
6:00 P.M.

Notice is hereby given of a Regular meeting of the Tomball City Council, to be held on Tuesday, September 02, 2025 at 6:00 P.M., City Hall, 401 Market Street, Tomball, Texas 77375, for the purpose of considering the following agenda items. All agenda items are subject to action. The Tomball City Council reserves the right to meet in a closed session for consultation with attorney on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

The public toll-free dial-in numbers to participate in the telephonic meeting are any one of the following (dial by your location**): +1 312 626 6799 US (Chicago); +1 646 876 9923 US (New York); +1 301 715 8592 US; +1 346 248 7799 US (Houston); +1 408 638 0968 US (San Jose); +1 669 900 6833 US (San Jose); or +1 253 215 8782 US (Tahoma) - Meeting ID: 820 9741 7615 Passcode 934885 .** The public will be permitted to offer public comments telephonically, as provided by the agenda and as permitted by the presiding officer during the meeting.

A. Call to Order

B. Invocation - Led by Pastor Brandon Guindon, Real Life Ministries

C. Pledges to U.S. and Texas Flags

D. Public Comments and Receipt of Petitions; *[At this time, anyone will be allowed to speak on any matter other than personnel matters or matters under litigation, for length of time not to exceed three minutes. No Council/Board discussion or action may take place on a matter until such matter has been placed on an agenda and posted in accordance with law - GC, 551.042.]*

E. Presentations

1. Proclamation – "Star-Spangled Banner Day"

2. Holiday Heroes check presentation from Tomball Farmers Market to the Tomball Fire Department and Tomball Police Department Explorer Post 5451.

F. Reports and Announcements

1. Announcements

I. Announcements of upcoming events:

- September 10, 2025 – Coffee with a Cop from 8:30 – 10 a.m. at Chick-fil-A (14314 FM 2920)
- September 11, 2025 – 9/11 Remembrance from 8:30 – 10 a.m. at Tomball Community Center
- September 12, 2025 – HEB Helping Heroes from 9 a.m. – 1 p.m. at Northwest EMS (29530 Quinn Rd.)
- September 13, 2025 – 2nd Saturday from 5 – 9 p.m. at Tomball Depot
- September 16, 2025 – Taste of Tomball 11:30 a.m. – 1:30 p.m. at VFW Post 2427 (14408 Alice Rd.)
- September 27, 2025 – Groovfest from 11 a.m. – 5 p.m. at Tomball Depot
- October 1, 2025 – Coffee with a Cop from 8:30 – 10 a.m. at Re:Bar Café (416 W. Main St.)
- October 2, 2025 – Tomball High School Homecoming Parade and Rally from 6:30 – 9:30 p.m. at Tomball Depot Plaza and Main St.

2. Reports by City staff and members of council about items of community interest on which no action will be taken:

G. Old Business Consent Agenda: *[All matters listed under Consent Agenda are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, the item in question will be removed from the Consent Agenda and will be considered separately. Information concerning Consent Agenda items is available for public review.]*

1. Consideration of the Second Reading of Ordinance No. 2025-33 granting the request for annexation of the territory being 11.89 acre tract of land being all of that certain called 11.765 acre tract of land conveyed to Aven R. McBride as described in deed recorded under Harris County Clerk's File Number RP-2023-122538, official public records Harris County, Texas out of a 15.50 acre parent tract of land conveyed to Myron Eugene Schroeder by deed under H.C.D.F. No. E998684, Harris County, Texas, situated in the J. Miller Survey, Abstract No. 50, Harris County, Texas; providing for a service plan; providing for severability.

H. New Business Consent Agenda: *[All matters listed under Consent Agenda are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, the item in question will be removed from the Consent Agenda and will be considered separately. Information concerning Consent Agenda items is available for public review.]*

1. Approve, on First Reading, Resolution No. 2025-38-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Performance Agreement by and between the Corporation and Muddy's Buddies Daycare, LLC, to make direct incentives to, or expenditures for, rental assistance for new or expanded business enterprise to be located at 22525 Hufsmith-Kohrville Rd., Ste 4-B, Tomball, Texas 77375. The estimated amount of expenditures for such Project is an amount not to exceed $10,000.00.

2. Approve, on First Reading, Resolution No. 2025-39-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Performance Agreement by and between the Corporation and LeMaster Law Firm, PLLC, to make direct incentives to, or expenditures for, rental assistance for new or expanded business enterprise to be located at 203 Raymond Street, Tomball, Texas 77375. The estimated amount of expenditures for such Project is an amount not to exceed $10,000.00.

3. Approve, on First Reading, Resolution No. 2025-40-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Performance Agreement by and between the Corporation and HOTWORX-Tomball, LLC, to make direct incentives to, or expenditures for, rental assistance for new or expanded business enterprise to be located at 1417 Graham Dr., Suite 300, Tomball, Texas 77375. The estimated amount of expenditures for such Project is an amount not to exceed $10,000.00.

4. Approve, on First Reading, Resolution No. 2025-41-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Performance Agreement by and between the Corporation and Lunsford Enterprises, LLC, to make direct incentives to, or expenditures for, rental assistance for new or expanded business enterprise to be located at 823 East Main Street, Tomball, Texas 77375. The estimated amount of expenditures for such Project is an amount not to exceed $10,000.00.

I. New Business

1. Consideration of and Action on an appointment to the Tomball Regional Health Foundation (TRHF) Board of Directors for a two-year term beginning September 1, 2025.

2. Approve a professional services agreement with AIG Technical Services, LLC for engineering services related to the U.S. Department of Housing and Urban Development – Community Project Fund (CPF) grant related to the N. Cherry Street Storm Sewer Improvements for an amount not-to-exceed $1,908,249, approve the expenditure of funds therefor, and authorize the City Manager to execute any and all documents related to the services. These expenditures are to be paid from grant funds received from the U.S. Department of Housing and Urban Development – Community Project Fund.

3. Adopt, on First Reading, Ordinance No. 2025-36, an Ordinance of the City of Tomball, Texas Authorizing and Approving the Calendar Year 2025 Annual Service and Assessment Plan (SAP) Update for the Wood Leaf Reserve Public Improvement District Number 11 (PID 11).

4. Approve the Tomball Economic Development Corporation (TEDC) Fiscal Year 2025-2026 Budget.

5. Approve, on First Reading, Resolution No. 2025-42-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Performance Agreement by and between the Corporation and Yuna Holdings, LLC to make direct incentives to, or expenditures for, assistance with infrastructure costs required or suitable for the promotion of new or expanded business enterprise related to the construction of a retail center to be located at 28159 HWY 249, Tomball, Texas 77377. The estimated amount of expenditures for such Project is an amount not to exceed $174,061.00.

6. Approve, on First Reading, Resolution No. 2025-43-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Performance Agreement by and between the Corporation and Everwood Reserve Properties, LLC to make direct incentives to, or expenditures for, assistance with infrastructure costs to be required or suitable for the promotion of new or expanded business enterprise related to the construction of an assisted living and memory care facility to be located at 13011 Medical Complex Dr., Tomball, Texas 77375. The estimated amount of expenditures for such Project is an amount not to exceed $54,102.00.

7. Approve, on First Reading, Resolution No. 2025-44-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Performance Agreement by and between the Corporation and Republic Business Park, LP to make direct incentives to, or expenditures for, assistance with infrastructure costs required or suitable for the

promotion of new or expanded business enterprise related to the construction of a multibuilding office/warehouse park to be located at 920 S. Persimmon Street, Tomball, Texas 77375. The estimated amount of expenditures for such Project is an amount not to exceed $227,152.00.

8. Executive Session: The City Council will meet in Executive Session as Authorized by Title 5, Chapter 551, Government Code, the Texas Open Meetings Act, for the Following Purpose(s):

- Sec. 551.072 – Deliberations regarding Real Property

- Sec. 551.074 – Personnel Matters; Deliberation of the Appointment, Employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee:

  - Associate Judges
  - Associate Prosecutor
  - Chief Prosecutor

9. Consideration of and action on the Appointment of and Contracts for the Associate Judges to the Tomball Municipal Court for their term of office August 7, 2025 to August 6, 2027.

10. Consideration of and action on a Contract for Chief Prosecutor Grant Stevens, appointed to the Municipal Court on September 16, 2024, for a term beginning October 1, 2024, and ending September 30, 2026.

11. Consideration of and action on the Appointment of and Contracts for the Associate Prosecutor to the Tomball Municipal Court for a two (2) year term, August 7, 2025 through August 6, 2027.

J. Adjournment

C E R T I F I C A T I O N

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall, City of Tomball, Texas, a place readily accessible to the general public at all times, on the 26th

day of August 2025 by 5:00 PM, and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

_____
Thomas Harris III, TRMC
City Secretary

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's office at (281) 290-1019 for further information.

City Council Meeting
Agenda Item
Data Sheet

Meeting Date: September 2, 2025

Topic:

- Proclamation – "Star-Spangled Banner Day"

Background:

Origination: Mayor

Recommendation:

Party(ies) responsible for placing this item on agenda: Shannon Bennett, Assistant City Secretary

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: #

If no, funds will be transferred from account # To account #

Signed _____ Approved by _____

Staff Member Date City Manager Date

City Council Meeting
Agenda Item
Data Sheet

Meeting Date: September 2, 2025

Topic:

Holiday Heroes check presentation from Tomball Farmers Market to the Tomball Fire Department and Tomball Police Department Explorer Post 5451.

Background:

Presentation by the Tomball Farmers Market to the Tomball Fire Department and the Tomball Police Department Explorer Post # 5451 to be utilized for the 2025 Holiday Heroes Event.

Origination: Fire Department

Recommendation:

n/a

Party(ies) responsible for placing this item on agenda: Joe Sykora, Fire Chief

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: #

If no, funds will be transferred from account # _____ To account # _____

Signed Joe Sykora 08/16/2025 Approved by _____

Staff Member Date City Manager Date

City Council Meeting
Agenda Item
Data Sheet

Meeting Date: September 2, 2025

Topic:

Announcements of upcoming events

Upcoming events:

- September 10, 2025 – Coffee with a Cop from 8:30 – 10 a.m. at Chick-fil-A (14314 FM 2920)
- September 11, 2025 – 9/11 Remembrance from 8:30 – 10 a.m. at Tomball Community Center
- September 12, 2025 – HEB Helping Heroes from 9 a.m. – 1 p.m. at Northwest EMS (29530 Quinn Rd.)
- September 13, 2025 – 2nd Saturday from 5 – 9 p.m. at Tomball Depot
- September 16, 2025 – Taste of Tomball 11:30 a.m. – 1:30 p.m. at VFW Post 2427 (14408 Alice Rd.)
- September 27, 2025 – Groovfest from 11 a.m. – 5 p.m. at Tomball Depot
- October 1, 2025 – Coffee with a Cop from 8:30 – 10 a.m. at Re:Bar Café (416 W. Main St.)
- October 2, 2025 – Tomball High School Homecoming Parade and Rally from 6:30 – 9:30 p.m. at Tomball Depot Plaza and Main St.

Background:

Origination: Marketing Department

Recommendation:

Party(ies) responsible for placing this item on agenda: Chrislord Templonuevo, Marketing Director

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: #_____

If no, funds will be transferred from account: #_____ To Account: #

Signed: _____ **Approved by:** _____
Staff Member Date City Manager Date

Regular City Council
Agenda Item
Data Sheet

Meeting Date: September 2, 2025

Topic:

Consideration of the Second Reading of Ordinance No. 2025-33 granting the request for annexation of the territory being 11.89 acre tract of land being all of that certain called 11.765 acre tract of land conveyed to Aven R. McBride as described in deed recorded under Harris County Clerk's File Number RP-2023-122538, official public records Harris County, Texas out of a 15.50 acre parent tract of land conveyed to Myron Eugene Schroeder by deed under H.C.D.F. No. E998684, Harris County, Texas, situated in the J. Miller Survey, Abstract No. 50, Harris County, Texas; providing for a service plan; providing for severability.

Background:

Aven R. McBribe ("Requestor") submitted a consent annexation request to the City Secretary's Office on June 26, 2025. The application was reviewed and approved by City staff. A public hearing and first reading of Ordinance No. 2025-33 was held on August 18, 2025.

Pursuant to Chapter 43 of the Texas Local Government Code (LGC), the City may proceed with a consent annexation when all affected landowners support the request. The City Council may choose to annex the proposed territory under Subchapter C-3 of LGC Chapter 43, enter into a written service agreement with the landowners, and call a public hearing to consider adoption of an annexation ordinance.

Origination: City Secretary's Office

Recommendation: Approve second reading of Ordinance No. 2025-33.

Party(ies) responsible for placing this item on agenda: Thomas Harris III

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: X If yes, specify Account Number: _____

If no, funds will be transferred from account # _____ To account # _____

Signed _____ Approved by _____

Staff Member-TEDC Date Executive Director-TEDC Date

ORDINANCE No. 2025-33

AN ORDINANCE GRANTING THE REQUEST FOR ANNEXATION OF A CERTAIN TRACT OF LAND BEING 11.89 ACRE TRACT OF LAND BEING ALL OF THAT CERTAIN CALLED 11.765 ACRE TRACT OF LAND CONVEYED TO AVEN R. MCBRIDE AS DESCRIBED IN DEED RECORDED UNDER HARRIS COUNTY CLERK'S FILE NUMBER RP-2023-122538, OFFICIAL PUBLIC RECORDS HARRIS COUNTY, TEXAS OUT OF A 15.50 ACRE PARENT TRACT OF LAND CONVEYED TO MYRON EUGENE SCHOEDER BY DEED UNDER H.C.D.F. NO. E998684, HARRIS COUNTY, TEXAS, SITUATED IN THE J. MILLER SURVEY, ABSTRACT NO. 50, HARRIS COUNTY, TEXAS; PROVIDING FOR A SERVICE PLAN; PROVIDING FOR SEVERABILITY.

WHEREAS, Aven McBride, an individual, is the owner (the "Owner") of the said property described in Metes and Bounds in Exhibit "A" (the "Property") evidenced by Special Warranty Deed in Exhibit "A"; and

WHEREAS, the Owner has submitted a request that the City of Tomball annex the Property into the City of Tomball, Exhibit "A"; and

WHEREAS, the above described tract lies within the extraterritorial jurisdiction of the City of Tomball, Texas; and

WHEREAS, Texas Local Government Code, at Section 43.0671 allows a municipality to annex an area if each owner of the land in the area requests the annexation, the municipality conducts a public hearing on the proposed annexation, and the owners and the municipality enter into a written agreement for the provision of services in the area to be annexed; and

WHEREAS, the Property does not qualify for agricultural or wildlife management use or as timber land; and

WHEREAS, on August 18, 2025 a public hearing was held at the City of Tomball City Council Chambers, at 401 Market Street, Tomball, Texas 77375, where all interested persons were provided an opportunity to be heard on the request for annexation of the Property; and

WHEREAS, the City of Tomball has agreed to provide the services set forth in Exhibit "A" to the proposed annexed area;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS:

Section 1. That all the recitals and preambles hereinabove stated are found to be true and correct and are incorporated herein and made a part of this ordinance.

Section 2. The request for the annexation of the Property described in Exhibit A attached hereto and incorporated herein for all purposes is hereby GRANTED.

Section 3. The land and territory are hereby added and annexed to the City of Tomball, Texas, and said territory hereinafter described shall hereafter be included within the boundary limits of the City of Tomball, Texas, to wit:

SEE ATTACHED (**Exhibit A**)

Section 4. That the above described territory and the area so annexed shall be a part of the City of Tomball, Texas, and the property so added hereby shall bear its pro rata part of the taxes levied by the City of Tomball, Texas, and the inhabitants thereof shall be entitled to all of the rights and privileges of all the citizens and shall be bound by the acts, ordinances, resolutions, and regulations of the City of Tomball, Texas.

Section 5. That the service plan attached hereto, as **Exhibit A** is hereby adopted as part of the annexation of the Property.

Section 6. Should any section or part of this ordinance be held unconstitutional, illegal, or invalid, or the application thereof ineffective or inapplicable as to any territory, such unconstitutionality, illegality, invalidity, or ineffectiveness of such sections or part shall in no wise affect, impair, or invalidate the remaining portion or portions thereof, but as to such remaining portion or portions, the same shall be and remain in full force and effect.

Section 7. Should this ordinance for any reason be ineffective as to any part of the area hereby annexed to the City of Tomball, such ineffectiveness of this ordinance as to any such part or parts of any such area shall not affect the effectiveness of this ordinance as to all of the remainder of the area. If there is included within the general description of territory set out in this Ordinance to be annexed to the City of Tomball any lands or area which are presently part of and included within the limits of any other city or within the extraterritorial jurisdiction of any other city, or which are not within the City of Tomball's jurisdiction to annex, the same is hereby excluded and excepted from the territory to be annexed as fully as if such excluded and excepted area were expressly described herein.

PASSED AND **APPROVED on First Reading** in Tomball, Texas this _____ day of _____, 2025.

PASSED AND **APPROVED on Second Reading** in Tomball, Texas this _____ day of _____, 2025.

FOR: CITY OF TOMBALL, TEXAS

_____
LORI KLEIN QUINN, Mayor

ATTEST:

_____
THOMAS HARRIS, City Secretary

FOR: THE OWNER

_____ [SIGNATURE]

_____ [NAME]

ACKNOWLEDGEMENT

For the City

State of Texas §
County of Harris §

This instrument was executed before me on _____ 2025, by _____,
DATE NAME

_____ of the City of Tomball, a Texas municipal corporation, on behalf of
TITLE
said corporation.

[SEAL]

_____

Notary Public in and for the State of Texas

For the Owner

State of _____ §
County of _____ §

This instrument was executed before me on _____ 2025, by _____,
DATE NAME
_____ of _____, a State of _____ _____,
TITLE ORGANIZATION NAME STATE ORGANIZATION TYPE
on behalf of said organization.

[SEAL]

_____

Notary Public in and for the State of Texas

EXHIBIT A

(Petition for Annexation, Metes and Bounds, Deed, Service Plan)

RECEIVED
JUN 26 2025
1:30PM BY SHANNON BENNETT

(8-3)

City of Tomball
Annexation Packet: Request of Owner
Coversheet

This form is for use by a property owner that requests full-purpose annexation of a tract. If the subject tract is not individually owned and the petition is not by consent of all property owners, a different packet must be used. All property owners must consent to annexation and be signatories on the petition. **ONLY ONE OWNER NEEDS TO SUBMIT THE APPLICATION BUT ALL OWNERS MUST SIGN THE PETITION.**

The City of Tomball requires annexation as a condition of providing municipal water, wastewater and gas to property located outside of the City's full-purpose jurisdiction. Following annexation, available utility service can be provided per the Written Agreement Regarding Services under the same conditions as for other property located within the City of Tomball.

For information regarding the City's annexation process, please contact the City Secretary at 281-290-1019 or the Community Development Department at 281-290-1405.

Requesting annexation does not change the City's obligation to provide municipal services in accordance with Chapter 43 of the Texas Local Government Code. **ANNEXATION MUST BE COMPLETED PRIOR TO PROVIDING WATER, WASTEWATER AND GAS UTILITIES.**

I, the undersigned, submit this complete packet for purposes of seeking annexation into the City of Tomball.

AVEN R. MCBRIDE — **Name of Owner submitting Application**

Aven R. McB — **Signature** **Date**

Cover sheet
Property Owner Attestation Checklist
Proof of Ownership
Property Value & Anticipated Development Information Worksheet
Petition Requesting Annexation
Metes and Bounds Description and Map of Property (as Exhibit A)
Written Agreement Regarding Services
Attendance at Public Hearing (time and date to be posted)
City Department Review Page

Submit complete application to:
City Secretary
City of Tomball
401 Market Street
Tomball, TX 77375

Retain a copy for your records.

City of Tomball
Annexation Packet: Request of Owner
Property Owner Attestation Checklist

For the annexation request to be valid and complete under this application and process, the following must be true:

Property in the Extraterritorial Jurisdiction of Tomball (land is contiguous and adjacent to the City).
The property is not appraised for ad valorem tax purposes as land for:

- Agricultural management use; OR
- Wildlife management use; OR
- Timber land; OR

The landowner declines (waives) to make a development agreement with the City.
All landowners are in consent of and are signatories on the annexation.

These attestations will be made as part of the Petition.

RP-2023-122538
04/06/2023 ER $30.00

FILED BY
ALAMO TITLE COMPANY
(HOUSTON)
23126454

GENERAL WARRANTY DEED

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

STATE OF TEXAS §
§ **KNOW ALL MEN BY THESE PRESENTS:**
COUNTY OF HARRIS §

RP-2023-122538

THAT **Myron Eugene Schroeder and Phyllis Schroeder** (hereinafter called GRANTOR, whether one or more), for and in consideration of the sum of TEN AND NO/100 DOLLARS ($10.00), and other good and valuable considerations to Grantor in hand paid by **Aven R McBride** (hereinafter called GRANTEE, whether one or more), whose mailing address is:

11602 Huffsmith Kuykendahl
Tomball, Texas
77375

the receipt of all of which is hereby acknowledged and confessed, have **GRANTED, BARGAINED, SOLD and CONVEYED** and by these presents do **GRANT, BARGAIN, SELL and CONVEY,** unto said Grantee all that certain tract or parcel of land, together with all improvements and fixtures located thereon, situated in the County of **Harris,** State of Texas, and described as follows, to wit:

Being a 11.765 acre tract of land in the Joseph Miller Survey, Abstract No. 50, in Harris County, Texas, out of and a part of that certain 15.50 acre tract of land described in deed recorded under Clerk's File No. E998684 of the Official Public Records of Real Property of Harris County, Texas, said 11.765 acres is hereafter referred to as "the subject tract" and is more particularly described as follows:

BEGINNING at a 1-1/2-inch iron pipe found lying in the South line of that certain 19.901-acre tract of land described in deed recorded under Clerk's File No. L271653, and marking the Northeast corner of the subject tract and the said 15.50 acre tract (hereafter referred

UNOFFICIAL COPY

to as "the parent tract"). Said point also marks the Northwest corner of McKINNY PLACE, an unrecorded subdivision of that certain 15.6960-acre tract recorded in Volume 5515, Page 100 (HCDR);"

THENCE South 00°04'00" West (Reference Bearing based on deed of the parent tract), with the East line of the parent tract and the West line of McKINNY PLACE, a distance of 1113.84 feet to a ½-inch iron rod (with cap) found marking the upper Southeast corner of the subject tract, and the Northeast corner of that certain 1.000 acre tract of land described in deed recorded under Clerk's File No. 2017-363209;

THENCE North 89°57'56" West, departing the East line of the parent tract and the West line of McKINNY PLACE, a distance of 151.92 feet to a ½-inch iron rod (with cap) found marking the Northwest corner of the said 1.000-acre tract, and an interior corner of the subject tract;

THENCE South 00°02'20" West, a distance of 286.97 feet to a ½-inch iron rod (with cap) found lying in the North right-of-way line of Zion Road, and marking the lower Southeast corner of the subject tract, and the Southwest corner of the said 1.000-acre tract;

THENCE South 89°58'15" West (called N 89°56' W), with a line that is parallel with and 18.44 feet North of the South line of the parent tract and the said Miller Survey, a distance of 184.30 feet to a ¾-inch iron rod set to mark the lower Southwest corner of the subject tract, and the Southeast corner of ZION VISTA, a two-lot subdivision according to the map or plat thereof recorded under Film Code No. 681563 of the Map Records of Harris County, Texas;

THENCE North 00°02'17" west, departing the North line of Zion Road, a distance of 368.61 feet to a 1-1/2 inch iron pipe found at fence corner post marking an interior corner of the subject tract, and the Northeast corner of said ZION VISTA subdivision;

THENCE North 89°44'34" West, a distance of 211.19 feet to a ¾-inch iron rod set in the East right-of-way line of Ulrich Road (60-foot R-O-W), and marking the upper Southwest corner of the subject tract, and the Northwest corner of said ZION VISTA subdivision;

THENCE North 00°12'07" East, with the East line of Ulrich Road, a distance of 619.24 feet to a 1-inch iron pipe (with cap) found marking the Southwest corner of that certain 3.000-acre Mobilnet Lease Site tract described under Clerk's File No.'s R664270 and V099484. Said point also marks the lower Northwest corner of the subject tract;

THENCE South 89°46'29" East, departing the East line of Ulrich Road, a distance of 59.96 feet to a 1-inch iron pipe (with cap) found marking an interior corner of the subject tract and an angle point in the South line of the said 3.000 acre tract;

THENCE North 00°01'58" East, a distance of 387.46 feet to a 1-inch iron pipe (with cap) found marking an interior corner of the subject tract, and the upper Southeast corner of the said 3.000 acre tract;

THENCE North 00°06'58" East, a distance of 218.96 feet to a 1-inch iron pipe (with cap) found lying in the North line of the parent tract, in the South line of the said 19.901 acre tract, and marking the upper Northwest corner of the subject tract, and the Northeast

RP-2023-122538

Not Official

corner of the said 3.000 acre tract;

THENCE South 89°54'18" East, with the North line of the parent tract and the South line of the said 19.901 acre tract, a distance of 150.90 feet to the POINT OF BEGINNING and containing 11.765 acres, more or less, together with all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way.

This conveyance is made subject to any and all restrictions, mineral and/or royalty reservations, covenants, maintenance or similar charges, and easements, if any, relating to the herein above described property, but only to the extent that they are still in force and effect, shown of record in said County, and to all zoning laws, regulations and ordinances of municipal and other governmental authorities, if any, but only to the extent that they are still in effect, relating to the herein above-described property.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said Grantee and Grantee's heirs, successors and assigns forever; and it is agreed that Grantor and Grantor's heirs, successors and assigns are hereby bound to **WARRANT AND FOREVER DEFEND**, all and singular, the premises, unto the said Grantee and Grantee's heirs, successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Taxes for the current year have been prorated as of the date hereof, and Grantee assumes and agrees to pay the same.

EXECUTED the 30th **day of MARCH 2023.**

MYRON EUGENE SCHROEDER

PHYLLIS SCHROEDER

RP-2023-122538

UNOFFICIAL COPY

THIS DOCUMENT E-RECORDED BY:
ALAMO TITLE COMPANY
1002 VILLAGE SQUARE DR. - Suite #A
TOMBALL, TX 77375
GF# ATCH23126454

THE STATE OF TEXAS §

COUNTY OF San Patricio §

This instrument was acknowledged before me on the 30th day of MARCH 2023,

by **Myron Eugene Schroeder and Phyllis Schroeder.**

(seal)

DEBORAH ANN DE LA GARZA
Notary ID 133485101
My Commission Expires
December 10, 2025

Deborah Ann DeLaGarza
NOTARY PUBLIC - STATE OF TEXAS.

RP-2023-122538

UNOFFICIAL COPY

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RP-2023-122538

RP-2023-122538
Pages 5
04/06/2023 03:59 PM
e-Filed & e-Recorded in the
Official Public Records of
HARRIS COUNTY
TENESHIA HUDSPETH
COUNTY CLERK
Fees $30.00

RECORDERS MEMORANDUM
This instrument was received and recorded electronically and any blackouts, additions or changes were present at the time the instrument was filed and recorded.

Any provision herein which restricts the sale, rental, or use of the described real property because of color or race is invalid and unenforceable under federal law.
THE STATE OF TEXAS
COUNTY OF HARRIS
I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me; and was duly RECORDED in the Official Public Records of Real Property of Harris County, Texas.

COUNTY CLERK
HARRIS COUNTY, TEXAS

City of Tomball
Annexation Packet: Request of Owner
Property Value & Anticipated Development Information Worksheet

1. Agent's Contact Information
Please list any agents acting on behalf of the annexation property owner(s) that should be notified of information pertaining to this annexation request.

Name: KENT STILES
Company Name: PARTNERS IN BUILDING
Mailing Address: 2901 W. Sam Houston Pkwy N. Ste C250 Houston 77043
Phone Number: 281-798-9663
E-mail Address: KENT.STILES@PARTNERSINBUILDING.COM

(Attach a list of additional agents, if necessary.)

2. Property Addresses (List all property addresses associated with the proposed annexation property. Attach a list of additional property addresses, if necessary.)

a. 13130 ZION RD. TOMBALL, TX. 77375
b. © ZION RD. TOMBALL, TX. 77375
c. _____
d. _____
e. _____
f. _____

3. Nature of Existing Property TR18 & TR25
Property Location: Abstract 50 J Miller Number of Acres: 11.89
Current Assessed Valuation of Land: 353,488.
Current Assessed Valuation of Improvements: -0-
Total: 353,488.
Does this property current contain any structures?
____ Yes (continue with subsection a through d)
X No (skip to #4)

a. Residential
Are there existing residential structures on the property?

City of Tomball
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_X_ No (skip to b)
____ Yes (continue)
_____ Total Units
_____ Lots or _____ Acres

Number of Units by Type:
_____ Single Family
_____ Duplexes
_____ Four-Plex
_____ Patio Homes
_____ Townhouses
_____ Apartments

b. Office and Commercial
Are there existing Office or Commercial structures on the property?
_X_ No (skip to c)
_____ Yes (continue)
Size (Sq. Ft.) _____
Structure Description _____
Exterior Site Improvements _____
_____
Total Site Coverage _____

c. Institutional
Are there existing Institutional structures on the property?
_X_ No (skip to d)
_____ Yes (continue)
Size (Sq. Ft.) _____
Structure Description _____
Exterior Site Improvements _____
_____
Total Site Coverage _____

City of Tomball
Annexation Packet: Request of Owner
Property Value & Anticipated Development Information Worksheet

d. Industrial
Are there existing Industrial structures on the property?
__X__ No (skip to 4)
_____ Yes (continue)
Size (Sq. Ft.) _____
Structure Description _____
Exterior Site Improvements _____
Total Site Coverage _____

4. Anticipated Development

a. Platting Status (check the applicable box below)
_____A plat pertaining to this property **HAS BEEN** submitted to the Community Development Department for review.
__X__A plat pertaining to this property **WILL BE** submitted to the Community Development Department for review in the near future.
_____A plat pertaining to this property **WILL NOT BE** submitted within the next six (6) months.

b. Zoning Status – NOTE: PROPERTIES ARE ANNEXED AS AGRICULTURAL ("AG") ZONING, UNLESS ZONING RECLASSIFICATION IS REQUESTED BY THE PROPERTY OWNER IN CONJUNCTION WITH ANNEXATION.

Is zoning reclassification requested in conjunction with the annexation process?
_____ YES (ensure you contact the Community Development Department)
__X__ NO

Will zoning changes be required and requested in the future to accommodate anticipated development?
_____ YES (Describe: _____ acres of _____ acres will be rezoned)
__X__ NO

c. Residential
Are Residential structures anticipated on the proposed property?
_____ NO (skip to d)
__X__ YES (continue)
__4__ Number of Units
_____ Number of Lots or Acres
__1 MIL__ Value of Units (individual)
__4 MIL__ Estimate Total Value
Number of Units by Type
__3__ Single-Family
_____ Duplexes
_____ Four-Plex

_____ Patio Homes
_____ Townhouses
_____ Apartments

d. Office and Commercial

Are Office and/or Commercial structures anticipated on the proposed property?

__X__ NO (skip to e)
_____ YES (continue)

Size (Sq. Ft.) _____
Unit Value ($/Sq. Ft.) _____
Total Estimated Value _____
Structure Description _____
Exterior Site Improvements _____
Total Site Coverage _____

e. Institutional

Are Institutional structures anticipated on the proposed property?

__X__ NO (skip to f)
_____ YES (continue)

Size (Sq. Ft.) _____
Unit Value ($/Sq. Ft.) _____
Total Estimated Value _____
Structure Description _____
Exterior Site Improvements _____
Total Site Coverage _____

f. Industrial

Are Industrial structures anticipated on the proposed property?

__X__ NO (skip to g)
_____ YES (continue)

Size (Sq. Ft.) _____
Unit Value ($/Sq. Ft.) _____
Total Estimated Value _____
Structure Description _____
Exterior Site Improvements _____
Total Site Coverage _____

City of Tomball
Annexation Packet: Request of Owner
Property Value & Anticipated Development Information Worksheet

g. Staging of Anticipated Development (in percentages (%))

	Current Yr	Yr2	Yr3	Yr4	Yr5	Yr10	Yr20
Residential	100 %						
Office/Commercial							
Institutional							
Industrial							

City of Tomball
Annexation Packet: Request of Owner
City Department Review Page

To be filled by Requestor(s)

Property Description: 13130 Zion Rd. & 0 Zion Rd.

Requestor / Owner: Aven McBride

Requestor / Owner: _____

Requestor / Owner: _____

Date complete packet filed: _____

To be filled by City Departments

Directions: Review the packet for completeness and concurrence with request.

For: Police Department

_____
Name [Printed]

_____
Name [Signature]

_____
Position

_____
Date

For: Community Development

_____
Name [Printed]

_____
Name [Signature]

_____
Position

_____
Date

For: Fire Department

_____
Name [Printed]

_____
Name [Signature]

_____
Position

_____
Date

For: Public Works / Engineering

_____
Name [Printed]

_____
Name [Signature]

_____
Position

_____
Date

Return to City Secretary

PETITION REQUESTING ANNEXATION BY AREA LANDOWNERS

TO THE MAYOR AND CITY COUNCIL OF THE GOVERNING BODY OF TOMBALL, TEXAS:

The undersigned owners of the hereinafter described tract of land, which represents each and every owner of the land in the area requesting annexation, hereby waive, if required, a development agreement pursuant to Section 43.016, Texas Local Government Code, and petition your honorable Body to extend the present city limits so as to include as part of the City of Tomball, Texas, the following described territory, to wit:

[DESCRIBE THE TERRITORY COVERED BY THE PETITION IN METES AND BOUNDS. A SURVEY AND/OR DESCRIPTION CAN BE ATTACHED AS A SEPARATE DOCUMENT AND REFERENCED AS AN EXHIBIT – DELETE THIS AFTER EDITS]

We certify that the above described tract of land is contiguous and adjacent to the City of Tomball, Texas, and that this petition is signed and duly acknowledged by each and every person having an interest in said land.

[USE AS MANY OR AS FEW SIGNATURE LINES AS NECESSARY FOR EACH PROPERTY OWNER – DELETE THIS AFTER EDITS]

Signed: Aven R. McBride

Signed: _____

Signed: _____

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared Aven R. McBride _____, and _____, known to me to be the persons whose names are subscribed to the foregoing instrument and each acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 14 day of March, 2025.

Tausha Monique Citizen
My Commission Expires
6/25/2028
Notary ID 134962414

Tausha Monique Citizen
Notary Public in and for Harris County, Texas

PETITION REQUESTING ANNEXATION BY AREA LANDOWNERS

I. **Introduction**. This Municipal Service Plan (the "Plan") is made by the City of Tomball, Texas (the "City"), pursuant to Chapter 43 of the Texas Local Government Code. This Plan relates to the annexation by the City of the tract of land (the "Tract") described in metes and bounds in "Exhibit A", which is attached to the Petition, this Plan, and to the annexation ordinance which this Plan is a part.

II. **Effective Term**. This Plan shall be in effect for a period of ten (10) years commencing on the effective date of the annexation of the Tract, unless otherwise stated in this Plan. Renewal of the Plan shall be at the option of the City. Such option may be exercised by the adoption of an ordinance by the City Council, which refers to this Plan and specifically renews this Plan for a stated period of time.

III. **Intent**. It is the intent of the City that services under this Plan shall equal the number of services and level of services in existence within the Tract prior to annexation and which are available in other parts of the City with land uses and population densities similar to those reasonably contemplated or projected within the Tract. However, it is not the intent of this Plan to require that a uniform level of service be provided to all areas of the City, including the Tract, where differing characteristics of topography, land utilization, and population density are considered as a sufficient basis for providing differing service levels.

The City reserves the right, granted to it by Section 43.056(k), Texas Local Government Code, to amend this Plan, if the City Council determines that changed conditions or subsequent occurrences or any other legally sufficient circumstances exist under the Texas Local Government Code, or other Texas laws to make this Plan unworkable, obsolete, or unlawful.

IV. **Service Programs.**

A. In General.

1. This Plan includes the following service programs: a General Services Program and a Capital Improvement Program.

2. As used in this Plan, "providing services" shall include having services provided by any method or means by which the City may extend municipal services to any other area of the City. The City shall provide the area, or cause the area to be provided, with services in accordance with the Plan. This may include, but is not limited to, causing or allowing private utilities, governmental entities, and other public service organizations to provide such services, in whole or in part.

As used in this Plan, the phrase "standard policies and procedures" shall mean those policies and procedures of the City applicable to a particular service, which are in effect either at the time that the service is requested or at the time the service is made available or provided. Such policies and procedures may require a specific type of request be made, such as an

application or a petition, may require that fees or charges be paid, and may include eligibility requirements or other similar provisions.

3. **Extension Policy**. The following information is a summary of the City's policies respecting water, wastewater and gas service extensions. This summary is made in compliance with Texas Local Government Code, which requires that each annexation plan include a summary of the service extension policy. Nothing herein shall repeal any provisions of the Code of Ordinances of the City, as amended, or any of the uncodified ordinances that contain the City's policies and procedures.

The City extends water, wastewater, and gas services to existing unserved development as follows:

Construction of such service lines is based on a priority schedule that considers potential health hazards, population density, the number of existing buildings, the reasonable cost of providing service, and the desires of the residents of the unserved areas.

Extensions built by the City at its cost are included in its Capital Improvements Plan, which is updated annually. Placement of an extension or enlargement of any water and/or wastewater lines into the Capital Improvement Plan is based primarily on the following requirements: (1) to provide service to unserved areas, (2) and to provide adequate capacity for projected service requirements.

Persons or entities desiring to develop land within unserved areas must construct water, wastewater, and gas service lines and extensions to connect to City trunk lines to serve the new development.

B. **General Services Program**. The following services will be provided within the Tract within the period required by State law: police protection, fire protection, solid waste collection, operation and maintenance of water, wastewater, and gas facilities, operation and maintenance of roads and streets, including lighting, operation and maintenance of parks, playgrounds, and swimming pools, and maintenance of any other publicly owned facility, building or service. The General Services Program plan is as follows:

1. Police Protection. The Police Department of the City will provide protection and law enforcement within the Tract. These activities will include routine patrols and responses, handling of complaints and incident reports, and, as appropriate, support by special units. In order to provide the above services, the Police Department will operate from a city facility.

2. Fire Protection. The Fire Department of the City will provide fire protection to the Tract. Fire protection will be provided from a city operated Fire Station. Fire protection will remain at the current or higher level of service.

3. Solid Waste Collection. All eligible residences and businesses will be provided solid waste collection service, either by City personnel or by contract.

4. Maintenance of Water, Wastewater, and Gas Facilities. There are no City water, wastewater, or gas facilities currently located within the Tract. If any such facilities are constructed or acquired by the City within the Tract, the City's Department of Public Works will operate and maintain such facilities at levels of service and maintenance comparable to those available for other such facilities in other parts of the City with similar topography, load use, and population density as those reasonably contemplated or projected within the Tract.

5. Operation and Maintenance of Roads and Streets (including lighting). The City's Department of Public Works will provide for the maintenance of roads and streets over which the City will have jurisdiction. Such Department will also provide services relating to traffic control devices and will provide street lighting for such roads and streets through an electric utility company or by other means. The operation and maintenance of roads and streets, including street lighting and traffic control devices, shall be provided at levels of service and maintenance comparable to those available for other roads and streets in other parts of the City with similar topography, load use, and population density as those reasonably contemplated or projected within the Tract.

6. Operation and Maintenance of Parks, Playground and Swimming Pools. There are no public parks, playgrounds, or swimming pools currently located within the Tract. If, as a result of acquisition of park land, any such facilities are constructed by the City within the Tract, the City's Department of Parks and Recreation will operate and maintain such facilities at levels of service and maintenance comparable to those available for other such facilities in other parts of the City with similar topography, load use, and population density as those reasonably contemplated or projected within the Tract.

7. Operation and Maintenance of Any Other Publicly Owned Facility, Building, or Service. Those drainage facilities associated with City-maintained public streets will be maintained by the City's Department of Public Works, as needed. Any other facility, building, or service existing or

which may be constructed or located by the City within the Tract, will be operated and maintained by an appropriate City department at levels of service and maintenance comparable to those available to other such facilities in other parts of the City with similar topography, load use, and population density as those reasonably contemplated or projected within the Tract.

C. Capital Improvement Program. It is the intent of the City to provide full City services within the Tract not less than four and one-half (4-1/2) years after the effective date of annexation of the Tract, in accordance with the Texas Local Government Code, § 43.056(e).

The City will initiate the acquisition and construction of the capital improvements necessary to provide municipal services adequate to serve the Tract. Any necessary construction or acquisition is indicated below, and any such construction or acquisition shall begin within two (2) years of the effective date of this Plan and shall be substantially completed within 4-1/2 years, except as otherwise indicated:

1. Police Protection. No capital improvements are necessary at this time to provide police protection services within the Tract. The Tract will be included with other City territory in connection with planning for new, revised, or expanded police facilities.

2. Fire Protection. No capital improvements are necessary at this time to provide fire protection services within the Tract. The Tract will be included with other City territory in connection with planning for new, revised, or expanded fire facilities.

3. Solid Waste Collection. No capital improvements are necessary at this time to provide solid waste collection services within the Tract. The Tract will be included with other City territory in connection with planning for new, revised, or expanded solid waste facilities and/or services.

4. Wastewater Facilities. The Tract will be included with other City territory in connection with planning for new, revised, or expanded public wastewater facilities. Wastewater services will be provided according to the standard policies and procedures of the City's Department of Public Works. A summary of the City's policies with regard to the extension of wastewater services is attached to and made a part of this Plan.

5. Water Distribution. The Tract will be included with other City territory in connection with planning for new, revised, or expanded public water facilities. Water services will be provided according to the standard policies and procedures of the City's Department of Public Works. A summary of

the City's policies with regard to the extension of water services is attached to and made a part of this Plan.

6. Gas Distribution. The Tract will be included with other City territory in connection with planning for new, revised, or expanded public gas facilities. Gas services will be provided according to the standard policies and procedures of the City's Department of Public Works. A summary of the City's policies with regard to the extension of gas services is attached to and made a part of this Plan.

7. Roads and Streets (including lighting). The City will acquire jurisdiction in and over all public roads and streets within the Tract upon annexation, pursuant to Section 311.001 of the Texas Transportation Code and other similar provisions, except for public roads and streets subject to the jurisdiction of other governmental entities. Additional roads, streets, or related facilities are not necessary at this time to service the Tract. Future extensions of roads or streets and future installation of related facilities, such as traffic control devices or street lights, within the Tract will be governed by standard policies and procedures of the City. The Tract will be included with other City territory in connection with planning for new, improved, revised, widened, or enlarged roads, streets, or related facilities.

8. Parks, Playgrounds, and Swimming Pools. No capital improvements are necessary at this time to provide park and recreational services to the Tract. The Tract will be included with other City territory in connection with planning for new, revised, or expanded parks, playgrounds, and/or swimming pools.

9. Other Publicly Owned Facilities, Buildings or Services: Additional Services. In general, other City functions and services can be provided to the Tract by using existing capital improvements. At this time, additional capital improvements are not necessary to provide City services. However, the Tract will be included with other City territory in connection with planning for new, revised, or expanded facilities, functions, and services.

V. **Amendment**. This Plan may not be amended or repealed, except as provided by the Texas Local Government Code or other controlling law. Neither changes in the methods or means of implementing any part of the service programs nor changes in the responsibilities of the various departments of the City shall constitute amendments to this Plan, and the City reserves the right to make such changes at any time. This Plan is subject to, and shall be interpreted in accordance with, the Constitution and laws of the United States of America and the State of Texas, the Texas Local Government Code, and any orders, rules, or regulations of any other governmental body having jurisdiction.

VI. **Force Majeure**. In the event the City is rendered unable, wholly or in part, by force majeure to carry out its obligations under this Plan, notice shall be given with full particulars of such force majeure, in writing, as soon as reasonably possible after the occurrence of the cause relied on, and the City's obligations, so far as effected by such force majeure, shall be suspended during the continuance of such inability so caused but for no longer period, and such cause shall, so far as possible, be remedied with all reasonable dispatch; provided, however, City shall not be required to settle a strike or dispute with workmen when such settlement is against the will of the City. The term "force majeure" shall mean acts of God, strikes, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and people, explosions, breakage or accident to machinery or lines of pipe, droughts, hurricanes and tornadoes, and any other inability of either party, whether similar to those enumerated or otherwise, not within the control of the City, which, by the exercise of reasonable diligence, the City shall not have been able to avoid.

VII. **Entire Plan**. This document contains the entire and integrated Plan relating to the Tract and supersedes all other negotiations, representations, plans, and agreements, whether written or oral.

If one or more provisions of this Plan is held to be invalid, unenforceable, or illegal in any respect, the remainder of the Plan shall remain valid and in full force and effect.

SIGNATURES

For the City:	For the Property Owner:
	Alven R McBride
Name [Signature]	Name [Signature]
	ALVEN R. McBRIDE
Name [Printed]	Name [Printed]
Position	Company [if applicable]
Date	Date

SERVICE AGREEMENT NOT VALID UNTIL SIGNED BY CITY REPRESENTATIVE AND PROPERTY HAS BEEN ANNEXED

PETITION REQUESTING ANNEXATION BY AREA LANDOWNERS

Additional Property Owner(s) [if applicable]

Name [Signature]	Name [Signature]
Name [Printed]	Name [Printed]
Company [if applicable]	Company [if applicable]
Date	Date

TRI-TECH
ENGINEERING ▲ SURVEYING ▲ PLANNING

METES & BOUNDS
11.89 - ACRES (517,711 SQ. FT.)
OUT OF THE J. MILLER SURVEY ABSTRACT NO. 50,
HARRIS COUNTY, TEXAS

A tract of land containing 11.89-acres (517,711 square feet), being all of that certain called 11.765 acre tract of land conveyed to Aven R. McBride as described in deed recorded under Harris County Clerk's File (H.C.C.F.) Number (No.) RP-2023-122538, Official Public Records Harris County, Texas, (O.P.R.H.C.T.) out of a 15.50 acre parent tract of land conveyed to Myron Eugene Schoeder by deed under H.C.C.F. No. E998684, Harris County, Texas, situated in the J. Miller Survey, Abstract No. 50, Harris County, Texas and being more particularly described by metes and bounds as follows; (Bearings & distances are based on Texas State Plane Grid Coordinates, South Central Zone 4204, (NAD 83)):

BEGINNING at a 1-inch iron pipe with "Cotton" cap lying in the east right-of-way (R.O.W.) line of Ulrich Road (60' wide at this point as monumented) marking the southwest corner of a called 3.00 acre tract conveyed to GTE Mobilnet of South Texas by deed under H.C.C.F. No. V099484, and being the most westerly northwest corner of the herein described tract and from which a found 5/8-inch iron rod marking the northwest corner of said 3.00-acre tract bears North 02°23'26" West, a distance of 412.92 feet; (said 1-inch iron pipe having coordinates of N:13969803.41, E:3037154.32)

THENCE, along the common line of said 3.00-acre tract and said 11.765 acre tract the following three (3) courses and distances:

1. North 87°37'58" East, a distance of 59.96 feet, to a found 1-inch iron pipe with "Cotton" cap for interior angle corner of the herein described tract;
2. North 57°26'25" East, a distance of 387.46 feet, to a found 1-inch iron pipe with "Cotton" cap for interior angle corner of the herein described tract;
3. North 02°28'35" West, a distance of 218.96 feet, to a set 5/8-inch iron rod with Tri-Tech cap lying in the south line of that certain called 19.898 acre tract conveyed to Richard O. Kinsey by deed under H.C.C.F. No. S913430, marking the northeast corner of said 3.00-acre tract and being the most northerly northwest corner of the herein described tract;

THENCE, North 87°30'09" East, along the south line of said 19.898-acre tract, a distance of 150.90 feet, to a found 1/2-inch iron pipe, marking the northwest corner of a called 0.524-acre tract conveyed as Lot 14 of McKinney Place, an unrecorded subdivision, to James A. Trevanthan and wife Kathy Trevanthan recorded under H.C.C.F. No. 20110396888, being out of that certain called 15.696-acre tract of land conveyed to Wheeler Coe Jr., Trustee by deed under H.C.C.F. No. E420245, and being the northeast corner of the herein described tract;

THENCE, South 02°31'33" East, along the common line of said 15.50-acre parent tract east line, the west line of said Unrecorded subdivision McKinney Place, at a distance of 712.03 feet pass a found 1/2 inch iron rod, continuing at a distance of 915.27 feet, to a point in said common line from which a found 1/2 inch iron rod bears South 26°03' West a distance of 0.54 feet, continuing for a total distance of 1113.83 feet, to a set 5/8-inch iron rod with Tri-Tech cap, marking the northeast corner of a called 1.000-acre tract of land conveyed to Laura Reyes by deed under H.C.C.F. No. RP-2021-377931, and being the most easterly southeast corner of the herein described tract, from which a found 1-1/2-inch iron pipe lying in the north R.O.W. line of Zion Road (variable width) marking the southwest corner of a called 0.3832-acre tract of land conveyed to Catherine I. Iveson and Christopher C. Iveson by deed under H.C.C.F No. RP-2017-420536, bears South 02°31'33" East, a distance of 286.80 feet;

THENCE, South 87°26'31" West, along the north line of said 1.000-acre tract, a distance of 151.92 feet, to a found 1/2-inch iron rod marking the northwest corner of said 1.000-acre tract and being an interior angle corner of the herein described tract;

THENCE, South 02°33'13" East, along the west line of said 1.000-acre tract, passing at a distance of 286.97 feet, the southwest corner of said 1.000 acre tract, continuing for a total distance of 305.41 feet, to a point lying in the common line of the Joseph Miller Survey Abstract No. 50 and the Ralph Hubbard Survey Abstract No. 383, and being the most southerly southeast corner of the herein described tract;

THENCE, South 87°22'41" West, along said Miller & Hubbard survey line, a distance of 184.28 feet, to a point marking the southeast corner of Zion Vista, a subdivision recorded under Film Code (F.C.) No. 681563, Harris County Map Records (H.C.M.R.) and being the most southerly southwest corner of the herein described tract;

THENCE, North 02°37'50" West, along the east line of said Zion Vista, passing at a distance of 18.44 feet, the southeast corner of Lot 1, Block 1 of said Zion Vista, continuing at a distance of 217.65 feet pass a 1/2 inch iron rod with "Survey 1" cap found and continuing for a total distance of 387.05 feet, to a 1-1/2 inch iron pipe marking the northeast corner of Lot 2, of said Block 1 of Zion Vista, and being an interior angle corner of the herein described tract;

THENCE, South 87°39'53" West, along the north line of said Lot 2 Block 1 of Zion Vista, a distance of 211.19 feet, to a set 5/8-inch iron rod with Tri-Tech cap, lying the east R.O.W. line of aforementioned Ulrich Road, marking the northwest corner of said Zion Vista and being the most westerly southwest corner of the herein described tract, from which a 1/2 inch iron rod found bears South 87°31' East, a distance of 9.08 feet;

THENCE, North 02°23'26" West, along the east R.O.W. line of said Ulrich Road (60' wide at this point), a distance of 619.24 feet to the **POINT OF BEGINNING** and containing 11.89 acres (517,711 square feet).

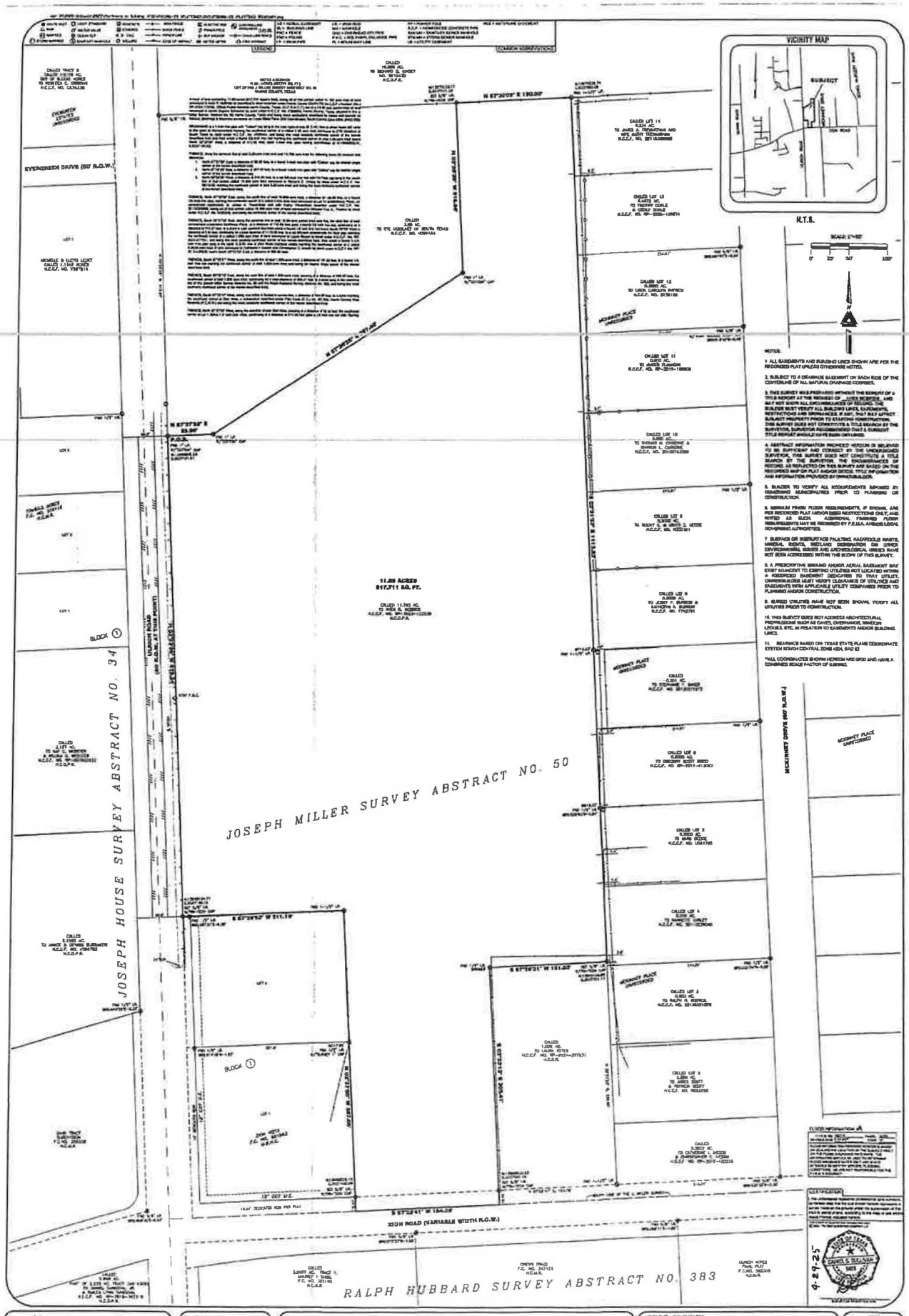
This field note description is part of the survey plat of same date. (Plat being Page 1 of 2 pages)

1.) Bearings shown are based on Texas State Plane Coordinates, South Central Zone 4204, NAD83

2.) The square footage and acreage values shown hereon are mathematical values calculated from the boundary data shown hereon. These values in no way represent the precision of closure of this survey or the accuracy of boundary monuments found or set

DANIEL S SULLIVAN, R.P.L.S. NO. 5828
4/29/25
JOB NO. PIB1086-25

STATE OF TEXAS
REGISTERED
DANIEL S. SULLIVAN
5828
PROFESSIONAL
LAND SURVEYOR



TRI-TECH SURVEYING COMPANY, L.P.
18401 WESTOFFICE DR.
HOUSTON, TEXAS 77042
PH: 713.561.0890
TBPLS #10115500

13130 & 0 ZION ROAD
TOMBALL, HARRIS COUNTY, TEXAS 77375

BOUNDARY SURVEY

1 / 1

HARRIS CENTRAL APPRAISAL DISTRICT
REAL PROPERTY ACCOUNT INFORMATION
0410060020080

Tax Year: 2025

Print

Owner and Property Information			
Owner Name & Mailing Address:	**MCBRIDE AVE R** **11602 HUFFSMITH KUYKENDAHL** **TOMBALL TX 77375-3150**	Legal Description: Property Address:	**TR 18** **ABST 50 J MILLER** **0 ZION RD** **TOMBALL TX 77375**

State Class Code	Land Use Code	Land Area	Total Living Area	Neighborhood	Neighborhood Group	Market Area	Map Facet	Key Map®
C3 -- Real, Vacant Lots/Tracts (Not in City)	2000 -- Residential Vacant	16,988 SF	0 SF	2581.06	26001	400 -- ISD 26 - Tomball ISD	4772D	248Z

Value Status Information

Value Status	Shared CAD
All Values Pending	No

Exemptions and Jurisdictions

Exemption Type	Districts	Jurisdictions	Exemption Value	ARB Status	2024 Rate	2025 Rate
None	026	TOMBALL ISD	Pending	Pending	1.062900	
	040	HARRIS COUNTY	Pending	Pending	0.385290	
	041	HARRIS CO FLOOD CNTRL	Pending	Pending	0.048970	
	042	PORT OF HOUSTON AUTHY	Pending	Pending	0.006150	
	043	HARRIS CO HOSP DIST	Pending	Pending	0.163480	
	044	HARRIS CO EDUC DEPT	Pending	Pending	0.004799	
	045	LONE STAR COLLEGE SYS	Pending	Pending	0.107600	
	665	HC ESD 15	Pending	Pending	0.048810	
	679	HC EMERG SERV DIST 8	Pending	Pending	0.097754	

Texas law prohibits us from displaying residential photographs, sketches, floor plans, or information indicating the age of a property owner on our website. You can inspect this information or get a copy at **HCAD's information center at 13013 NW Freeway.**

Valuations

Value as of January 1, 2024			Value as of January 1, 2025		
	Market	Appraised		Market	Appraised
Land	59,458		Land		
Improvement	0		Improvement		
Total	59,458	59,458	Total	Pending	Pending

Land

Market Value Land

Line	Description	Site Code	Unit Type	Units	Size Factor	Site Factor	Appr O/R Factor	Appr O/R Reason	Total Adj	Unit Price	Adj Unit Price	Value
1	2000 -- Res Vacant Override	SF1	SF	16,988	1.00	1.00	1.00	--	1.00	Pending	Pending	Pending

Building

Vacant (No Building Data)

HARRIS CENTRAL APPRAISAL DISTRICT
REAL PROPERTY ACCOUNT INFORMATION
0410060020119

Tax Year: 2025

Print

Owner and Property Information			
Owner Name & Mailing Address:	**MCBRIDE AVE R** **11602 HUFFSMITH KUYKENDAHL** **TOMBALL TX 77375-3150**	Legal Description: Property Address:	**TR 25** **ABST 50 J MILLER** **13130 ZION RD** **TOMBALL TX 77375**

State Class Code	Land Use Code	Land Area	Total Living Area	Neighborhood	Neighborhood Group	Market Area	Map Facet	Key Map®
C3 -- Real, Vacant Lots/Tracts (Not in City)	2000 -- Residential Vacant	500,940 SF	0 SF	2581.06	26001	400 -- ISD 26 - Tomball ISD	4772D	248Z

Value Status Information

Value Status	Shared CAD
All Values Pending	No

Exemptions and Jurisdictions

Exemption Type	Districts	Jurisdictions	Exemption Value	ARB Status	2024 Rate	2025 Rate
None	026	TOMBALL ISD	Pending	Pending	1.062900	
	040	HARRIS COUNTY	Pending	Pending	0.385290	
	041	HARRIS CO FLOOD CNTRL	Pending	Pending	0.048970	
	042	PORT OF HOUSTON AUTHY	Pending	Pending	0.006150	
	043	HARRIS CO HOSP DIST	Pending	Pending	0.163480	
	044	HARRIS CO EDUC DEPT	Pending	Pending	0.004799	
	045	LONE STAR COLLEGE SYS	Pending	Pending	0.107600	
	665	HC ESD 15	Pending	Pending	0.048810	
	679	HC EMERG SERV DIST 8	Pending	Pending	0.097754	

Texas law prohibits us from displaying residential photographs, sketches, floor plans, or information indicating the age of a property owner on our website. You can inspect this information or get a copy at **HCAD's information center at 13013 NW Freeway**.

Valuations

Value as of January 1, 2024			Value as of January 1, 2025		
	Market	Appraised		Market	Appraised
Land	294,030		Land		
Improvement	0		Improvement		
Total	294,030	294,030	Total	Pending	Pending

Land

Market Value Land

Line	Description	Site Code	Unit Type	Units	Size Factor	Site Factor	Appr O/R Factor	Appr O/R Reason	Total Adj	Unit Price	Adj Unit Price	Value
1	2000 -- Res Vacant Override	AC0	AC	2.0000	1.00	1.00	1.00	--	1.00	Pending	Pending	Pending
2	2000 -- Res Vacant Override	AC8	AC	9.5000	1.00	1.00	1.00	--	1.00	Pending	Pending	Pending

Building

Vacant (No Building Data)

Consent Annexation Application Tracts 18 & 25

Joseph Miller Survey, Abstract No. 50 Requested into the City of Tomball, TX

Presented by CSO, Community Development, Fire, Police, and Public Works

Overview of Request

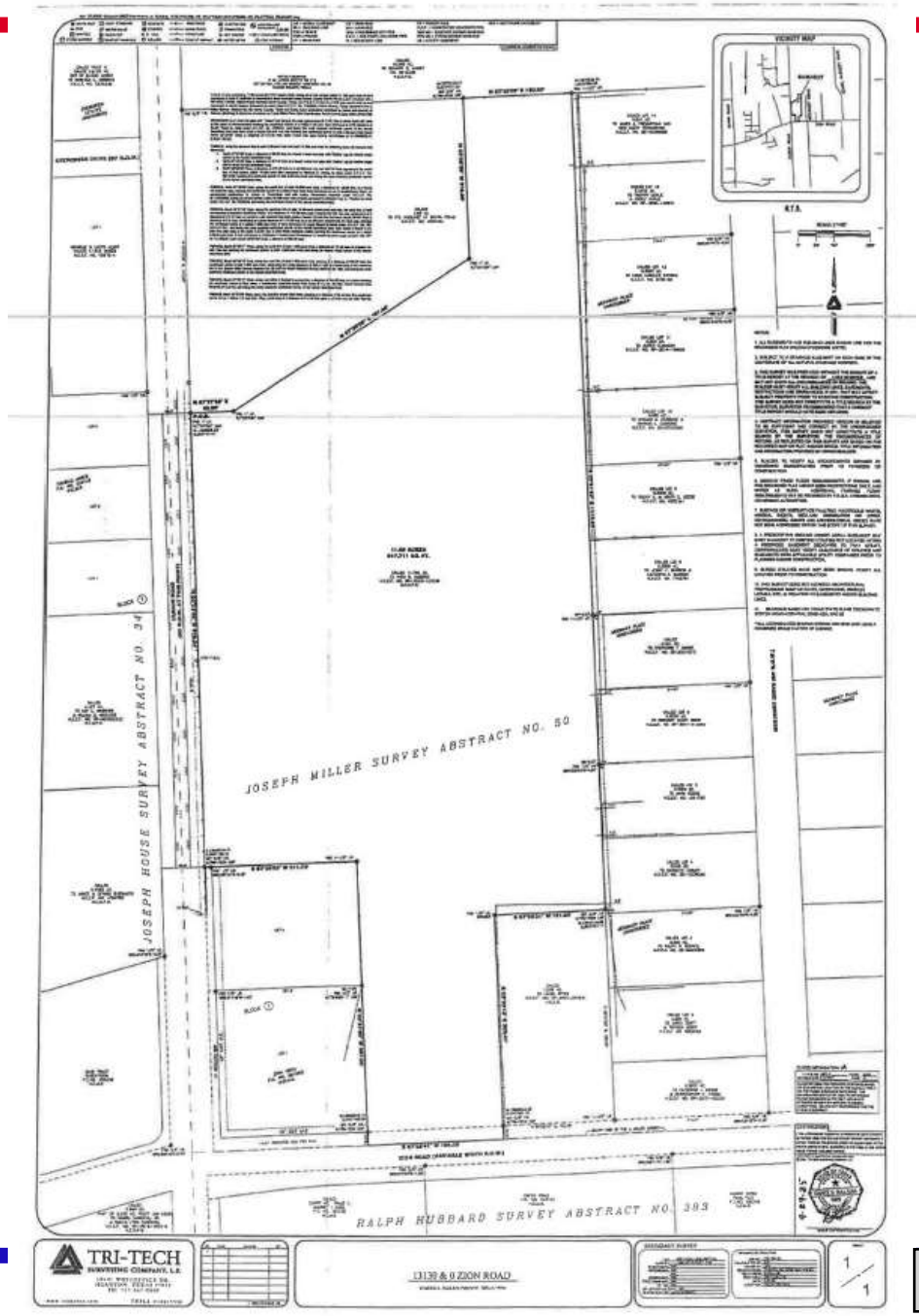
- Request for full-purpose annexation of 11.89 acres
- Subject Tract: Property owner petition submitted by Aven R. McBride
- Location: 13130 Zion Rd & 0 Zion Rd
- Annexation required for access to municipal water, wastewater, and gas services

Legal Basis & Eligibility

- Texas Local Government Code Chapter 43 Compliance
- Tract lies within the City's Extraterritorial Jurisdiction (ETJ)
- Not appraised for agriculture, wildlife, or timber use
- Development agreement waived by the property owner
- All owners consented and signed the petition

Property Description & Development Intent

- Combined acreage: 11.89 acres (per Tri-Tech Surveying)
- Tracts 18 & 25, Joesph Miller Survey, Abstract No. 50
- Anticipated Development: Residential
  - Four single-family units, estimated value: $4 million total
- Platting in Progress; zoning remains Agricultural (AG)



Municipal Service Plan Summary

- General Services upon annexation:
  - Police and fire protection
  - Solid waste collection
  - Maintenance of public infrastructure

- Capital Improvements (as needed)
  - Water and wastewater
  - Road and drainage integration

- Service levels consistent with comparable areas in Tomball

Action Requested

- Order a Public Hearing on the proposed annexation
- Schedule First Reading of Ordinance annexing Tracts 18 & 25
- Allow integration of the Municipal Service Plan into annexation Ordinance

Questions & Discussion

We’re happy to address any questions or concerns the Council may have.

Consent Annexation Application Tracts 18 & 25

Joseph Miller Survey, Abstract No. 50 Requested into the City of Tomball, TX

Presented by CSO, Community Development, Fire, Police, and Public Works

Overview of Request

- Request for full-purpose annexation of 11.89 acres
- Subject Tract: Property owner petition submitted by Aven R. McBride
- Location: 13130 Zion Rd & 0 Zion Rd
- Annexation required for access to municipal water, wastewater, and gas services

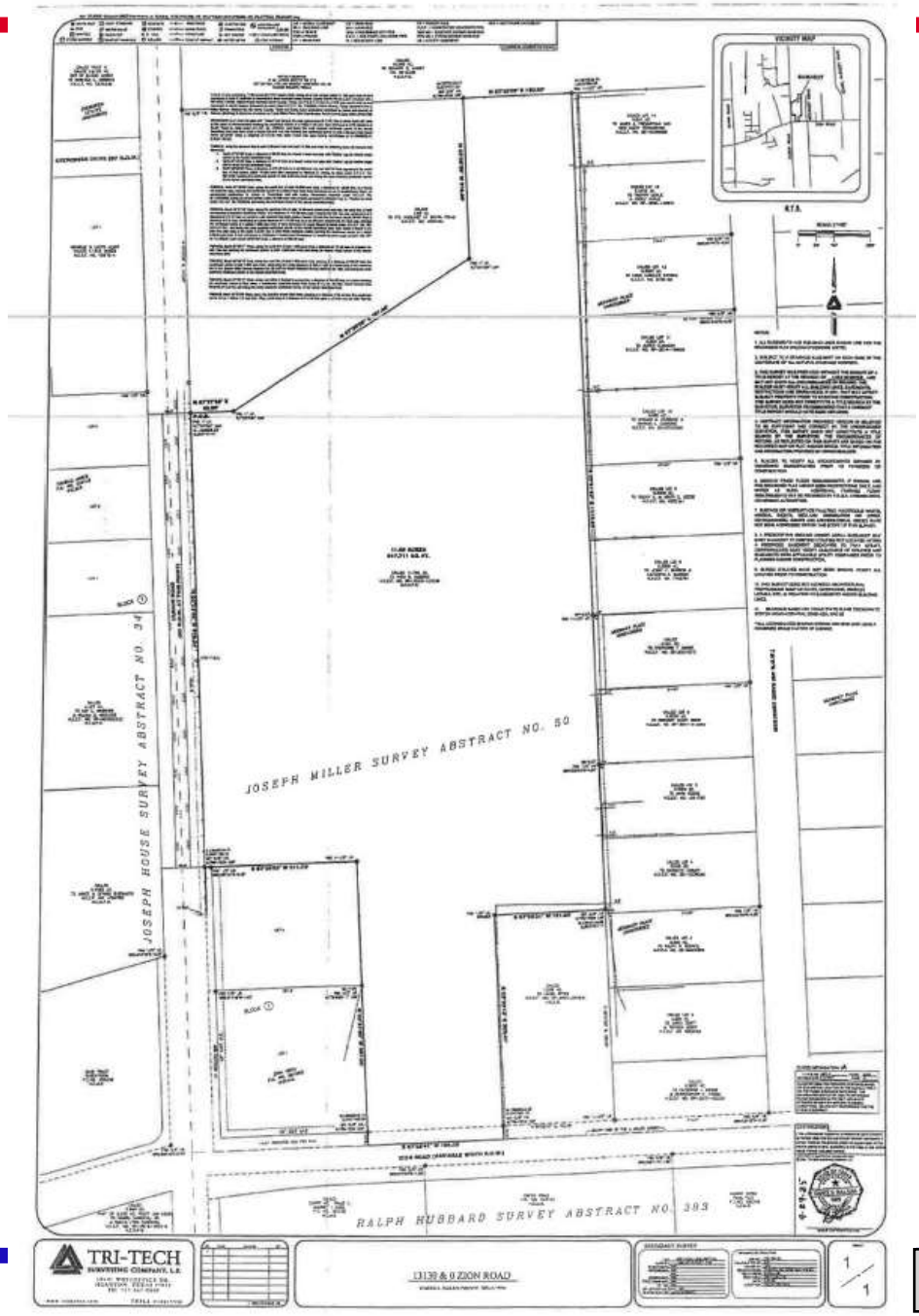
Partners In Building Annexation

- Located North of Zion Road & East of Ulrich Road, and West of McKinney Place
- Tract lies within the City's Extraterritorial Jurisdiction (ETJ)
- Not appraised for agriculture, wildlife, or timber use
- Development agreement waived by the property owner
- All owners consented and signed the petition


EVERGREEN
WILLIAM JUERGENS DR
ULRICH RD
MCKINNEY DR
ZION RD
RUDOLPH ST

Property Description & Development Intent

- Combined acreage: 11.89 acres (per Tri-Tech Surveying)
- Tracts 18 & 25, Joesph Miller Survey, Abstract No. 50
- Anticipated Development: Residential
  - Four single-family units, estimated value: $4 million total



Municipal Service Plan Summary

- General Services upon annexation:
  - Police and fire protection
  - Solid waste collection
  - Maintenance of public infrastructure

- Capital Improvements – Developer Costs (as needed)
  - Water and wastewater
  - Road and drainage integration

- Service levels consistent with comparable areas in Tomball

Action Requested

- Hold a Public Hearing on the proposed annexation
- Consideration of and Action on First Reading of Ordinance annexing Tracts 18 & 25 (Partners In Building Annexation)



Questions & Discussion

Regular City Council
Agenda Item
Data Sheet

Meeting Date: September 2, 2025

Topic:

Approve, on First Reading, Resolution No. 2025-38-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Performance Agreement by and between the Corporation and Muddy's Buddies Daycare, LLC, to make direct incentives to, or expenditures for, rental assistance for new or expanded business enterprise to be located at 22525 Hufsmith-Kohrville Rd., Ste 4-B, Tomball, Texas 77375. The estimated amount of expenditures for such Project is an amount not to exceed $10,000.00.

Background:

On August 19, 2025, the Tomball Economic Development Corporation (TEDC) Board of Directors unanimously approved, as a Project of the Corporation, an economic development performance agreement with Muddy's Buddies Daycare, LLC for rental assistance for new or expanded business enterprise. The Tomball City Council has final approval authority over all programs and expenditures of the Corporation.

Origination: Tomball Economic Development Corporation Board of Directors

Recommendation: Approval of Resolution No. 2025-38-TEDC

Party(ies) responsible for placing this item on agenda: Kelly Violette

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: _____ If yes, specify Account Number: #Project Grants

If no, funds will be transferred from account # _____ To account # _____

Signed _____ Approved by _____

Staff Member-TEDC Date Executive Director-TEDC Date

TOMBALL
ECONOMIC DEVELOPMENT CORP.

TO: Honorable Mayor and City Council

FROM: Kelly Violette
Executive Director

MEETING DATE: September 2, 2025

SUBJECT: Muddy's Buddies Daycare, LLC

ITEM TYPE: Action

The Tomball Economic Development Corporation has received a request from Maribel Paree, Owner, of Muddy's Buddies Daycare, LLC for funding assistance through the TEDC's Rental Incentive Program.

Ms. Paree aims to bring a unique indoor-only dog daycare and boarding facility dedicated exclusively to small breeds to be located at 22525 Hufsmith Kohrville Rd., in Suite 4-B, Tomball, TX 77375. The space is approximately 4,500 square feet and located inside the Hufsmith Kohrville Business Park. The facility will feature an open-play concept, bright murals, indoor playgrounds, and comfortable boarding kennels-designed with small dogs' safety and comfort in mind.

The goal of the TEDC's Rental Incentive Program is to assist in the establishment of new businesses in existing vacant spaces and to stimulate commercial investment in the City of Tomball. In accordance with the Rental Incentive Program Policy, the proposed performance agreement is for 25% of the base monthly rent for the first year of operation only, not to exceed $10,000.00.

The lease agreement that was submitted in conjunction with the request letter shows a five-year lease commitment with a monthly rent amount of $5,625.00 for the first 12 months. The proposed grant amount of $10,000.00 will be payable after the first year of operation based on landlord verification of rents paid and meeting the performance agreement criteria.

Although this project does not create primary jobs, it does promote the development and expansion of business enterprise, which is considered a permissible project as outlined in Texas Economic Development Legislation. If this project is approved, it will go to the Tomball City Council for final approval by resolution at two separate readings.

Maribel Paree

Owner, Muddy's Buddies Daycare

Maribel@muddysbuddiesdaycare.org

346-334-2929

Tiffani Wooten, CEcD

Assistant Director

Tomball Economic Development Corporation

Dear Tiffani,

I'm thrilled to share that Muddy's Buddies Daycare-a unique indoor-only dog daycare and boarding facility dedicated exclusively to small breeds-is launching a brick-and-mortar location in Tomball, TX! Inspired by my own French Bulldog, Muddy, who is paralyzed in the hind legs, I wanted to create a safe, fun, and inclusive space where small dogs can thrive and be treated like family.

Our facility will feature an open-play concept, bright murals, indoor playgrounds, and comfortable boarding kennels-designed entirely with small dogs' safety and comfort in mind. We'll also offer special services like enrichment activities, one-on-one attention, and themed play events, becoming a trusted resource for local pet parents.

As a woman-owned business, this is a heartfelt expansion-but also one that comes with significant startup costs. We are seeking the Rental Incentive Grant to help offset these initial expenses. This support would allow us to invest in essential buildout, safety equipment, and staff hiring-ensuring we meet the highest standard of care for Tomball's beloved four-legged residents from day one.

We're grateful for the opportunity to apply and to be a part of Tomball's growing pet-friendly community. Muddy's Buddies Daycare is more than a business-it's a passion project to uplift dogs who need a little extra love and provide peace of mind to their humans. We look forward to calling Tomball our forever home.

Warm regards,

Maribel Paree

Owner, Muddy's Buddies Daycare

Maribel@muddysbuddiesdaycare.org | 346-334-2929 | www.muddysbuddiesdaycare.org


RED RIVER COURT

TOMBALL
ECONOMIC DEVELOPMENT CORP.

NEW BUSINESS RENTAL INCENTIVE PROGRAM

PART A –BUSINESS OWNER APPLICATION

The New Business Rental Incentive Program seeks to reduce area vacancies and facilitate the establishment of new businesses in previously underutilized areas of the City. The intent of the program is to facilitate business growth and expansion by assisting businesses in leasing space. All grant award decisions of the Tomball Economic Development Corporation (TEDC) Board of Directors are discretionary and final. Through the Program, the TEDC will provide up to 25% of the base monthly rent for the first year of operation only, not to exceed $10,000 per business.

Business Owner Applicant Information

Name of Business: Muddy Buddies Daycare LLC

Current Business Physical Address: 22525 Hufsmith Kohrville Rd Suite 4-B

City, State & Zip Tomball,Tx 77375

Mailing Address: 27204 Silent Rain Dr.

City, State & Zip Magnolia,Tx. 77354

Business Phone: 3463342929

Business Website: muddysbuddiesdaycare.org

Business Owner Name: Maribel Paree

Applicant's Name (if different): _____

Position /Title: Owner

Phone and Email: 346-334-2929 Maribel@muddiesbuddiesdaycare.org

Nature of Business: Daycare/Boarding Facilty

NAICS Code: _____

Legal Form of Business:

- ☐ Sole Proprietor
- ☐ Partnership Number of Partners 0
- ☐ Corporation
- ☐ Limited Liability Corp
- ☐ Other LLC

Business Start/Opening Date September 2025

Days and Hours of Operation

Days Open: 7 Days a week

Hours Open: 13 hours

Employees

Full Time Employees (40 hours per week): 2

Part Time Employees (less than 40 hours per week): 3

Does the Business Owner Have any Relationship to the Property Owner/Landlord?

No □ Yes □ (please explain)

_____

_____

Moving and Space Improvement Cost and Funding Information

Investment Data

Tenant Space Improvement (finish) $ _____

Landlord Space Improvement (finish) $ _____

Equipment and Display $ _____

Product Stock (for Opening) $ _____

Marketing (First Year) $ _____

Sources of Funding for Move/Expansion

Funds invested by owner $ _____

Funds from other sources* $ _____

Total estimated cost to move/expand $ _____

* Source of Funding and Amounts _____

New Lease Property Information

Address of space to be leased: 22525 Hufsmith Kohrville Rd. 4-B

Total amount of square feet to be leased and occupied: 4500

Term of lease (minimum 3 years): 5 years

Gross rental rate $5625 per month $1.25 per s.f.

Additional lease terms and other monthly charges: CAM $1350 Monthly. Year 2 $6750 $1.50sf, Year 3 $6885 $1.53sf, Year 4 $7020 $1.56sf, Year 5 $7155 $1.59SF

Indicate any rate increases: Noted above

FINANCIAL NEED DEMONSTRATION: Acceptance into the Rental Incentive Program requires an acceptable explanation of financial need. Use the lines below to explain why and how the rent subsidy is an important factor in opening your business.

As a new small business, Muddy's Buddies Daycare is focused on providing a much needed service to families with small breeds dogs in the area. The inital costs of opening a high-quality,safe and engaging facility-including construction licensing,equipment, and marketing-are substantial. A rent subsidy would significantly ease the financial burden during our critical startup phase,allowing us to allocate resources toward completing the buildout of the daycare,hiring staff, and ensuring a safe welcoming environment for our clients and their pets. without this assistance, the monthly rent commitment would limit our ability to fully invest in the infrastructure and staffing necessary to meet the demand for premuim small-dog daycare and boarding services.

Explain how your business will benefit and enhance the area in which you are locating and how your business will complement other businesses within the area:

Muddy's Buddies Daycare will provide a unique and specialized service that is currently lacking in the area- An indoor, open-play daycare and boarding facility exclusively for small breed dogs. Our presence will attract pet owners from surrounding communities,increasing foot traffic and visibility for nearby businesses. We also plan to partner with local pet-related vendors,groomers, and small retailers to support the local economy. By providing a safe, fun, and professional environment for dogs. We aim to create a postive impact in the community and be a trusted resource for pet familes in the area.

Certification

By signing below, the Business Owner of record (applicant) understands and agrees to the following:

1. All information contained in this application, the attached exhibits and other materials submitted in connection with this application are true and accurate to the best of the business owner's knowledge. Business owner understands and agrees that false or untruthful information may be grounds for the TEDC to stop processing this application or to withdraw any approval previously obtained based in whole or in part on such false or untruthful statements.

2. The TEDC is under no obligation to approve the request contained in the application. No promises of approval are conveyed with the acceptance of this application.

3. All tax obligations to the City of Tomball are current.

4. The business is currently in good standing with the City, and has no pending municipal code violations.

5. The business is not currently occupying the space with or without a lease in place.

6. The APPLICANT hereby certifies that the APPLICANT does not and will not knowingly employ an undocumented worker. An "undocumented worker" shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States; or (b) authorized under the law to be employed in that manner in the United States. APPLICANT understands and agrees that if, after receiving a Grant, APPLICANT is convicted of a violation under 8 U.S.C. Section 1324a(f), the APPLICANT shall be required to reimburse to the TEDC the grant amount received. Payments must be paid in full within thirty (30) days after the date of written notification by the TEDC. The form of such payment shall be a cashier's check or money order, made payable to the Tomball Economic Development Corporation. The TEDC has the right to recover court costs and reasonable attorney's fees as a result of any civil action required to recover such repayment.

Maribel Paree

Printed Name of Principal Owner



Signature

07-20-2025

Date

Please submit the completed application along with a copy of the Proposed Lease Agreement to:

Kelly Violette

Tomball Economic Development Corporation

29201 Quinn Road, Suite B

Tomball, TX 77375

For further questions about the Program, please contact Kelly Violette, Executive Director, at 281.401.4086 or kviolette@tomballtxedc.org.

TOMBALL
ECONOMIC DEVELOPMENT CORP.

NEW BUSINESS RENTAL INCENTIVE PROGRAM

PART B – PROPERTY OWNER/LANDLORD APPLICATION

Complete all items carefully and accurately to the best of your knowledge and return with a copy of Proof of Ownership to:

Kelly Violette
Tomball Economic Development Corporation
29201 Quinn Road, Suite B
Tomball, TX 77375

Property Address: 22525 Hufsmith Kohrville Road, Tomball, TX 77375

Property Owner of Record: Hufsmith Kohrville Business Park LLC
Mailing Address: 16023 Rudgewick Lane
City, State & Zip Spring TX 77379
Phone: 346-225-9590 Email: matt@lonestardevelopment.com
Name(s) of Authorized Signatories: Matthew Lawrence, Jason Snell, Bill Lawrence

Name of Management Company: Lone Star Development Property Management Company
Name of Representative/Contact Person: Matt Lawrence
Management Company Address: 16023 Rudgewick Lane
City, State & Zip Spring TX 77379
Phone: 346-225-9590 Email: matt@lonestardevelopment.com

Name of proposed business at site:

Muddy's Buddies Doggy Day Care

Name of business owner:

Maribel Paree

DOES THE BUSINESS OWNER OR THE BUSINESS HAVE ANY RELATIONSHIP TO THE PROPERTY OWNER/LANDLORD? NO ■ YES □ Please explain

_____

_____

_____

SITE & LEASE INFORMATION

Total amount of square feet to be leased and occupied by business: 4500

Term of lease: 5 years

Gross rental rate $5625 per month $1.25 per s.f.

Additional lease terms and other monthly charges: $1320 per month in CAM Charges. $.30 per square foot

Indicate any rate increases: 2% each year

Is the subject space currently vacant? Yes ■ No □

If yes, how long has the space been vacant? 8 months

Name of previous tenant: _____

Previous Rental Rate: $_____ Per Month $ _____ Per Square Foot

CERTIFICATIONS

Are all real estate and personal property taxes due the City of Tomball paid in full?

Subject Property: YES ■ NO □ (Please explain on supplemental sheet)

Other Properties: YES ■ NO □ N/A □

Are all City of Tomball water and sewer bills due paid in full?

Subject Property: YES ■ NO □ (Please explain on supplemental sheet)

Other Properties: YES ■ NO □ N/A □

Have you been cited for any existing zoning, building or property maintenance code violations that remain uncorrected?

Subject Property: YES □ NO ■ (Please explain on supplemental sheet)

Other Properties: YES □ NO ■ N/A □

Are you involved in any litigation with the City of Tomball?

□ YES (Please explain on supplemental sheet)

■ NO

By signing below, the Landlord/Property Owner of record understands and agrees to the following:

1. All information contained in this application, the attached exhibits and other materials submitted in connection with this application are true and accurate to the best of the land owner's knowledge. Land-owner understands and agrees that false or untruthful information may be grounds for the TEDC to stop processing this application or to withdraw any approval previously obtained based in whole or in part on such false or untruthful statements.
2. The TEDC is under no obligation to approve the request contained in the application. No promises of approval are conveyed with the acceptance of this application.
3. All tax obligations to the City of Tomball are current.
4. The property is currently in good standing with the City, and has no pending municipal code violations.
5. The business is not currently occupying the space with or without a lease in place.

Matthew Lawrence

Printed Name of Property Owner/Landlord

Matthew Lawrence

Signature

08/11/2025

Date

LONE STAR DEVELOPMENT

COMMERCIAL NNN LEASE

BETWEEN

HUFSMITH KOHRVILLE BUSINESS PARK LLC,
a Texas Limited Liability Company

and

MUDDY'S BUDDIES DAYCARE, LLC.

MARIBEL PAREE

for property located at:

HUFSMITH KOHRVILLE BUSINESS PARK
22525 HUFSMITH KOHRVILLE ROAD
SUITE 4-B
TOMBALL, TEXAS 77375

MP
MP

William Lawrence

LONE STAR DEVELOPMENT

SUMMARY OF BASIC LEASE PROVISIONS

In addition to the terms which are defined elsewhere in this Lease, the following terms are used in this Lease:

LEASE EXECUTION DATE: 02/07/2025

LANDLORD: **HUFSMITH KOHRVILLE BUSINESS PARK, LLC**
A Texas Limited Liability Company
22525 Hufsmith Kohrville Road – Suite 3C

TENANT:
(COMPANY): MUDDY'S BUDDIES DAYCARE, LLC.
(INDIVIDUAL 1): MARIBEL PAREE
(INDIVIDUAL 2): _____
(INDIVIDUAL 3): _____

LEASED PREMISES: **22525 Hufsmith Kohrville Road Suite:** 4-B
Tomball, Texas 77375

CONSISTING OF: **APPROXIMATELY** 4500 **SQUARE FEET**

TERM: **LEASE START DATE:** 03/01/2025 **LEASE TERMINATION DATE:** 02/28/2030

YEAR 1 BASE RENT:	$1.25	**SF**	$5625	**MONTH**
YEAR 1 BASE CAM:	$.30	**SF**	$1350	**MONTH**
SECURITY DEPOSIT:	$6975	**$**		
TENANT IMPR ALLOW:	$20	**SF**	$90000	**DOLLARS**
ADDITIONAL ALLOW:	$0	**$**	$0	**ADDITIONAL $ PSF**

[Additional Tenant Improvement Allowance Financed by Landlord will be added to the base rent indicated above]

GUARANTOR(S): **(INDIVIDUAL 1):** MARIBEL PAREE
Address: 27204 SILENT RAIN DRIVE, MAGNOLIA, TEXAS 77354

(INDIVIDUAL 2): _____
Address: _____

(INDIVIDUAL 3): _____
Address: _____

BROKERS: **Landlord's Broker:** JORDAN LAWRENCE
Tenant's Broker: CORIE QUACKENBUSH

INTERPRETATION:
In the event of any conflict between this Summary of the Basic Lease Provisions ("Summary") and the balance of this Lease (including exhibits), the latter shall control. Each of the terms defined and set forth in this Summary shall be construed in conjunction with the remainder of this Lease, particularly the referenced portions thereof.

Tenant's Initials MP MP

WL William Lawrence *Landlord's Initials*

LONE STAR DEVELOPMENT

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LONE STAR DEVELOPMENT

LEASE

This Lease ("**Lease**") is entered into by **Hufsmith Kohrville Business Park, LLC**, a Texas limited liability company, as "**Landlord**" or assigns, and MUDDY'S BUDDIES DAYCARE, LLC. as "**Tenant**."

SECTION 1. BUSINESS TERMS AND AGREED DEFINITIONS

The following terms shall have the indicated meanings when used in this Lease, unless the context otherwise clearly requires.

A. **Buildings.** Collectively, the buildings located on the Land, and the parking, drives and outside storage area (if any) which service the buildings, as shown on the site plan attached hereto and made a part hereof as **Exhibit "B".** The buildings are located in the location shown on **Exhibit "B"** with minor variances, which commonly occur in connection with layouts of buildings and/or the pouring of foundations. The estimated aggregate square footage of all Buildings is 44098 **square feet**.

B. **Land.** The Land described on **Exhibit "A"**, which is attached hereto and made a part hereof.

C. **Leased Premises.** That portion of the building which comprises approximately 4500 square feet, including office space and warehouse space (as described on **Exhibit "B",** attached hereto and made a part hereof) located on the Land and known as Suite 4-B.

D. **Commencement Date.** The Commencement Date (**Lease Start Date**) shall be the earlier of either: **(1)** Date on which the Tenant receives their Certificate of Occupancy (CO) and moves into their suite, or **(2)** Six months (180 days) after the date on which this lease is executed. If the revised **Lease Start Date** falls between the 2nd and the last day of the month, it shall be adjusted to the 1st day of the following month. The obligation to pay rent commences on the **Lease Start Date**.

E. **Term.** The period that begins on 03/01/2025 and ends on 02/28/2030 unless sooner terminated in accordance with the provisions of this Lease.

F. **Base Rent (Annual per S.F. and Monthly $).** Base Rent shall be paid according to the following schedule, subject to the provisions of Section 4 hereof. As used herein, "Lease Month" shall refer to each full calendar month of the Term, commencing as of the Commencement Date. Notwithstanding the foregoing, in the event that the Commencement Date occurs on a day other than the first day of a calendar month, the first Lease Month pursuant to the schedule below shall commence the first day of the calendar month following the month in which the Commencement Date occurs.

Continued on the next page:

Period	Base Rent $ per SF	Base Rent $ per SF Yearly	Base Rent Monthly	Base Rent Annually
Year 1	$ 1.25	$ 15	$ 5625	$ 67500
Year 2	$ 1.50	$ 18	$ 6750	$ 81000
Year 3	$ 1.53	$ 18.36	$ 6885	$ 82620
Year 4	$ 1.56	$ 18.72	$ 7020	$ 84240
Year 5	$ 1.59	$ 19.08	$ 7155	$ 85860

The Rent Schedule illustrated above **includes** (if any) the additional Landlord Construction Allowance financed by Landlord but does not include **Additional Rent (CAM)** referenced too in Section 1.G below. The Base Rent due for the first (1st) Lease Month during the Term shall be paid by Tenant to Landlord ninety (90) days prior to occupancy. If Tenant fails to timely pay any amounts due under this lease when due or if any payment of Tenant is returned to Landlord by the institution on which it was drawn, Landlord after providing written notice to Tenant may require Tenant to pay subsequent amounts that become due under this lease in certified funds. This paragraph does not limit Landlord from seeking other remedies under this lease, at law, or in equity for Tenant's failure to make timely payments with good funds.

G. **Additional Rent: (Monthly)**. In addition to Base Rent, Tenant shall be responsible for Tenant's Proportionate Share of Operating Costs (otherwise known as CAM charges) as set forth in Section 5 below. The initial estimate of Tenant's Proportionate Share of Operating Costs is $.30 per month per square foot.

H. **Pre-Payment of Security Deposit and First Month's Rent.** Payment in the amount of **(1)** $6975 (the "Security Deposit") is due immediately upon signing this lease, and **(2)** $6975, representing the first full month's rent and the initial estimate of Tenant's Proportionate Share of monthly Operating Costs (CAM Charges) is due ninety (90) days prior to Lease Start Date (Commencement Date).

I. **Permitted Use.** Office and Warehouse use only, including general administrative and sales offices, warehousing and distribution uses and all other related lawful uses. Tenant may not use the Leased Premises or any portion thereof for any of the uses described on **Exhibit "G"** ("Prohibited Uses").

J. **Tenant's Address.** Tenant's address for notice purposes per Section 18 is:

Tenant Name: MUDDY'S BUDDIES DAYCARE, LLC.
Address: 27204 SILENT RAIN DRIVE
City, State, and Zip: MAGNOLIA, TEXAS 77354

K. **Landlord's Address.** Landlord's address for notice purposes per Section 18 is:

Hufsmith Kohrville Business Park, LLC.
C/O 16023 Rudgewick Lane, Spring, Texas 77379

L. **Commissions.** Landlord shall be responsible for and shall pay the real estate commissions due to ("Tenant's Broker"), in accordance with the terms set forth in a separate agreement entered into between Landlord and Broker. In the absence of any 'brokerage representation agreement' no commissions will be paid by Landlord.

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M. **List of Exhibits.**

Exhibit "A":	Legal Description of Land
Exhibit "B":	Site Plan for Leased Premises
Exhibit "C":	Construction Rider
Exhibit "D":	Estoppel Certificate for Prospective Purchaser or Lender
Exhibit "E":	Rules & Regulations
Exhibit "F":	Hazardous Substances Provisions
Exhibit "G":	Prohibited Uses
Exhibit "H":	Commencement Date Agreement
Exhibit "I":	Guaranty of Lease
Exhibit "J":	Tenant's Insurance Requirements

N. **(Intentionally Left Blank)**

O. **Tenant's Proportionate Share**. Shall initially mean 10.2 **%**, or the percentage derived by dividing the square footage of the Leased Premises (4500) by the total number of square feet of rentable space within the buildings (44098). If Landlord constructs additional buildings, or adds on to any of the buildings, on the Land, Tenant's Proportionate Share set forth in this section shall be adjusted to reflect that Landlord has modified the square footage of the buildings on the Land.

P. **Guarantor(s)**. Guarantor shall mean those individuals listed on page -2- **"SUMMARY OF BASIC LEASE PROVISIONS"** as **INDIVIDUAL 1**, **INDIVIDUAL 2**, and **INDIVIDUAL 3.**

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SECTION 2. LEASED PREMISES; COMMON AREAS; PARKING

A. **Existing Condition.** The Leased Premises shall be leased by Landlord to Tenant in its existing condition and state of repair, on an "AS-IS," "WHERE-IS" basis, and Landlord shall have no obligation to perform any construction work at the Leased Premises unless provided for herein. Landlord will, however, be responsible for Landlord's repair obligations described in Section 10.

B. **Leased Premises**. Landlord hereby leases the Leased Premises to Tenant and Tenant hereby leases the Leased Premises from Landlord.

(1) Tenant, at Tenant's cost, shall be responsible for obtaining a certificate of occupancy/compliance or equivalent certificate from the applicable governmental agency, including a temporary certificate of occupancy (collectively, a "Certificate of Occupancy") to the extent Landlord has not already obtained the same so that Tenant may occupy the Leased Premises. If necessary, Landlord will reasonably cooperate with Tenant in obtaining such Certificate of Occupancy.

(2) Landlord reserves the right to place utility lines over and under the Land, so long as the same are around the perimeter of the Land and do not unreasonably interfere with Tenant's use of the Leased Premises. Any such utility lines will be reflected in recorded easements showing the specific location of the easements.

(3) Tenant's construction of its initial improvements or alterations for its initial occupancy within the Leased Premises shall comply with the terms of Exhibit "C" attached hereto. Landlord may (at its sole discretion) provide a **"Tenant Buildout and Construction Allowance"** for Tenant's Work (as defined in Exhibit "C" attached hereto) and referenced to in **Section 23.T** and upon (a) completion of all Tenant's Work to Landlord's satisfaction, (b) upon Landlord's satisfaction that all bills related to the Tenant Work have been paid to Tenant's contractors, subcontractors and professionals, including final lien waivers with respect thereto for the work completed to date, in form and substance reasonably satisfactory to Landlord, (c) upon Tenant's submittal of all documentation required under Section 3(c) of Exhibit "C", and (d) Tenant's commencement of business in the Leased Premises. Should Landlord desire, this payment shall be made directly to the contractor(s)/Vendor(s) who have performed the work, and this "Allowance" shall be the last dollars paid to said contractors/vendors.

(4) Other than Tenant's Work, Tenant may not construct any alterations or make any changes to the Leased Premises unless Tenant has received the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, the Tenant may make non-structural, cosmetic alterations to the Leased Premises the cost of which does not exceed $10,000 in any one calendar year without Landlord's consent.

(5) Tenant shall have no authority to place any lien upon the Leased Premises (or allow any other person or entity to place any lien upon the Leased Premises) and any attempt to do so shall be void from its inception and of no force or effect. If a lien is attached to the Land or the Premises, then, in addition to any other right or remedy of Landlord hereunder, Landlord may, but shall not be obligated to, discharge the same. Any amount paid by Landlord for any of the aforesaid purposes including but not limited to, reasonable attorneys' fees, shall be paid by Tenant to Landlord within thirty (30) days after demand and Additional Rent. Tenant shall within ten (10) days of receiving such notice of lien or claim have such lien or claim released of record. Tenant's failure to comply with the provisions of the foregoing shall be deemed an Event of Default entitling Landlord to exercise all of its remedies therefor without the requirement of any additional notice or cure period.

(6) All improvements, additions, equipment, and fixtures installed in the Leased Premises (except for Removable Trade Fixtures as defined in Section 10.B. below which are actually removed in accordance with Section 10.B, at the termination of Tenant's right to possession hereunder) shall belong to Landlord. At the termination of this Lease, Landlord may at Landlord's option, require the removal of all improvements, additions, equipment, and fixtures that were installed by the Tenant.

(7) Tenant is not permitted to alter locks and other security devices at the Leased Premises.

C. **Common Areas**. Landlord hereby grants to Tenant during the term of this Lease, a license to use, in common with the others entitled to such use, the Common Areas as they from time to time exist, subject to the rights, powers and privileges herein reserved to Landlord. The term "Common Areas" as used herein will include all areas and facilities outside the Leased Premises that are provided and designated for general use and convenience of Tenant and other tenants within the Buildings and Land. Common Areas may include but are not limited to pedestrian sidewalks, landscaped areas, roadways, parking areas, and rights of way, if any. All Common Areas and other facilities in or about the buildings provided by Landlord shall be subject to the exclusive control and management of Landlord.

D. **Parking**. Tenant shall be entitled to park in common with other Building tenants of Landlord and shall be entitled to utilize any unassigned tenant parking spaces in the Common Areas, but leaving a corridor for the passage of other vehicles. No Tenants may park within any common drives. Tenant agrees not to overburden the parking facilities and agrees to cooperate with Landlord and other tenants of the building in the use of parking facilities. Landlord reserves the right in its absolute discretion to determine whether parking facilities are becoming crowded and, in such event, to allocate parking spaces among Tenant and other tenants of the building. Landlord may designate parking spaces in the Common Areas for the handicapped visitors to the building and other tenants.

SECTION 3. COMMENCEMENT DATE AGREEMENT

Landlord may, at its sole option, refuse to tender possession or keys to the Leased Premises to Tenant until Tenant executes a Commencement Date Agreement in the form attached hereto as **Exhibit "H"** acknowledging the Commencement Date of this Lease; provided, however, that failure by Tenant to execute the same shall in no manner affect or delay the actual Commencement Date of this Lease.

SECTION 4. RENT.

All sums required to be paid by the Tenant under this Lease constitute "rent." The term "rent" or "rental", when used in this Lease, includes Base Rent, Additional Rent and all other sums payable hereunder. Tenant's rent payments shall be made to Landlord at Landlord's address stated in Section 1.L. above, or at any other address that Landlord may specify by written notice to Tenant. Landlord shall provide Tenant written notice of any change of address at least thirty (30) days prior to the due date of any rent payments to be made at any address other than that stated in Section 1.L. above. No payment made by Tenant or received by Landlord in an amount less than the amount herein stipulated shall be deemed to be other than a partial payment, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent or any other sum payable hereunder be deemed an accord and satisfaction, and Landlord may accept any such check or payment without prejudice to Landlord's right to recover the balance of such amount from Tenant or to pursue any other remedy in this Lease or by law provided.

Tenant must pay all rent and all other charges by utilizing Landlord's online payment portal (TWA [Tenant Web Access portal]). Tenant will be provided a web-link which will allow for Tenant to create a secure login to the TWA portal. All payments of rent or other charges shall be made utilizing this TWA portal. Additionally, any and all requests for service, maintenance or other requests must be made via the TWA portal.

Beginning with the Commencement Date and continuing thereafter until the expiration of the Term (as the same may be extended), Tenant agrees to pay Landlord the rent provided above in advance, without notice or demand, on the first (1st) day of every month during the Term of this Lease. Time is of the essence in payment of all rent and other amounts due Landlord hereunder, same being required for payment of mortgage debt service and other mortgage obligations of Landlord on the premises. If any monthly rent payment is not received by Landlord by the first (1st) day of the month in which such rent payment was due, Tenant shall pay, as Additional Rent, five percent (5%) of such amount due, and such late charge shall be due upon receipt of Landlord's written demand. Tenant shall also pay to Landlord, upon demand, $500.00 for each check tendered to Landlord in payment of rent or any other payment due Landlord hereunder, which is returned uncollected to Landlord. All rent shall be prorated for any partial month.

SECTION 5. ADDITIONAL RENT.

A. **Tenant's Obligation.** This Lease is what is commonly called a "Net, Net, Net Lease", it being understood that Landlord shall receive the Base Rental provided for herein free and clear of any Operating Costs (defined below). Tenant shall pay to Landlord in addition to Base Rent, the following, which shall be collectively referred to herein as "Additional Rent":

1. **Operating Costs.**

(a) Prior to the commencement of the Term of this Lease, and prior to the commencement of each calendar year during the Term of this Lease, Landlord may, at its option, provide Tenant with a then current estimate of Operating Costs for the upcoming calendar year, and thereafter Tenant shall pay, as Additional Rent, in monthly installments in accordance with this Section 5, Tenant's Proportionate Share of the Landlord's estimate of the Operating Costs for the calendar year in question. Payments of Tenant's

Proportionate Share of the Landlord's estimate of the Operating Costs shall be due and payable at the same time as Base Rent in accordance with Section 4 of this Lease. Landlord reserves the right to revise its estimate of Operating Costs from time to time during the calendar year by giving Tenant written notice to that effect. Thereafter, the Tenant shall pay Additional Rent, in each of the remaining months of that year, in accordance with the revised estimate. The failure of Landlord to estimate Operating Costs and bill Tenant on a monthly basis shall in no event relieve Tenant of its obligation to pay the Tenant's Proportionate Share of Operating Costs. "Operating Costs" means the aggregate of all expenses paid or incurred by or on behalf of Landlord, whether structural, non-structural, foreseen or unforeseen, relating to the ownership, maintenance, repair, management and operation of the Buildings and Land and any sidewalks or any other areas related to the Buildings and Land which Landlord has a repair or maintenance obligation, determined on an accrual basis in accordance with generally accepted industry accounting standards, including, but not limited to, the following:

1) Wages and salaries of all employees engaged in the operation and maintenance of the Buildings and Land, including taxes, insurance and benefits relating thereto; provided, however, to the extent that such employees are engaged in the operation or maintenance of other projects, the wages and salaries of such employees shall be equitably allocated among all such projects such that only that portion of the wages and salaries of such employees allocable to the Buildings shall be included for purposes of calculating Operating Costs;

2) Costs of all supplies and materials used in the operation, maintenance, repair and management of the Buildings and Land;

3) Costs of water, sewage, power, natural gas, heating, lighting, air conditioning, ventilating, and other utilities furnished in connection with the operation of the Buildings and Land (excluding any costs billed to specific tenants);

4) Costs of all maintenance and service agreements for the Buildings and Land, including, but not limited to, security service, alarm service, window cleaning service, janitorial service, landscape maintenance, pest control and elevator maintenance;

5) Costs to maintain and repair the Structural Members (as defined in Section 10.A.) of the buildings as well as the common elements of the Building;

6) Costs of all insurance carried by Landlord relating to the Buildings and Land, including, but not limited to, fire and extended coverage insurance, rental interruption insurance and liability insurance applicable to the Buildings and Land and Landlord's personal property used in connection therewith, together with any deductibles thereon, if applicable, together with any costs incurred by Landlord to recover insurance proceeds or settle insurance claims. In the event that during any operating year all or any part of such coverage is written under a "blanket policy" or otherwise in such manner that Landlord was not charged a specific insurance premium applicable solely to the Buildings and Land, then in such event, the amount considered to be the insurance premiums with respect to such coverage for such operating year shall be determined in good faith by Landlord. If the insurance policies maintained by Landlord with respect to the Property contain a deductible, then Tenant, in the event of a loss, shall pay to Landlord Tenant's Proportionate Share thereof, based upon the amount of such deductible. Tenant's Share of such deductible amount

shall be payable to Landlord within ten (10) days following receipt from Landlord of a statement therefor and payment thereof by Tenant shall be a condition precedent to Landlord's obligations to repair or restore the Leased Premises.

7) Costs of repairs and maintenance of the parking facilities and landscaping of the Buildings and Land;

8) Management fees not to exceed six percent (6%) of the gross rent generated by the buildings ("Management Fees");

9) All net expenses properly allocable to any operating year for any capital improvement or structural repair incurred to reduce or limit increases in Operating Cost, or by any change in the laws, rules, regulations or orders of any governmental or quasi-governmental authority having jurisdiction or expenses resulting from normal repair or maintenance, which expenses shall be repaid in equal monthly installments together with interest at applicable rates over the lesser of the useful capital life of the capital improvement or structural repair or the operational savings payback period;

10) All Taxes relating to the Buildings and Land. For purposes hereof, the term "Taxes" means all taxes, impositions, assessments and all other governmental charges, if any, which are levied, assessed or imposed upon or become due and payable in connection with, or a lien upon, the Buildings or Land, or the operation thereof, (excepting federal and state taxes on income) including taxes levied by present or future taxing authorities and all taxes of whatsoever nature that are imposed in substitution for, or in lieu of, any of the taxes, impositions, assessments or other charges included in this definition of Taxes and including without limitation, any tax on rents, or other tax levied against Landlord or the Leased Premises in lieu of supplementing all or any portion of the foregoing taxes. Notwithstanding the foregoing, however, if in lieu of the whole or any part of any taxes or assessments levied, assessed or imposed on real estate and the improvements thereon, there shall be levied, assessed or imposed on Landlord or the Leased Premises a capital levy or other tax directly on the rents received therefrom and/or a franchise tax, assessment, levy or charge measured by or based, in whole or in part, upon such rents, then all such taxes, assessments, levies or charges, or the part thereof so measured or based, shall be deemed to be included within the term "Taxes" for the purpose hereof. However, Taxes excludes the portion, if any, of ad valorem taxes against the Leased Premises that is paid by tenants as a separate charge pursuant to Section 5.A.2 of this Lease.

11) (Intentionally Left Blank)

12) Legal and accounting expenses incurred with respect to the Buildings and Land, but excluding legal expenses related to the collection of rent or the sale, leasing or financing of the Buildings and Land.

(b) Expressly excluded from the definition of the term Operating Costs are:

1) Any and all collection costs, including legal fees and bad debt losses or reserves;

2) Replacement of capital investment items (other than those set forth in Section 5.A.1(a)(8) above);

3) Costs actually reimbursed by insurance proceeds;

4) Rent and similar commissions, excluding Management Fees set forth in 5.A.1(a)(7) above, advertising, and legal expenses related to negotiating and enforcing leases;

5) The cost of any repair made by Landlord because of the total or partial destruction of the Leased Premises or Buildings or the condemnation of a portion of the Leased Premises or Buildings;

6) Specific costs billed to and paid by specific tenants;

7) Depreciation;

8) Principal, interest, and other costs directly related to financing; and

9) Landlord's general corporate overhead and general administrative expenses.

(c) Within five (5) months after the end of each calendar year during the Term of this Lease, Landlord shall send a statement to Tenant setting forth the Operating Costs in reasonable detail for that year. If Tenant's Proportionate Share of Operating Costs exceeds the installments paid by Tenant under this Section 5.A.1, Tenant shall pay to Landlord the difference between Tenant's Proportionate Share of Operating Costs for that year and the aggregate amount paid by Tenant on account of Tenant's Proportionate Share for that year. The payment shall be made within thirty (30) days after Landlord renders the statement. If the installments paid by Tenant under this section exceed Tenant's Proportionate Share of Operating Costs, Landlord shall credit any excess to Tenant's next calendar year estimated payments.

2. **Other Taxes.** Additionally, Tenant shall pay the full amount of all taxes, assessments, impositions, levies, charges, excises, fees, licenses and other sums levied, assessed, charged or imposed by any governmental authority or other taxing authority upon Tenant's leasehold interest under this Lease and all alterations, additions, fixtures, including Removable Trade Fixtures (hereafter defined), inventory and other property installed or placed or permitted at the Leased Premises by Tenant. Within thirty (30) days after notice from Landlord, Tenant shall furnish Landlord a true copy of receipts received by Tenant from the governmental authority or other taxing authority assessing such charge evidencing such payment.

3. **Left Blank.**

SECTION 6. SECURITY DEPOSIT

Tenant shall deposit the Security Deposit with Landlord to secure Tenant's faithful performance of all of Tenant's obligations under this Lease, in the amount shown in Section1.H. The Security Deposit shall be retained by Landlord throughout the Term of this Lease. Tenant agrees that if it should fail to pay rent when it is due, the Security Deposit may be applied by Landlord to the unpaid rent. Also, if Tenant fails to comply with any of the other obligations of Tenant under the Lease, Landlord may apply the Security Deposit to damages suffered by Landlord

resulting from Tenant's noncompliance. Landlord shall not be obligated to apply the Security Deposit in the manner stated above, but may do so in addition to pursuing any of the other remedies available to Landlord under the Lease and the law on account of Tenant's noncompliance with Tenant's obligations. If Landlord should apply some or all of the Security Deposit to damages suffered by Landlord resulting from Tenant's noncompliance with its obligations, Tenant agrees to restore the Security Deposit upon receipt of Landlord's written demand. No interest shall accrue on the Security Deposit. Landlord may commingle the Security Deposit with other funds. If Tenant complies with all of Tenant's obligations, the Security Deposit shall be returned to Tenant within thirty (30) days after the end of the Term or any Extension Term, less any amounts that may then be due from Tenant to Landlord as set forth in an itemized list to be provided by Landlord describing the reasons for withholding any portion of the Security Deposit.

SECTION 7. SERVICES AND UTILITIES.

A. **Services**. Landlord shall at Landlord's expense (except as otherwise provided herein) maintain the Common Areas so that they are clean and free from accumulations of debris, filth, rubbish and garbage. The manner in which such Common Areas shall be so maintained, and the expenditures for such maintenance, shall be at the sole discretion of Landlord.

Landlord reserves the right from time to time to (a) make changes in the shape, size, location, number and extent of the land and improvements which constitute the Common Areas, provided that Landlord shall not impair the Tenant's ability to operate its business, except temporary impairments required by said changes; (b) make such improvements, alterations and repairs to the Common Areas as may be required by governmental authorities or by utility companies servicing the Buildings; and (c) construct, maintain and operate lighting and other facilities on all said areas and improvements and to police the same.

The use of the Common Areas shall be subject to such reasonable regulations and changes therein as Landlord shall make from time to time, including (but not by way of limitation) the right to close from time to time, if necessary, all or any portion of the Common Areas to such extent as may be legally sufficient, in the opinion of Landlord's counsel, to prevent a dedication thereof or the accrual of rights of any person or of the public therein; provided, however, Landlord shall do so at such times and in such manner as shall minimize any disruption to Tenant. **Landlord shall have no liability to Tenant, its employees, agents, contractors, invitees, or licensees for losses due to theft or burglary, or for damages done by unauthorized persons in the Premises or in or at the Building EVEN IF THE SAME RESULTS FROM THE NEGLIGENCE (BUT NOT THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT) OF LANDLORD.**

B. **Utilities**. Tenant shall pay all costs incidental to rubbish removal, water, sewer, heat, air conditioning, internet, telephone and electric service for the Leased Premises directly to the service provider; provided, however, in the event such utilities are not separately metered by the service provider, Landlord reserves the right to install sub-meters and bill Tenant directly for the utilities utilized by Tenant (in addition to the cost of the individual meter) in an equitable manner, either on a monthly basis, or in such other manner as Landlord may reasonably determine. The tenant shall maintain all lighting fixtures in the Leased Premises and shall replace all bulbs and ballasts. Notwithstanding anything to the contrary contained in this Section 7.B.

Landlord has chosen to provide **highspeed internet service** to the tenant, the cost of which is shared by all tenants (on a pro-rata basis) through Landlord's CAM (ADDITIONAL RENT) charges. Tenants must pay an 'activation fee' (presently $180.00) to tenant's selected contractor, to run the necessary cabling to the leased space.

Landlord has negotiated a discounted rate with **RingCentral** for IP telephone service and Tenant is required to contract its telephone service for the Leased Premises through RingCentral. No other service provider is authorized to provide service in the business park.

Tenant must use **TruEnergy** (or any other service provider chosen by Landlord) as their representative in connection with obtaining electric service for the Leased Premises. Notwithstanding anything to the contrary contained in this Section 7.B, if Landlord, in its sole option, elects to furnish other utilities directly to Tenant, Tenant agrees to purchase such utilities from Landlord, and shall pay as Additional Rent hereunder the reasonable rates established by Landlord for such services.

C. **Access to Premises**. Landlord reserves and shall at all times have the right to enter the Leased Premises at all reasonable times after reasonable prior notice to inspect same, to supply any service to be provided by Landlord to Tenant hereunder, to show the Leased Premises to prospective purchasers, mortgagees or tenants, and to alter, improve or repair the Leased Premises and any portion of the Buildings, without abatement of Base Rent or Additional Rent, and may for that purpose erect, use and maintain, scaffolding, pipes, conduits and other necessary structures in and through the Leased Premises where reasonably required by the character of the work to be performed, provided that the entrance to the Leased Premises shall not be blocked thereby, and further provided that the business of Tenant shall not be interfered with unreasonably. Tenant hereby waives any claim for damages for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Leased Premises or any other loss occasioned thereby. For each of the aforesaid purposes, Landlord shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Leased Premises, excluding Tenant's vaults and safes, or special security areas (designated in advance), and Landlord shall have the right to use any and all means that Landlord may deem necessary or proper to open said doors in an emergency, in order to obtain entry to any portion of the Leased Premises.

D. **Interruption of Services**. Landlord shall not be liable for any interruption in or failure to furnish any services or utilities, and Tenant shall not be entitled to any damages resulting from such failure nor shall such failure relieve Tenant of the obligation to pay the Base Rent and Additional Rent reserved hereunder or constitute or be construed as a constructive or other eviction of Tenant. In the event any governmental entity promulgates or revises any statute, ordinance or building, fire or other code or imposes mandatory or voluntary controls or guidelines on Landlord or the Buildings or any part thereof, relating to the use or conservation of energy, water, gas, light or electricity or the reduction of automobile or other emissions or the provision of any other utility or service provided with respect to this Lease or in the event Landlord is required or elects to make alterations to any part of the Buildings in order to comply with such mandatory or voluntary controls or guidelines, Landlord may, in its sole discretion, comply with such mandatory or voluntary controls or guidelines or make such alterations to the Buildings. Such compliance and the making of such alterations shall in no event entitle Tenant to any damages, relieve Tenant of the obligation to pay the full Base Rent and Additional Rent reserved hereunder or constitute or be construed as a constructive or other eviction of Tenant.

E. **No Eviction**. Landlord and its agents and representatives shall have the right to enter upon the Leased Premises for any and all of the purposes set forth in this Section and may exercise any and all of the foregoing rights without being deemed guilty of a forcible or unlawful entry into, or a detainer of, the Leased Premises, or an eviction, actual or constructive of Tenant from the Leased Premises, or any portion thereof, and without incurring, any liability to Tenant therefor.

SECTION 8. USE.

Tenant shall use the Leased Premises solely for the Permitted Use, as defined herein. Tenant shall not use the Leased Premises, or permit their use, for any other purpose, or for any Prohibited Use described in **Exhibit "G"**, without Landlord's express written consent. Tenant shall obtain, at its own cost and expense, any and all licenses and permits necessary for such use, except the Certificate of Occupancy, if applicable, which shall be the Landlord's responsibility. Tenant shall comply with all restrictions and easements applicable to the Leased Premises, and with all federal, state, municipal, and other laws, ordinances, rules and regulations of any governmental authority that apply to the use, construction, renovation, repair, operation, or occupancy of the Leased Premises, or to Tenant's business, or which pertain to health or the environment. Outside storage, including, without limitation, storage of trucks and other vehicles and the washing thereof at any time is prohibited without the Landlord's prior written consent. Tenant shall not install, remove or alter the fixtures, equipment and facilities located in the Leased Premises and shall pay the cost of alterations to the Leased Premises that may be required to comply with all such restrictions, easements, laws, ordinances, rules and regulations. Without limiting the generality of the foregoing, Tenant shall fully comply with the provisions relating to "Hazardous Substances" set forth in **Exhibit "F"** and Prohibited Uses set forth in **Exhibit "G"**. Tenant shall not engage in any activity or permit any nature of construction by Tenant or any other condition at the Leased Premises which would cause Landlord's fire and extended coverage insurance to be canceled, or the rate therefor increased or cause the disallowance of any sprinkler credits, if the Buildings are sprinkled. Tenant shall comply with such safety recommendations and reasonable loss prevention and loss reduction recommendations as Landlord or Landlord's insurance carriers (or both) may, from time to time, request; and Tenant shall not make any unlawful use of the Leased Premises or permit any unlawful use thereof. Tenant shall not permit any objectionable or unpleasant odors, smoke, dust, gas, noise or vibrations to emanate from the Leased Premises or commit any act which is a significant public nuisance or unreasonable annoyance to Landlord or to other tenants or occupants of the Buildings or Commercial Park, or which might in the good faith judgment of Landlord, injure or depreciate the Leased Premises. Tenant shall comply with all governmental orders and directives for the correction, prevention and abatement of nuisances in or upon, or connected with, the Leased Premises, all at Tenant's sole expense. Tenant shall further be responsible and liable for the safe and proper operation of any and all equipment within the Leased Premises, and shall be responsible for any training necessary for said safe and proper operation of equipment which shall include, but not be limited to, any conveyance devices such as top running electric cranes, hoists, jib cranes, forklifts, or any metal altering equipment such as welding or bending equipment. Any liabilities resulting from the unsafe operation of said equipment shall be the sole responsibility of the Tenant. Tenant shall indemnify, hold harmless and defend Landlord in and against any and all claims resulting from the use of this or any other type of equipment on the Lease Premises, without limitation of any other indemnity contained in this Lease.

SECTION 9. SIGNS.

A. Tenant shall be responsible for the purchase, installation, and maintenance of any sign in the Leased Premises, or on the exterior of the Leased Premises; provided, Tenant shall not (1) make any changes to the exterior of the Leased Premises, or (2) install or maintain (a) any signs, window or door lettering, placards, decorations or advertising of any type, or (b) erect or install any exterior lights, decorations, balloons, flags, banners or painting, on the exterior of the Leased Premises, which may be viewed from the outside of the Leased Premises, or located elsewhere on the Building or the Commercial Park, without first obtaining Landlord's written consent, in Landlord's sole discretion. Any sign erected upon the Leased Premises must advertise and relate to occupants of the Leased Premises and not any other parties. Tenant shall be responsible for the removal of all signs upon termination of Tenant's rights to possession hereunder, all installations and removal of signs shall be made in such a manner as to avoid injury or defacement of any Building or other improvement, and Tenant shall be responsible, at Tenant's sole

expense, for all repairs, repainting or replacements of any damage, injury or defacement to the Building facia surface or the Leased Premises (including without limitation, discoloration caused by such installation and/or removal). All signage and advertising of any type located on the exterior of the Leased Premises, which may be viewed from the outside of the Leased Premises, or located elsewhere on the Building or the Commercial Park shall conform in all respects to the sign criteria established by Landlord from time to time for the Building and/or the Commercial Park and shall be subject to the prior written approval of Landlord as to all elements of such signage and advertising, including but not limited to the construction, method of attachment, size, shape, height, lighting, color, and general appearance. If Tenant installs signage without Landlord's prior written consent, Landlord shall have the right to immediately remove any unauthorized signage, and Tenant shall pay, upon demand, all costs and expenses incurred by Landlord in connection with removing same.

B. Tenant shall have the non-exclusive right in common with any of the other tenants of the Building or Commercial Park, as applicable, upon Tenant's request and the written approval of Landlord, to utilize Landlord's electronic digital monument sign ("Electronic Digital Sign") in accordance with Landlord's digital advertising criteria and all applicable laws, ordinances and regulations. ~~Tenant shall pay Landlord as Additional Rent a monthly fee of $ (to be determined) to utilize the Electronic Digital Sign.~~ Tenant shall be strictly prohibited from submitting to Landlord or displaying any advertisement that (a) is false, misleading, deceptive, or defamatory; (b) is obscene or sexually explicit according to Landlord or the local community; or (c) in any manner advocates unlawful or violent action. If Tenant's advertising on the Electronic Digital Sign violates this Section 9.B or any other provision of this Lease, Landlord shall have the right to immediately terminate Tenant's right to utilize the Electronic Digital Sign. Landlord shall not be liable for any interruption in or failure to provide Tenant advertising on the Electronic Digital Sign, and Tenant shall not be entitled to any damages resulting from such failure nor shall such failure relieve Tenant of the obligation to pay the Base Rent and Additional Rent hereunder.

SECTION 10. REPAIRS

A. **Landlord's Obligations.** Landlord will maintain all structural components ("Structural Members") of the Buildings, including, without limitation, the roof (but specifically excluding the roof membrane), foundation, exterior load-bearing walls, if any (excluding exterior windows and doors), the structural floor slabs, plumbing and sewer systems outside the Building and not serving the Premises exclusively, and all other structural elements of the Leased Premises, as well as the common elements of the Buildings, in good repair, reasonable wear and use excepted. Maintenance and repair expenses caused by acts or omissions of Tenant or Tenant's agents, employees, invitees, on contractors, shall be paid directly to Landlord by Tenant upon demand plus an administrative charge in an amount equal to ten percent (10%) of such costs, and shall not constitute an Operating Cost. Landlord shall not be liable for and, except as expressly otherwise provided Section 11 and Section 12 hereof, there shall be no abatement of Base Rent or Additional Rent with respect to any injury to or interference with Tenant's business arising from any repairs, maintenance, alteration or improvement in or to any portion of the Buildings, including the Leased Premises, or in or to the fixtures, appurtenances and equipment therein.

B. **Tenant's Obligations.** Tenant shall repair and maintain in good repair and order (other than those items which are Landlord's responsibility as set forth in Section 10.A above) and keep clean and orderly all portions of the Leased Premises, including, without limitation: window and door glass in the Leased Premises; loading docks; interior partition walls; doors (interior or exterior); windows (interior or exterior); floor coverings; interior side of structural walls; lights; overhead doors, including the painting thereof; internal cranes and equipment, electrical system and equipment; plumbing systems and equipment; heating ventilating and air conditioning systems and equipment ("HVAC"); fire protection systems and equipment; sprinkler systems and other systems and equipment

used in connection with the Leased Premises. Without limiting the generality of the foregoing, Tenant shall keep the Leased Premises, service ways, and loading areas on the Leased Premises neat, clean, and free from dirt or rubbish at all times, and shall carefully store in an orderly manner all trash and refuse within the areas to be specified by Landlord and in addition to any other remedies available to Landlord, Landlord shall have the right to perform any obligations of Tenant under this Section 10.B if Tenant fails to perform any such obligation for a period of five (5) business days after Landlord has given Tenant written notice thereof (unless Tenant commences to cure and diligently pursues the curing of the same) and Tenant shall pay to Landlord the reasonable cost thereof plus an administrative fee equal to ten percent (10%) of Landlord's cost to perform such obligation. Landlord shall not be required to give notice if an emergency exists. An emergency shall exist if a condition or circumstance exists which if not remedied could result in possible damage to the Buildings or Leased Premises or property of others in excess of $10,000.00 or impair the operations of the mechanical, electrical or plumbing systems of the Leased Premises, or if the life, health or safety of any person could be endangered thereby. Notwithstanding anything to the contrary contained herein, any contractor or subcontractor performing repair and maintenance services on behalf of Tenant hereunder shall be approved in writing by Landlord.

The tenant shall, at its own cost and expense enter into a regularly scheduled preventative maintenance/service contract with a maintenance contractor for serving heating and air conditioning systems within the Leased Premises. The service contract must include all services suggested by the equipment manufacturer within the operation/maintenance manual and must become effective (and a copy thereof delivered to Landlord) within thirty (30) days of the date Tenant takes possession of the Leased Premises. In the event Tenant fails to enter into or maintain such a contract during the Term, Landlord shall, in addition to any other remedies available to Landlord, have the option to enter into a regularly scheduled preventative maintenance/service contract on items for and on behalf of Tenant. In the event Landlord elects such option, Tenant shall reimburse to Landlord, as Additional Rent, all of Landlord's costs in connection with said contract, as well as Landlord's actual costs of repair and maintenance of the HVAC system. Tenant shall arrange for the regular pick-up of trash and refuse at Tenant's expense (unless notified that Landlord has elected to take over such responsibility, in which event such charges shall become a part of the Operating Costs) and regular extermination services. Tenant shall repair, maintain, and replace such construction (other than the Structural Members) and the devices and equipment installed therein and, if necessary, install additional devices and equipment (including, without limitation, any grease and oil traps and/or grease and oil receptors which the city or any other governmental entity having jurisdiction over the Leased Premises deems necessary to handle any liquid waste, grease, and oil produced at the Leased Premises), in a good and workmanlike manner and in accordance with all applicable laws and regulations governing such construction, devices, and equipment. In addition to any other remedies available to Landlord, Landlord shall have the right to perform any obligations of Tenant under this paragraph if Tenant fails to perform any such obligation for a period of five (5) days after Landlord has given Tenant written notice thereof (unless Tenant commences to cure and diligently pursues the curing of the same) and Tenant shall pay to Landlord the reasonable cost thereof plus an administrative fee equal to ten percent (10%) of Landlord's cost to perform such obligation.

Upon the termination of this Lease or upon the termination of Tenant's right to possession of the Leased Premises, Tenant shall surrender and deliver up to Landlord the Leased Premises broom-clean and in the same condition in which they existed on the Commencement Date, ordinary wear and tear excepted; however, such exception for ordinary wear and tear shall in no way relieve Tenant of its above-described obligations for repair, replacement and maintenance during the term of this Lease. Prior to the end of the Term or upon the termination of Tenant's right to possession of the Leased Premises or termination of this Lease, but subject to the lien and security interest and other rights of Landlord referred to in Section 15, Tenant shall remove Removable Trade Fixtures (hereinafter defined) (excluding, however, ducts, conduits, wiring, pipes, paneling or other wall coverings or floor

coverings), and, in addition to other applicable provisions of this Lease regarding such removal, the following shall apply: Tenant must not be in default of any obligation or covenant under this Lease at the time of such removal; and such removal must be effected without material damage to the Leased Premises and Tenant must promptly repair all damage caused by such removal. For the purposes hereof, the phrase "Removable Trade Fixtures" means the following: all of Tenant's signs, counters, tables, chairs, desks, racks, merchandisers and displayers, standards, wall brackets, hang rods, shelves, mirrors, cash registers and other business machines, wall brackets and other equipment used by Tenant in its business operations that can be removed without materially damaging the Leased Premises. Removable Trade Fixtures shall not include, for purposes of Tenant's right to remove, items originally furnished or paid for by Landlord or replacements of such items. Unless Tenant shall have, at the time of the alteration, requested in writing and obtained Landlord's approval in writing of any item Tenant desires to remain on the Leased Premises after the termination of the Lease, Tenant shall at the expiration or termination of the Lease, if requested by Landlord in writing prior to the termination or expiration of the Term of this Lease, remove any or all alterations, additions, fixtures, equipment and other property installed or placed by Tenant or any sublessee or assignee (as herein permitted) (regardless of whether Landlord's consent was obtained with respect to same) in the Leased Premises, and shall repair any damage caused by such removal and restore the Leased Premises to the condition thereof at the time of the commencement of the Term of this Lease, excepting only ordinary wear and tear, and damage hereunder not otherwise required to be repaired by Tenant.

If Tenant fails to remove any Removable Trade Fixtures or if Landlord requests in writing that Tenant remove any or all alterations, additions, fixtures, equipment and property installed or placed by it or any such sublessee or assignee in the Leased Premises and Tenant fails to comply with such request prior to the expiration or termination of the Term of this Lease, or if Tenant fails to repair any damage to the Leased Premises and/or the Buildings caused by its removal of any of the aforesaid, then Landlord shall have the right (but shall not be obligated) to remove such Removable Trade Fixtures and/or such other alterations, additions, fixtures, equipment or property installed or placed by Tenant in the Leased Premises (Tenant hereby waiving any damage caused thereby) or repair any such damage to the Leased Premises and/or Buildings are a part, and thereupon Tenant shall, at Landlord's election, on demand pay (or reimburse Landlord for) the reasonable cost of such removal and the reasonable cost of transportation and storage on any Removable Trade Fixtures (or other alterations, additions, fixtures, equipment and property installed or placed by Tenant in the Leased Premises) which Landlord elects to store pending disposition thereof, and the reasonable cost of repairing any such damage to the Leased Premises and/or Buildings, and, in addition, Tenant shall pay Landlord upon demand interest on all such sums at twelve percent (12%) per annum.

All plumbing or electrical wiring connections exposed as a result of the removal of Tenant's Removable Trade Fixtures, or other alterations, additions, fixtures, equipment and property installed or placed by it in the Leased Premises (if such removal is so requested by Landlord) shall be capped by Tenant in a safe and workmanlike manner. Use by Tenant in advertising, letterheads, or otherwise of any trade name or trademark used by Landlord shall be subject to such restrictions and regulations as Landlord may reasonably prescribe from time to time.

SECTION 11. CASUALTY DAMAGE.

A. Repairs. In the event of a fire or other casualty in the Leased Premises, Tenant shall immediately give notice thereof to Landlord. Except as otherwise provided below, Landlord shall use its reasonable efforts after receipt of insurance proceeds to cause the necessary repairs to the Leased Premises to be made with due diligence and reasonable dispatch; provided, however, that Landlord shall not be required to repair or replace furnishings, furniture, or other personal property which Tenant may be entitled to remove from the Leased Premises or any property improvement constructed and installed by or for Tenant. Subject to Landlord receiving insurance proceeds,

Landlord shall make reasonable efforts to commence making the required repairs to the Leased Premises within thirty (30) days following the date of the casualty or other damage and thereafter prosecute the repairs with due diligence and reasonable dispatch. If the Leased Premises, or any portion thereof, shall be partially destroyed by fire or other casualty so as to render the Leased Premises, or any portion thereof, untenantable and such portion is not actually used by Tenant, the rent shall proportionately abate thereafter until such time as the Leased Premises, or any portion thereof, are made tenantable; provided, however, there shall be no abatement of rent and/or any abatement of rental shall cease as to any portion of the Leased Premises actually used by Tenant. If Landlord has elected to repair and reconstruct the Leased Premises, which election and notice of such election to Tenant must occur within thirty (30) days after the date of the casualty (or within sixty (60) days after such casualty if the event causes 50% or more of the Leased Premises to be untenantable) this Lease shall continue in full force and effect and such repairs, except in the event of a major casualty as set forth in Section 11.B below, will be made as soon as reasonably practicable thereafter, but not later than 270 days after the date of the casualty or other damage, subject to Excusable Delays; provided, however, that Landlord shall use reasonable efforts to not unreasonably interfere with Tenant's use and occupancy of any portion of the Leased Premises not destroyed or damaged. Except as otherwise expressly provided above, in no event shall Landlord be required to commence the restoration or repair of the Buildings until Landlord receives the insurance proceeds therefore. No damages, compensation, or claims shall be payable by Landlord for any inconvenience, loss of business, or annoyance arising from such repair and reconstruction. Tenant and Landlord agree that the Term of this Lease shall be extended by a period of time equal to the period of such repair and reconstruction.

B. **Termination in the Event of Major Casualty.** In the event (i) such destruction results in one-half (½) or more of the Leased Premises or Buildings being untenantable for a period, reasonably estimated by a responsible contractor selected by Landlord, to be 270 days or longer after the date of the destructive event, or (ii) more than twenty percent (20%) of the insurance proceeds are retained by the holder of any mortgage on the Buildings or Land or are otherwise unavailable to Landlord to rebuild or repair the Buildings or Leased Premises and Landlord elects not to repair or rebuild, the Landlord shall so notify Tenant promptly in writing within the time periods described in this Section 11.B. Landlord shall select a responsible contractor and deliver to Tenant the results of the responsible contractor's analysis ("Damage Analysis") within thirty (30) days of the destructive event. If Landlord is entitled to terminate this Lease, Landlord shall give to Tenant within thirty (30) days following Landlord's delivery to Tenant of the Damage Analysis written notice of whether or not Landlord is electing to terminate this Lease pursuant to the foregoing provisions of this Section 11. If Landlord does not so terminate this Lease, then such written notice shall also advise Tenant of Tenant's right to elect to terminate this Lease pursuant to the foregoing provisions of this Section 11, and Tenant must exercise such right of termination, if at all, by giving written notice thereof to Landlord within not more than ten (10) business days after receipt of said written notice from Landlord to Tenant.

C. **Rent**. Upon termination, in the event that Landlord shall elect not to restore the Leased Premises or Tenant elects to exercise its right to terminate this Lease, then all rent owed up to the time of such destruction or termination, as set forth in Section 11, shall be paid by Tenant and thenceforth this Lease shall cease and come to an end. In the event that this Lease is terminated as herein permitted, Landlord shall refund to Tenant any prepaid rent, and the Security Deposit, if applicable, less any sum then owing or which would thereafter become owing to Landlord by Tenant, including any amounts payable to Landlord under the provisions of Section 5 of this Lease.

SECTION 12. CONDEMNATION.

If ten percent (10%) or more of the Leased Premises is condemned (or conveyed to a governmental authority in lieu of condemnation), then Landlord or Tenant may elect to terminate this Lease, by written notice to the other

party within sixty (60) days following receipt of notice of such condemnation, in which event the Term shall terminate on the date that possession of such portion of the Leased Premises is taken by the governmental authority. All condemnation awards for a taking of either the Leased Premises or the Buildings shall belong to Landlord; provided, however that Tenant may seek and retain such compensation as may be separately awarded to Tenant in Tenant's own name and right on account of all damage to Tenant's business by reason of such condemnation. If neither Landlord nor Tenant timely elect to exercise their above right to terminate this Lease, the Lease shall remain in full force and effect and the Base Rent, will be reduced in proportion to the square footage of the Leased Premises that has been taken.

SECTION 13. INSURANCE AND INDEMNITY

A. **Tenant's Insurance**. Tenant agrees to maintain the insurance set forth on **Exhibit "J"** attached hereto and incorporated herein by reference.

TENANT AGREES TO USE AND OCCUPY THE LEASED PREMISES AND PLACE ITS FIXTURES, EQUIPMENT, MERCHANDISE, AND OTHER PROPERTY AT TENANT'S OWN RISK AND HEREBY WAIVES AND RELEASES ALL RIGHTS OF RECOVERY AGAINST LANDLORD AND THE LANDLORD INDEMNITEES (HEREAFTER DEFINED) FOR ANY RISK COVERED BY ANY POLICY OF PROPERTY INSURANCE COVERING THE LEASED PREMISES AND MAINTAINED OR REQUIRED TO BE MAINTAINED (WHETHER OR NOT ACTUALLY MAINTAINED) BY EITHER LANDLORD OR TENANT IN ACCORDANCE WITH SECTION 13 HEREOF, TO THE FULLEST EXTENT PERMITTED BY LAW, WHETHER THE SAME IS CAUSED BY FIRE OR OTHER CASUALTY OR THE CONDITION OF THE LEASED PREMISES, REGARDLESS OF THE CAUSE OF THE LOSS, EXCEPT TO THE EXTENT THE CAUSE OF THE LOSS IS DUE TO THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF LANDLORD OR LANDLORD INDEMNITEES. THIS WAIVER AND RELEASE APPLIES EVEN IF THE LOSS IS CAUSED BY THE ACTS OR OMISSIONS OF LANDLORD OR THE LANDLORD INDEMNITEES, WHETHER OR NOT NEGLIGENT (BUT EXPRESSLY EXCLUDES THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF LANDLORD OR THE LANDLORD INDEMNITEES), AND SHALL BAR RECOVERY AGAINST LANDLORD OR THE INDEMNITEES BY ANY THIRD PARTY (INCLUDING, WITHOUT LIMITATION, ANY INSURER) BY WAY OF SUBROGATION OR ASSIGNMENT. TENANT'S WAIVER AND RELEASE OF LANDLORD AND THE INDEMITEES SHALL BIND TENANT'S PERMITTED ASSIGNEES AND SUBTENANTS. TENANT SHALL ALSO PROVIDE EVIDENCE OF TENANT'S INSURER'S WAIVER OF SUBROGATION IN FAVOR OF LANDLORD FOR LOSS OR DAMAGE CAUSED BY LANDLORD TO TENANT PROPERTY.

For the purposes of this Lease, the "Landlord Indemnitees" shall mean and refer to Landlord and Landlord's directors, officers, managers, shareholders, partners, joint venturers, members, employees, agents, customers or invitees, contractors, affiliates, attorneys, and their respective heirs, legal representatives, successors and assigns.

TENANT SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS LANDLORD AND THE LANDLORD INDEMNITEES FROM ALL LOSSES, CLAIMS, SUITS, ACTIONS, DAMAGES AND LIABILITY, INCLUDING DEFENSE COSTS, INVESTIGATIVE COSTS AND FEES OF EXPERTS (COLLECTIVELY, "CLAIMS") THAT ARISE OR ALLEGEDLY ARISE FROM ANY OF THE FOLLOWING CIRCUMSTANCES: (I) ANY ACTS OR OMISSIONS OF TENANT OR TENANT'S AGENTS, EMPLOYEES, CONTRACTORS, SUBCONTRACTORS, CUSTOMERS OR INVITEES (OR ANY OF THEIR EMPLOYEES); (II) ANY FAILURE OF TENANT OR TENANT'S AGENTS AND/OR EMPLOYEES TO COMPLY WITH LAWS, ORDINANCES OR REGULATIONS OF ANY GOVERNMENTAL AUTHORITY PERTAINING TO THE USE OR OCCUPANCY OF THE LEASED PREMISES OR PERTAINING TO TENANT'S BUSINESS; AND (III) ANY BODILY INJURY, DEATH OR PROPERTY DAMAGE

SUFFERED BY ANY PERSON THAT OCCURS WITHIN THE LEASED PREMISES WHICH IS CAUSED BY TENANT OR TENANT'S AGENTS, EMPLOYEES, CUSTOMERS OR INVITEES. Tenant's obligations include: (i) **THE OBLIGATION TO DEFEND LANDLORD AND THE LANDLORD INDEMNITEES AGAINST ALL SUCH CLAIMS, INCLUDING CLAIMS FOR LANDLORD'S ACTS, OMISSIONS OR NEGLIGENCE (BUT EXPRESSLY EXCLUDING THE SOLE NEGLIGENCE, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF LANDLORD OR THE LANDLORD INDEMNITEES)**; (ii) the obligation to pay Tenant's proportionate share of any settlement reached by Tenant with respect to the Claim; and (iii) the obligation to pay the full amount of any damages that are awarded against Tenant with respect to the Claim.

1. Landlord's Property Insurance and Waivers of Subrogation. Landlord agrees to take out and maintain a policy of Special Causes of Loss (formerly called "All Risk of Physical Loss") Property Insurance on the Buildings and other Landlord property at the Leased Premises. Such policy must be in effect as of the Commencement Date and must be maintained at all times during the Tenant's occupancy of the Leased Premises and during the Term. Such policy shall satisfy any co-insurance requirements and must contain a replacement cost endorsement.

LANDLORD AGREES TO LEASE TO TENANT THE LEASED PREMISES AND OTHER LANDLORD PROPERTY AT LANDLORD'S OWN RISK AND HEREBY WAIVES AND RELEASES ALL RIGHTS OF RECOVERY AGAINST TENANT AND THE TENANT INDEMNITEES (HEREAFTER DEFINED) FOR ANY RISK COVERED BY ANY POLICY OF PROPERTY INSURANCE COVERING THE LEASED PREMISES AND MAINTAINED OR REQUIRED TO BE MAINTAINED (WHETHER OR NOT ACTUALLY MAINTAINED) BY EITHER LANDLORD OR TENANT IN ACCORDANCE WITH SECTION 13 HEREOF, TO THE FULLEST EXTENT PERMITTED BY LAW, WHETHER THE SAME IS CAUSED BY FIRE OR OTHER CASUALTY, REGARDLESS OF THE CAUSE OF THE LOSS, EXCEPT TO THE EXTENT THE CAUSE OF THE LOSS IS DUE TO THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF TENANT OR TENANT INDEMNITEES. THIS WAIVER AND RELEASE APPLIES EVEN IF THE LOSS IS CAUSED BY ACTS OR OMISSIONS OF TENANT OR THE TENANT INDEMNITEES, WHETHER OR NOT NEGLIGENT (BUT EXPRESSLY EXCLUDES THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF TENANT OR THE TENANT INDEMNITEES), AND SHALL BAR RECOVERY AGAINST TENANT OR THE TENANT INDEMNITEES BY ANY THIRD PARTY (INCLUDING, WITHOUT LIMITATION, ANY INSURER) BY WAY OF SUBROGATION OR ASSIGNMENT. LANDLORD'S WAIVER AND RELEASE OF TENANT AND THE TENANT INDEMNITEES SHALL BIND LANDLORD'S PERMITTED ASSIGNEES AND SUBTENANTS. LANDLORD SHALL ALSO PROVIDE EVIDENCE OF LANDLORD'S INSURER'S WAIVER OF SUBROGATION IN FAVOR OF TENANT FOR LOSS OR DAMAGE CAUSED BY TENANT TO LANDLORD PROPERTY.

For purposes of this Lease, the "Tenant Indemnitees" shall mean Tenant and Tenant's directors, officers, managers, shareholders, partners, joint venturers, members, employees, agents, customers or invitees, contractors, affiliates, attorneys and their respective heirs, legal representatives, successors, and assigns.

2. Landlord's General Liability Insurance and Other Insurance. Landlord shall maintain Standard Commercial General Liability Insurance coverage, which shall be in a minimum amount of $1,000,000 per occurrence, $2,000,000 policy aggregate, including coverage for bodily injury and property damage and products liability coverage; and contractual liability coverage insuring the indemnity obligations of Landlord under this Lease. Landlord may also maintain business interruption insurance in favor of Landlord in an amount sufficient to pay for at least twelve (12) months of all Rent payable under the terms of this Lease. Such policies must be in effect as of the Commencement Date and must be maintained at all times during the Tenant's occupancy of the Leased Premises and during the Term. At the request of Tenant, a certificate evidencing all insurance policies required to be maintained by Landlord shall be deposited with Tenant following the Commencement Date and current certificates shall be

deposited with Tenant at all times during Tenant's occupancy of the Lease Premises and during the renewal term of each policy.

SECTION 14. ASSIGNMENT AND SUBLETTING.

A. Transfers. Tenant shall not, without the prior written consent of Landlord, (1) assign, transfer or encumber this Lease or any estate or interest herein, whether directly or by operation of law, (2) sublet any portion of the Premises, (3) grant any license, concession or other right of occupancy of any portion of the Premises, or (4) permit the occupation of the Premises by any parties other than Tenant (any of the foregoing events being a "Transfer").

B. Consent Standards. Landlord shall not unreasonably withhold, condition, or delay its consent to any assignment or subletting of the Premises, provided that the proposed transferee: (1) is, in the Landlord's reasonable determination and opinion, an acceptable credit risk, and (2) will use the Leased Premises for the Permitted Use. It shall not be unreasonable for Landlord to withhold its consent to any assignment or subletting while an Event of Default exists and is continuing. Notwithstanding the foregoing, Landlord's consent will not be required with respect to any assignment or subletting to any Affiliate of Tenant, provided Tenant provides Landlord with prior written notice of such assignment or subletting. As used herein, "Affiliate" shall mean an entity that controls, is controlled by, or under common control with Tenant.

C. Request for Consent. If Tenant requests Landlord's consent to a Transfer, then, at least thirty (30) days prior to the effective date of the proposed Transfer, Tenant shall provide Landlord with a written description of all material terms and conditions of the proposed Transfer, copies of the proposed transfer documentation, and the following information about the proposed transferee: (1) name and address of the proposed transferee; (2) its proposed use of the Leased Premises; and (3) such financial information as Landlord may reasonably request to enable Landlord to determine the proposed transferee's creditworthiness.

D. Conditions to Consent. If Landlord consents to a proposed Transfer, then the proposed transferee shall deliver to Landlord a written agreement whereby it expressly assumes Tenant's obligations hereunder arising on or after the transfer date. Any attempt by a Tenant or a proposed transferee, in any Transfer, to release Tenant from its obligations under this Lease without Landlord's consent shall be void. Landlord's consent to any Transfer shall not waive Landlord's rights as to any subsequent Transfers. Tenant and Guarantor shall remain liable for the performance of all of the obligations of Tenant hereunder notwithstanding any Transfer. If an Event of Default occurs while the Leased Premises or any part thereof are subject to a Transfer, then Landlord, in addition to its other remedies, may collect directly from such transferee all rents and other amounts becoming due to Tenant and apply such amounts against Base Rent. As part of the Tenant's Transfer, Tenant shall direct and authorize its transferees to make payments of rents and other amounts due under such Transfer directly to Landlord upon receipt of notice from Landlord to do so following the occurrence of an Event of Default hereunder. Tenant shall pay for the cost of any demising walls or other improvements necessitated by a proposed subletting or assignment.

E. Additional Compensation. So long as no Event of Default exists and is continuing, Tenant shall pay to Landlord, immediately upon receipt thereof, fifty percent (50%) of the excess of (1) all compensation received by Tenant for a Transfer (other than a Permitted Transfer) over (2) the Base Rent allocable to the portion of the Leased Premises covered thereby. While any Event of Default exists and is continuing, Tenant shall pay to Landlord, immediately upon receipt thereof, one hundred percent (100%) of the excess of (a) all compensation received by Tenant for a Transfer over (b) the Base Rent allocable to the portion of the Leased Premises covered thereby.

F. Landlord Assignment. Landlord may assign, convey or otherwise transfer its rights, title and interest hereunder and/or in the Leased Premises, or any portion thereof, without the consent of Tenant. The term "Landlord" so far as covenants or obligations on the part of Landlord are concerned shall be limited to mean only the owner of the Leased Premises at the time in question. Upon any transfer of the title thereto, former Landlord automatically shall be relieved from all liability with respect to any obligation on the part of Landlord thereafter to be performed, provided former Landlord shall render to the transferee any funds it then holds in which Tenant has an interest. Any right, title or interest of Landlord assigned hereunder may be assigned and reassigned in like manner by any assignee thereof.

SECTION 15. LANDLORD'S LIEN.

If Landlord shall have taken possession of the Leased Premises pursuant to the authority hereinafter granted in connection with an Event of Default or for any other lawful reason, Landlord shall have the right to keep in place and use all of the furniture, fixtures and equipment at the Leased Premises, including that which is owned or leased to Tenant, at the times prior to any foreclosure thereon by Landlord or repossession thereof by any lessor thereof or third party having a lien thereon. Landlord shall have the right to remove from the Leased Premises (without the necessity of obtaining a distress warrant, writ of sequestration or other legal process) all or any portion of Tenant's furniture, fixtures, equipment and other property located thereon and place same in storage at any premises within Harris County, Texas; or dispose of same in any manner acceptable to Landlord; and in such event, Tenant shall be liable to Landlord for reasonable costs incurred by Landlord in connection with such removal, storage and/or disposal and shall indemnify, defend, and hold Landlord and the Landlord Indemnitees harmless from all loss, damage, cost, expense and liability in connection with such removal, storage and/or disposal. Tenant stipulates and agrees that the rights herein granted Landlord are commercially reasonable. Tenant shall not mortgage, pledge or otherwise encumber its interest in this Lease or in the Leased Premises, nor may such interest be transferred by operation of law. Any attempt to do any of the foregoing shall be void and of no effect.

SECTION 16. DEFAULT; REMEDIES.

A. Events of Default. Each of the following acts of Tenant constitutes an event of default ("Event of Default") under this Lease: (i) Tenant's failure to pay the required amount of rent when due or the required amount of any other monetary sum when due under this Lease, which failure continues for five (5) days after written notice, provided that notice shall not be required more than two (2) times in any twelve (12) month period; (ii) Tenant's failure to comply with any covenant, duty or obligation of Tenant under this Lease (other than those referred to in clause (i) above) that is not cured within thirty (30) days after Tenant receives a written notice of such failure from Landlord, provided that if such default is not capable of being cured within such thirty (30) day period and Tenant commences curing within such thirty (30) day period and diligently pursues curing of the same thereafter, the same shall not be a default so long as Tenant is diligently pursuing the curing of such default; (iii) any voluntary petition or similar pleading under any bankruptcy act or under any law seeking reorganization or an arrangement with creditors or adjustment of debts, is filed by or against Tenant, or if any such petition or pleading is involuntary, and it is not adjudicated favorably to Tenant within sixty (60) days; (iv) the leasehold of Tenant is levied upon or attached by process of law and Tenant does not vigorously contest same by appropriate proceedings and remove or vacate the same within sixty (60) days from the date of its creation, service or filing; (v) Tenant admits in writing its inability to pay its debts, or if a receiver, trustee or other court appointee is appointed for all or a substantial part of Tenant's property; (vi) Tenant makes an assignment for the benefit of creditors, or if any proceedings are filed by or against tenant to declare Tenant insolvent or unable to meet its debts; and (vii) a receiver or similar type of appointment or

court appointee or nominee of any name or character is made for Tenant or its property and Tenant does not vigorously contest the same by appropriate proceedings and remove or vacate same within sixty (60) days from the date of appointment.

B. Landlord's Remedies. If an Event of Default should occur under this Lease, then Landlord may do any of the following (in conjunction with or in addition to pursuing any or all of the other rights and remedies provided to Landlord under this Lease, by law or in equity):

(i) terminate this Lease by sending a written termination notice to Tenant at the address stated above (in which event, Tenant will immediately surrender possession of the Leased Premises to Landlord);

(ii) enter upon and take possession of the Leased Premises and expel or remove Tenant and any other occupant therefrom and terminate Tenant's right to possession of the Leased Premises with or without terminating this Lease (in which event, Tenant shall immediately surrender possession of the Leased Premises to Landlord);

(iii) remedy the Event of Default on behalf of Tenant (in which event, Tenant must pay to Landlord all of Landlord's reasonable costs and expenses so incurred immediately upon receipt of Landlord's invoice); and/or

(iv) recover all amounts then owing (and, after the passage of time, that become owing) under the Lease without terminating this Lease or Tenant's right to possession of the Leased Premises.

Landlord's exercise of any of the remedies available to Landlord under this Lease shall not constitute Landlord's acceptance of surrender of the Leased Premises by Tenant, whether by agreement or by operation of law, it being understood that such surrender can be effected only by the written agreement of Landlord and Tenant. Tenant hereby acknowledges that Landlord shall have the right, after an Event of Default which involves a failure to timely pay any rent, without any notice to Tenant (to the extent allowed by law), to alter locks and other security devices at the Leased Premises, remove Tenant's property and the property of others located within the Leased Premises, and post a "For Lease" and/or "For Sale" sign on the Property. Landlord may require full payment of the rent then due to Landlord under this Lease as a condition to Tenant's entitlement to a key to new or altered locks that Landlord may have placed on the Leased Premises after an Event of Default which involves a failure to pay rent. If Landlord exercises its rights to alter the locks at the Leased Premises, Landlord or its agents shall place a written notice on Tenant's front door of the Leased Premises stating the name, address and phone number of the individual or company from which the new key may be obtained. Landlord shall only be required to provide Tenant with a new key during Landlord's regular business hours which are agreed to be 8:00 a.m. to 5:00 p.m. Monday through Friday except for holidays; provided that in no event shall Landlord be required to provide Tenant a new key until such time as Tenant pays all rent due under this Lease. No such alteration of locks or other security devices and no removal or other exercise of dominion by Landlord over the property of Tenant or others at the Leased Premises shall be deemed unauthorized or to constitute a conversion, Tenant hereby consenting, after any Event of Default, to the aforesaid exercise of dominion over Tenant's property within the Leased Premises. All claims for damages **(INCLUDING CLAIMS FOR DAMAGES BASED UPON NEGLIGENT OR WILLFUL MISCONDUCT ACTIONS OF LANDLORD OR LANDLORD'S AGENTS OR CONTRACTORS)** by reason of such lawful reentry and/or repossession are hereby waived. Further, all claims for damages by reason of such lawful alteration of locks or other security devices are hereby waived, as are all claims for damages by reason of any distress warrant, forcible detainer proceedings,

sequestration proceedings or other legal process. Tenant agrees that any reentry by Landlord may be pursuant to a judgment obtained in forcible detainer proceedings or other legal proceedings or without any legal proceedings, as Landlord may elect; and Landlord shall not be liable in trespass or otherwise. To the extent of any inconsistency between this Lease and the provisions of Section 93.002 of the Texas Property Code (as it may be hereafter amended or recodified), it is the agreement of the parties that this Lease shall prevail.

Notwithstanding the foregoing, if Landlord has theretofore formally and permanently repossessed the Leased Premises or terminated this Lease pursuant to Sections 16.B.(i) or (ii), above, or if Tenant's defaults are not reasonably subject to cure (such as early abandonment or vacating of the Leased Premises), then Landlord shall not be obligated to provide the new key(s) to Tenant under any circumstances, regardless of Tenant's payment of past-due rent or other past-due amounts, damages or other payments or amounts of any nature or kind whatsoever. The provisions of this paragraph are intended to override and supersede any conflicting provisions of the Texas Property Code (including, without limitation, Section 93.002 thereof, and any amendments or successor statutes thereto), and of any other law, to the maximum extent permitted by applicable law.

If Landlord elects to terminate the Lease by reason of an Event of Default, or if Landlord elects to terminate Tenant's right to possession of the Leased Premises without terminating this Lease, or if Landlord exercises any other remedy, Landlord may hold Tenant liable for all Base Rent, Taxes, Insurance Premiums and other indebtedness accrued to the date of such termination (or other remedy exercised), plus such Base Rent, Taxes, Insurance Premiums and other indebtedness as would otherwise have been required to be paid by Tenant to Landlord during the period following termination of the Term (or Tenant's right to possession of the Leased Premises or other remedy exercised, as the case may be) measured from the date of such termination by Landlord until the date which would have been the date of expiration of the Term as stated in Section 1.E (had Landlord not elected to terminate the Lease or Tenant's right to possession on account of such Event of Default) diminished by any net sums (if any) thereafter received by Landlord through re-letting the Leased Premises during said period (after deducting expenses incurred by Landlord as provided in the succeeding paragraph). Following the date of notice of termination of this Lease or the termination of Tenant's right to possession, without the termination of this Lease, Landlord shall make reasonable commercial attempts to relet the Leased Premises or portions thereof. As used herein, "reasonable commercial attempts to relet" shall mean (a) listing the Leased Premises for lease with a licensed real estate broker, which may be an affiliate of Landlord, (b) entertaining but not necessarily accepting offers to lease, and (c) to the extent allowed by law or applicable deed restrictions, placing "For Lease" signs on the Leased Premises. In no event shall Landlord be obligated to accept an assignee or sublessee who desires to use the Leased Premises for one of the Prohibited Uses. Actions to collect amounts due by Tenant provided for in this paragraph of Section 16 may be brought from time to time by Landlord during the aforesaid period, on one or more occasions, without the necessity of Landlord's waiting until expiration of such period; and in no event shall Tenant be entitled to any excess of rent (or rent plus other sums) obtained by re-letting over and above the rent herein reserved.

In addition to all other amounts and other obligations for which Tenant is liable upon an Event of Default, in case of an Event of Default, Tenant shall also be liable for and shall pay to Landlord, in addition to any sums provided to be paid above: reasonable broker's fees and all other reasonable costs and fees incurred by Landlord in connection with re-letting, or attempting to re-let, the whole or any part of the Leased Premises; the reasonable costs of removing and storing Tenant's or other occupant's property; the reasonable costs of repairing, altering, remodeling or otherwise putting the Leased Premises into a condition acceptable to a new tenant or tenants; reasonable costs associated with the execution of any lease with a new tenant or tenants (including, without limitation, reasonable attorneys' fees); and all expenses incurred by Landlord in enforcing Landlord's remedies (including, without limitation,

reasonable attorneys' fees). Past due rent and other past due payments shall bear interest from maturity until paid at the lesser of: (i) the highest non-usurious rate permitted by law or (ii) eighteen percent (18%) per annum.

C. Landlord's Default. If Landlord should fail to perform any of its obligations under this Lease, Tenant's exclusive remedy is the institution of a suit for damages (Tenant hereby waiving the benefit of any laws granting it a lien on the property of Landlord), which shall be subject to the provisions of Section 19 below. Prior to instituting such a suit, Tenant must supply Landlord with notice of such failure. Landlord shall then have a reasonable period of time, but not less than thirty (30) days following Landlord's receipt of Tenant's notice except in case of emergency, in which to commence curative action. Tenant may not institute such a suit during such thirty (30) day period or thereafter during the period in which Landlord is diligently attempting to cure such default. In no event shall Tenant have the right to offset any sum owing, or allegedly owing, by Landlord to Tenant against any sum otherwise owing by Tenant to Landlord.

D. **Waiver of Consequential Damages**. Notwithstanding anything contained herein to the contrary, Tenant hereby waives any right of recovery against Landlord for any special, indirect, punitive or consequential damages, which shall be caused by, arise out of, occasioned by, or in any way attributable to, this Lease and/or the transaction contemplated by this Lease.

SECTION 17. HOLDOVER.

If Tenant should remain in possession of the Leased Premises after the end of the Term, then Tenant shall be occupying the Leased Premises as a tenant-at-sufferance, under all of the terms and conditions of this Lease, except that the Base Rent payable during the holdover period shall be equal to one hundred fifty percent (150%) of the Base Rent last applicable during the Term.

SECTION 18. NOTICE.

Any notice given under this Lease must be in writing and delivered by U. S. certified mail, return receipt requested, by recognized national overnight delivery service, such as Federal Express or UPS, by email (with the original notice being delivered by another delivery method specified in this Section 18) or by hand. Notices given to Landlord by U. S. certified mail, overnight delivery must be sent to Landlord at Landlord's address stated above; and notices given to Tenant by U. S. certified mail, overnight delivery or email must be sent to Tenant at Tenant's address stated above in Section 1.J. Either party may change its address by giving the other party notice of such change. A signed return receipt shall be conclusive evidence that the notice was delivered in the due course of mail. Notice that is properly addressed, with adequate postage prepaid and mailed by certified mail, return receipt requested, shall be deemed received upon the earlier of actual receipt, as indicated on the signed, returned receipt card; or three days after appropriate posting (whether or not actually received or accepted). Notice given by overnight delivery service will be deemed received on the business day when the delivery service's records indicate that delivery was affected. Notice given by email shall be deemed delivered on the date of email, provided that if the recipient of such notice given by email acknowledges receipt of such notice in writing (including by email), the original notice need not be delivered, and such notice shall be deemed delivered on the date of the email. Notice given by hand shall be effectively given wherever the intended recipient is found and shall be deemed received upon the date of delivery or on the date of attempted delivery if delivery is refused. No change of address of either party shall be binding on the other party until notice of such change of address is given to the other party.

SECTION 19. LIMITATION OF LANDLORD'S LIABILITY.

Tenant waives and relinquishes all rights to claim any nature of lien against rent. All liability of Landlord for damages for breach of any covenant, duty or obligation of Landlord hereunder may be satisfied only out of the interest of Landlord in the Buildings and Land existing at the time the events occurred which gave rise to Landlord's liability. The term "Landlord" shall mean only the owner for the time being of the Leased Premises, and in the event of the transfer by such owner of its interest in the Leased Premises, such owner shall thereupon be released and discharged from all covenants and obligations of Landlord thereafter accruing, but such covenants and obligations shall be binding during the lease term upon each new owner for the duration of such owner's ownership.

SECTION 20. INSPECTION AND ACCESS TO LEASED PREMISES.

Landlord and any mortgagee shall have the right to enter upon the Leased Premises at any reasonable time after notice for the purpose of evaluating Tenant's performance under this Lease, inspecting the same, making repairs or additions to the Leased Premises or showing the Leased Premises to prospective purchasers, lessees, or lenders. Landlord shall be required to give no notice in connection with making repairs or additions to the Leased Premises if an emergency exists. An emergency shall be deemed to exist if a condition or circumstance exists which, if left unchanged, could damage the Leased Premises, or the property of any person or entity in an amount in excess of $10,000.00, impair any mechanical, electrical and plumbing systems of the Buildings, or endanger the life, health or safety of any person at the Leased Premises. Landlord may place "for lease" notices upon the Leased Premises during the last six (6) months of the Term. In any circumstances where Landlord is permitted to enter upon the Leased Premises during the Term, no such entry shall constitute an eviction or disturbance of Tenant's use and possession of the Leased Premises or a breach by Landlord of any of its obligations hereunder or render Landlord liable for damages for loss of business or otherwise or entitle Tenant to be relieved from any of its obligations hereunder or grant Tenant any right of set-off or recoupment or other remedy, and in connection with any such entry incident to performance of repairs, replacements, maintenance or construction, all of the aforesaid provisions shall be applicable notwithstanding that Landlord may elect to take building materials in, to or upon the Leased Premises that may be required or utilized in connection with such entry by Landlord.

SECTION 21. MORTGAGE.

Tenant agrees that its interest under this Lease shall be subordinate to any present or future mortgage, deed of trust or similar encumbrance placed upon the Leased Premises; and that Tenant will subordinate its rights under this Lease to the lien thereof and to all advances made or hereafter to be made upon the security thereof, and, that within ten (10) business days of a request by Landlord from time to time, Tenant shall execute and deliver to Landlord a subordination, non-disturbance and attornment agreement ("SNDA") in the form reasonably required by Landlord or Landlord's mortgagee; provided, however, if requested by Tenant, as a condition of any subordination requested by the holder of a mortgage executed after the date hereof, the holder of any such mortgage, Tenant, and Landlord shall enter into an SNDA recognizing Tenant's rights under this Lease. All instruments and agreements to be executed under this Section shall be in a form reasonably acceptable to the parties thereto. Notwithstanding the foregoing, a lender holding a mortgage encumbering the property of which the Leased Premises is a part or the purchaser at a foreclosure sale shall have the right and option to make this Lease superior. If in connection with Landlord obtaining financing for the property of which the Leased Premises is a part, from time to time, such lender shall request reasonable modifications in this Lease as a condition of providing Landlord such financing, then Tenant shall not unreasonably withhold, delay, or defer its consent thereto; provided, that such modifications do not increase the obligations of Tenant hereunder or materially affect the leasehold interest created hereby or increase the Base

Rent or Additional Rent due hereunder. No amendment or modification of this Lease occurring after the date of any mortgage shall be binding on any Landlord's mortgagee unless such amendment or modification is expressly approved in writing by such mortgagee.

SECTION 22. NON-LIABILITY.

Without limiting the generality of the waiver contained in Section 13, Landlord and the Landlord Indemnitees shall not be liable to Tenant for any injury or death to person or damage or destruction to property sustained by Tenant or any person claiming through Tenant resulting from the Leased Premises becoming out of repair or by defect in or failure of equipment, pipes or wiring, or by broken glass, or by the backing up of drains, or by gas, water, steam, electricity, or oil leaking, escaping or flowing into the Leased Premises; provided, however, that Landlord shall remain liable for the performance of its repair obligations pursuant to Section 10; nor shall Landlord or the Landlord Indemnitees be liable to Tenant for any loss or damage that may be occasioned by or through the acts or omissions of any persons whomsoever.

SECTION 23. MISCELLANEOUS.

A. Independent Covenants. The obligation of the Tenant to pay rent and perform Tenant's other covenants and duties under this Lease are independent, unconditional obligations that are to be performed at all times provided for in this Lease.

B. Waiver. Tenant waives and relinquishes any right to assert that Landlord is bound to perform (or is liable for nonperformance of) any implied covenants or duties of Landlord that are not stated in this Lease. Tenant agrees that Landlord shall incur no liability to Tenant due to any apparent or latent defect in the Leased Premises, but Landlord shall remain liable its repair obligations pursuant to Section 10. Except as expressly provided herein, Landlord makes no express or implied warranty regarding the condition or any other feature of the Leased Premises, including the buildings, or this Lease, and Tenant hereby waives all such warranties.

C. Entire Agreement. It is expressly agreed by Tenant, as a material consideration for the execution of this Lease, that this Lease, with the specific references to written extrinsic documents, is the entire agreement of the parties, that there are, and were, no verbal representations, warranties, understandings, stipulations, agreements or promises pertaining to this Lease or to the expressly mentioned written extrinsic documents not incorporated in writing in this Lease.

D. Estoppel Certificate and Financial Statements.

(1) Tenant shall execute and return to Landlord estoppel certificates in the form attached hereto as **Exhibit "D"** and made part hereof or such other form that may be reasonably requested by Landlord or by any current or prospective purchaser of the Leased Premises or any part thereof or lienholder within ten (10) business days following such request. Tenant's failure to deliver such statement within such time shall be conclusive upon Tenant (i) that this Lease is in full force and effect, without modification except as may be represented by Landlord, (ii) that there are no uncured defaults in Landlord's performance, and (iii) that not more than one (1) month's rent has been paid in advance.

(2) If Landlord advises Tenant in writing of the existence of a lien on the Leased Premises, Tenant shall allow such lienholder to exercise all of Landlord's entry and curative rights under this Lease, but the lienholder shall

have thirty (30) days following written notice from Tenant in which to attempt to cure Landlord's default, but shall be under no obligation to do so or such longer period as agreed to by Tenant in any non disturbance, subordination and attornment agreement entered into with the lienholder.

(3) Within thirty (30) days after Landlord's request, not more than once per year, Tenant will furnish Tenant's most recent audited financial statements (and notes to them, if any) as may have been prepared by an independent certified public accountant or, failing those, internally prepared financial statements. Landlord will not disclose any aspect of such financial statements except (1) to Landlord's mortgagee or prospective mortgagees or purchasers of the Buildings to the extent such parties are bound by a confidentiality agreement similar in all material respects to the one created by this Section 22.D., (2) in the event of litigation between Landlord and Tenant, or (3) if required by court order. Tenant shall not be required to deliver the financial statements required under this Section more than once in any twelve (12) month period unless requested by Landlord's mortgagee, or a prospective buyer, or lender of the Buildings or an Event of Default occurs.

E. **Time is of the Essence.** Time is of the essence of this Lease. If any date for performance of any term, condition or provision hereof shall fall on a Saturday, Sunday or legal holiday, then the time of such performance shall be extended to the next business day.

F. **Binding Effect.** This document shall bind and inure to the benefit of the respective heirs, executors, administrators, successors and permitted assigns of the parties (without altering the provisions of this Lease regarding assignment and subletting).

G. **Non-Waiver.** Neither acceptance of any rent nor any other amount by Landlord nor failure by Landlord or Tenant to complain of any action, non-action or default of Tenant or Landlord, as applicable, shall constitute a waiver as to any breach of any covenant or condition of Tenant or Landlord, as applicable, contained herein nor a waiver of any of Landlord's or Tenant's rights hereunder, as applicable. Waiver by Landlord of any right for any default of Tenant shall not constitute a waiver of any right for either a prior or subsequent default of the same obligation or for any prior or subsequent default of any other obligation. Waiver by Tenant of any right for any default of Landlord shall not constitute a waiver of any right for either a prior or subsequent default of the same obligation or for any prior or subsequent default of any other obligation. No right or remedy of Landlord or Tenant hereunder or covenant, duty or obligation of Tenant or Landlord hereunder shall be deemed waived by Landlord or Tenant unless such waiver is in writing and signed by Landlord or Tenant, as applicable.

H. **Relationship.** The relation created by this Lease is that of Landlord and Tenant. No provision of this Lease shall be construed in such a way as to constitute Landlord and Tenant joint venturers or co-partners or to make Tenant the agent of Landlord or to make Landlord liable for the debts of Tenant.

I. **Captions.** The captions used in this Lease are for convenience only and do not in any way limit or amplify the terms and provisions hereof.

J. **Venue and Choice of Law.** All obligations of Landlord and Tenant under the terms of this Lease shall be payable and performable in Houston, Harris County, Texas. The laws of the State of Texas (not any Texas choice of law rule making applicable the law of some other jurisdiction) shall govern the construction, interpretation, validity, performance, and enforcement of this Lease.

K. Severability. If any provision of this Lease should be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Lease shall not be affected thereby.

L. Gender. With respect to terminology in this Lease, each number (singular or plural) shall include all numbers, and each gender (male, female or neuter) shall include all genders.

M. Broker. Except as stated in Section 1.K each of the parties represents to the other that no brokerage commission will be due as a result of such party's acts in connection with this transaction, and each party agrees to indemnify, defend and hold harmless the other party from and against any and all liabilities or expenses arising out of claims for commissions or fees from such party's acts.

N. Acts of God and Force Majeure. Landlord and Tenant, as applicable, shall not be required to perform any non-financial covenant or obligation in this Lease, or be liable in damages to the other party, so long as the performance or non-performance of the covenant or obligation is delayed, caused by or prevented by an act of God or force majeure. For purposes of this Lease, an "act of God" or "force majeure" is defined as strikes, material or labor shortages, or restrictions on material or labor by any governmental authority, riots, floods, explosions, earthquakes, fire, storms, weather (including wet grounds or inclement weather which prevents construction), acts of the public enemy, wars, insurrections, delays caused by third parties and any other cause not reasonably within the control of Landlord or Tenant, as applicable.

O. No Recordation. Tenant shall not record this Lease without the prior written consent of Landlord.

P. DTPA Waiver. TENANT WAIVES ITS RIGHTS UNDER THE DECEPTIVE TRADE PRACTICES – CONSUMER PROTECTION ACT, SECTION 17.41 ET SEQ., BUSINESS & COMMERCE CODE, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH AN ATTORNEY OF TENANT'S OWN SELECTION, TENANT VOLUNTARILY CONSENTS TO THIS WAIVER WITH RESPECT TO THIS LEASE AND THE PROPERTY LEASED UNDER THIS LEASE. TENANT IS VOLUNTARILY AGREEING TO THE WAIVER OF CONSUMER RIGHTS PROVISION AND CONSIDERS IT BINDING AND ENFORCEABLE; NO STATEMENT OR REPRESENTATION BY LANDLORD, OR ANY ATTORNEY OR OTHER REPRESENTATIVE ACTING ON ITS BEHALF, HAS INFLUENCED OR INDUCED TENANT TO AGREE TO THE WAIVER OF CONSUMER RIGHTS PROVISION.

Q. Construction of Lease. Tenant declares that Tenant has read and understands all parts of this Lease, including all printed parts hereof. It is agreed that, in the construction and interpretation of the terms of this Lease, the rule of construction that a document is to be construed most strictly against the party who prepared the same will not be applied, it being agreed that both parties hereto have participated in the preparation of the final form of this Lease. Wherever in this Lease provision is made for liquidated damages, it is because the parties hereto acknowledge and agree that the determination of actual damages (of which such liquidated damages are in lieu) is speculative and difficult to determine; the parties agree that liquidated damages herein are not a penalty.

R. Limitation of Warranties. LANDLORD AND TENANT EXPRESSLY AGREE THAT THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, HABITABILITY, AND FITNESS FOR A PARTICULAR PURPOSE OR OF ANY OTHER KIND ARISING OUT OF THIS LEASE, AND THERE ARE NO WARRANTIES, WHICH EXTEND BEYOND THOSE EXPRESSLY SET FORTH IN THIS LEASE.

S. **Waiver of Jury Trial.** **LANDLORD AND TENANT HEREBY AGREE NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT NOW OR HEREAFTER EXISTS WITH REGARD TO THIS LEASE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY LANDLORD AND TENANT, AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. LANDLORD OR TENANT IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER.**

T. **Tenant Buildout and Construction Allowance**. Landlord has provided to Tenant a **TENANT BUILDOUT ALLOWANCE** in the amount of $90000.

1. Landlord may at its sole discretion provide and advance an additional $0 in construction advances (in increments of $10,000), which will cause an increase in the base rent in the amount of $ $0 per square foot (per month) for each $10,000.00 advanced by Landlord. If an additional tenant buildout allowance has been agreed to, these amounts are referenced on page 2 of this lease.

2. The revised 'new' base rent (including all base rent charges, CAM charges and construction additions) shall serve as the base rent for all extensions granted under this lease or any renewal.

U. **Method of Calculation**. Tenant is knowledgeable and experienced in commercial transactions and does hereby acknowledge and agree that the provisions of this Lease for determining charges and amounts payable by Tenant are commercially reasonable and valid and constitute satisfactory methods for determining such charges and amounts as required by Section 93.012 of the Texas Property Code. **Tenant further voluntarily and knowingly waives (to the fullest extent permitted by applicable Law) all rights and benefits of Tenant under such section, as it now exists or as it may be hereafter amended or succeeded.**

V. **Prohibited Persons and Transactions.** Tenant represents to Landlord: (i) that neither Tenant nor any person or entity that directly owns a 10% or greater equity interest in it, nor any of its officers, directors or managing members, is a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under Executive Order 13224 (the "Executive Order") signed on September 24, 2001, and entitled "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism", or other Laws (each such person, a "Prohibited Person"), (ii) that Tenant's activities do not violate the International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001, or the regulations or orders promulgated thereunder, as they may be amended from time to time, or other anti-money laundering Laws (the "Anti-Money Laundering Laws"), and (iii) that throughout the Term of this Lease Tenant shall comply with the Executive Order and with the Anti-Money Laundering Laws.

W. **Tax Waiver**. Tenant waives all rights pursuant to all laws to contest any taxes or other levies or protest appraised values or receive notice of reappraisal regarding the Property (including Landlord's personality), irrespective of whether Landlord contests same.

X. **Guaranty.** Concurrent with the execution and delivery of this Lease by Tenant, Tenant shall cause the **GUARANTOR(s)** to execute and deliver to Landlord a guaranty in the same form as **Exhibit "I".**

Y. Special Provisions. The following SPECIAL PROVISIONS and CONSIDERATIONS are made part of this lease.

1. COMMISSION: Landlord shall pay to broker a commission equal to 3% of the total base rent for years one (1) through five (5) upon execution of this lease.

2. LEASE EXTENSIONS: Providing Tenant is not in default under this lease, Tenant shall have as their option, the opportunity to enter into two each FIVE YEAR (5 year) extensions under the same terms and conditions of this lease.

The rent for the first of these five-year options shall be as follows:

Square Feet	$ SF-Monthly	$ SF-Annually	Monthly Base	Annual Base	% Increase	$ Increase
4,500	$1.59	$19.08	$7,155	$85,860	2.0%	$0.00
Year	**$ per SF**	**$ SF-Annually**	**Monthly Base**	**Annual Base**	**% Increase**	**$ Increase**
Year 1	$1.59	$19.08	$7,155	$85,860	2.0%	$0.00
Year 2	$1.62	$19.46	$7,298	$87,577	2.0%	$143.10
Year 3	$1.65	$19.85	$7,444	$89,329	2.0%	$145.96
Year 4	$1.69	$20.25	$7,593	$91,115	2.0%	$148.88
Year 5	$1.72	$20.65	$7,745	$92,938	2.0%	$151.86

The rent for the second of these five-year options shall be as follows:

Square Feet	$ SF-Monthly	$ SF-Annually	Monthly Base	Annual Base	% Increase	$ Increase
4,500	$1.77	$21.24	$7,965	$95,580	2.0%	$0.00
Year	**$ per SF**	**$ SF-Annually**	**Monthly Base**	**Annual Base**	**% Increase**	**$ Increase**
Year 1	$1.77	$21.24	$7,965	$95,580	2.0%	$0.00
Year 2	$1.81	$21.66	$8,124	$97,492	2.0%	$159.30
Year 3	$1.84	$22.10	$8,287	$99,441	2.0%	$162.49
Year 4	$1.88	$22.54	$8,453	$101,430	2.0%	$165.74
Year 5	$1.92	$22.99	$8,622	$103,459	2.0%	$169.05

3. RENT ABATEMENT: Tenant shall not be required to pay BASE RENT for the first five (5) months, and the first month of paid rent shall be due August 1st, 2025, payment of which is hereby acknowledged upon the execution of this lease.

4. SIGNAGE: Tenant shall have their name and business identity displayed on the property's digital sign at no additional charge or expense to the Tenant. Additionally Tenant shall be permitted to install window graphics or wraps, such as perforated vinyl or frosted film, subject to Landlord's approval and compliance with all applicable signage and aesthetic guidelines. Tenant in encouraged (but not required) to install a business identity sign above their entranceway, identifying their business. Section 9B of this lease is hereby amended that there is NO CHARGE to advertise on Landlord's digital sign.

5. OCCUPANCY DATE: Tenant shall be permitted to occupy the premises immediately upon execution of this lease and payment of the security deposit and first months (August 2025) rent. The period from this date to the end of February 2025 shall be considered FREE RENT and no payment or reimbursement is due.

6. ENVIRONMENTAL: Tenant shall make sure that any noise or odor created by their occupancy does not interfere or disturb neighbors. Tenant will include extra soundproofing materials in the two (2) demising walls, as to prevent unnecessary noise from disturbing Tenant's neighbors.

EXECUTED on 02/07/2025 in multiple counterparts, each having the force and effect of an original.

LANDLORD:

Signature:

Email: Bill@wjl.me

TENANT:

Signature: Maribel Paree (Feb 7, 2025 14:51 CST)

Email: mparee0613@gmail.com

Exhibit "A"

LEGAL DESCRIPTION OF LAND

LOT 2 - 3.7869 Acre Tract (164,955.38 square feet) of the 5.7869 Acre Tract being a replat of Lot 1, Block 1 Huffsmith-2978 as recorded in film code 620122, Harris County Map Records, situated in the Kesse Pruitt Survey, Abstract 629, City of Tomball, Harris County, Texas

Legal Description: LT 2 BLK 1 HUFFSMITH 2978 R/P

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Exhibit "B"

SITE PLAN FOR LEASED PREMISES
22525 Hufsmith Kohrville Road
Suite 4-B
Tomball, Texas 77375

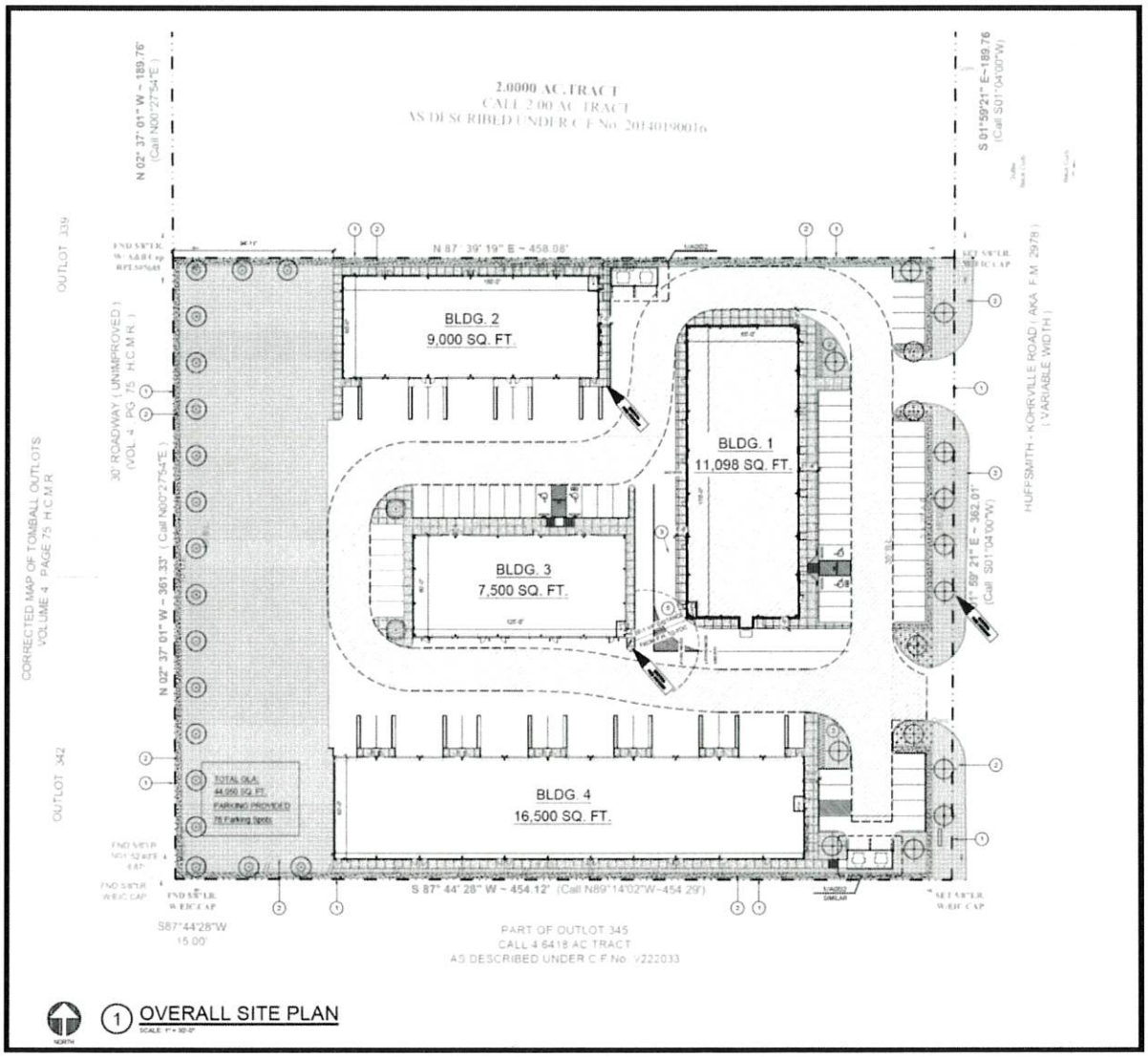


Exhibit "C"

CONSTRUCTION RIDER

This Construction Rider is attached as an Exhibit to that certain Lease (the "***Lease***"), dated 02/07/2025, by and between **Hufsmith Kohrville Business Park LLC**, as Landlord, and; MUDDY'S BUDDIES DAYCARE, LLC., MARIBEL PAREE, _____, _____ as Tenants. Unless otherwise specified, all capitalized terms used in this Construction Rider shall have the same meaning as in the Lease. In the event of any conflict between the Lease and this Construction Rider, the latter shall control.

All work performed by or on behalf of Tenant for (i) initial leasehold improvements and (ii) any alterations to the Leased Premises (throughout the Term) which require Landlord's approval, shall be subject to the provisions of this **Exhibit "C"**. Any items of work which Tenant reasonably believes should be exempted from the provisions of this **Exhibit "C"** (e.g. installations performed by vendors instead of contractors) shall be specified in writing to Landlord; provided that Tenant shall at all times remain responsible for its obligations as set forth in the Lease, including without limitation, with respect to Tenant's work, mechanics' or materialmen's' liens, insurance and indemnification. All work performed on behalf of the Tenant, and all parties performing such work (whether employee, vendor, contractor or otherwise) shall comply with the rules and regulations set forth in **Exhibit "C-1"**.

1. **Plans**. All Tenant work governed by this **Exhibit "C"** (the "***Tenant Work***") shall be performed in a lien-free and good and workmanlike manner in and upon the Leased Premises, at Tenant's sole cost and expense, and in accordance with plans and specifications approved by Landlord. Tenant shall submit to Landlord for Landlord's approval complete plans and specifications, prepared by a licensed architect for the construction of the Tenant Work ("***Tenant's Plans***"). Within ten (10) business days after receipt of Tenant's Plans, Landlord shall review and respond to Tenant's Plans. If Landlord disapproves Tenant's Plans, or any portion thereof, Landlord shall notify Tenant thereof and of the revisions Landlord requires before Landlord will approve Tenant's Plans. The final plans and specifications approved by Landlord are hereinafter referred to as the "***Approved Construction Documents***". Landlord's approval of the Approved Construction Documents shall not be deemed a representation or warranty regarding compliance with applicable laws, codes and ordinances, nor of the accuracy, adequacy, appropriateness, functionality or quality of the improvements to be made according to the Approved Construction Documents. Tenant's Contractor and all sub-contractors are required to comply with all shell building specifications, which are available upon request from Landlord.

2. **Commencement**. Prior to commencement of any Tenant Work, Tenant will provide to Landlord the following:

a. A complete list of all proposed contractors, subcontractors, and suppliers.

b. A copy of the building permit for the Tenant's work, as applicable

c. A copy of the Tenant's construction schedule.

d. The name and phone number, including emergency phone numbers, of persons authorized to

represent the Tenant, Tenant's Contractor, subcontractors, and/or suppliers in regard to the Tenant Work.

e. Material Safety Data Sheets (MSDS) for any and all chemicals / products used on-site as part of or relating to, the Tenant Work.

f. Safety Program/Hazard Communication Program as required by authorities having jurisdiction over the Leased Premises or construction therein.

g. Insurance Certificates in amounts shown below for each of Tenant's contractors and subcontractors.

3. Completion.

(a) Tenant warrants that the design, construction and installation of the Tenant Work shall conform to the requirements of all applicable laws, codes and ordinances, including building, plumbing and electrical codes and the requirements of any authority having jurisdiction over, or with respect to, such Tenant Work. Any Tenant Work that does not conform to industry standard codes or adversely affects the building or the operation thereof will promptly be remedied by the Tenant's contractor's expense. Landlord has the right to inspect construction of the Tenant Work from time to time. If any work is found that does not comply with the requirements of this **Exhibit "C"**, Tenant's Contractor will be responsible for making the necessary changes in order to comply. Any such changes that are made will be at the Tenant's (or Tenant's Contractor's) expense.

(b) Within ten (10) days following substantial completion of the Tenant Work, Landlord and Tenant will inspect the Leased Premises and develop a "punch list" of any items which were not properly completed or are in need of repair. Tenant will complete (or repair, as the case may be) the items listed on the punch list no later than thirty (30) days following such inspection by Landlord and Tenant and notify Landlord in writing upon completion of such items.

(c) Within thirty (30) days following substantial completion of the Tenant Work, Tenant shall provide the following to Landlord:

(i) A sworn certificate from Tenant's architect, contractor or engineer, as applicable, stating that the Tenant Work has been completed in strict compliance with this **Exhibit "C"** and the Approved Construction Documents;

(ii) Full and final lien waivers, in form and substance reasonably satisfactory to Landlord, from Tenant's general contractor and all other contractors and suppliers provided labor or materials as part of the Tenant Work;

(iii) All guarantees or warranties with respect to the Tenant Work; and

(iv) ADA compliance letter (if applicable).

4. Contractors. Tenant will employ only experienced, licensed contractors, architects, engineers and other consultants, as applicable, to perform the Tenant Work. The general contractor for the Tenant Work ("***Tenant's Contractor***") shall be subject to Landlord's prior written approval, not to be unreasonably withheld, conditioned or delayed. At all times during any construction at the Leased Premises

(including, without limitation, the Tenant Work) all contractors or other parties shall keep in full force the following:

(a) Workers Compensation - Statutory Amount in the state where the Land is located;

(b) Employer's Liability - $500,000 or such other higher limits imposed in accordance with the requirement, if any, of the laws of the state where the Land is located;

(c) Commercial General Liability - Unless otherwise approved in writing by Owner, in the amount of $1,000,000 per occurrence, $2,000,000 general aggregate with Products/Completed Operations coverage (with evidence of Products/Completed Operations Coverage shown for a minimum of two years following completion of the work described in the contract);

(d) Business Auto Liability including hired and non-owned auto coverage - $1,000,000 combined single limit;

(e) Umbrella/Excess - $5,000,000 per occurrence; and

(f) "All-Risk" form of Builder's Risk Insurance on a completed value form, with full replacement cost coverage, in an amount not less than the total improvement cost with a maximum deductible of $1,000.00, and with appropriate coverage permitting occupancy prior to full completion and appropriate coverage for the cost of debris removal from the Land.

Landlord, its property manager and its mortgagee shall be named as additional insureds on each of said policies (excluding the worker's compensation policy). Prior to its entry upon the Land, or the commencement of any of the Tenant Work, Tenant shall provide true and correct certificates of insurance evidencing such policies, and neither Tenant (nor any of its contractors or agents) shall not be entitled to enter upon the Leased Premises until it has provided such certificates.

5. Rules & Regulations. Tenant's Contractor, and all construction performed by it at the Leased Premises, shall comply at all time with the requirements of **Exhibit "C-1"** attached hereto.

6. Assumption of Risk and Waiver.

(a) To the fullest extent permitted by law, Tenant's Contractor will indemnify and hold the Landlord and their agents and employees harmless from and against liability claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of, resulting from, and in any way related to the performance of work pursuant to Tenant Contractor's contract with Tenant or the presence of Tenant's Contractor, it subcontractors, or persons directly or indirectly employed by any of them on or about the project site, provided that such liability, claim, damage, loss or expense is attributable to bodily injury sickness, disease or death of any person (including Tenant Contractor's employees), or injury to or destruction of tangible property, including the loss of use resulting there from. Tenant's Contractor's aforesaid indemnity and hold harmless agreement shall apply to any acts or omission, willful misconduct, or negligent conduct, whether active or passive, including Tenant's Contractor's agents, subcontractors, or employees, except that said agreement shall not be applicable to injury, death, or damage to property arising from the sole negligence or willful misconduct of Landlord or their officers, agents, and servants. Tenant Contractor's aforesaid indemnity and hold harmless agreement shall not be construed to negate,

abridge, or otherwise reduce and other right or obligation of indemnity which would otherwise exist as to any party or person described in this Paragraph 6(a).

(b) In any and all claims against Landlord, or any of their agents or employees by any employee of Tenant's Contractor, any of its subcontractors, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation set forth in this Paragraph 6 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Tenant's Contractor or any of its subcontractors under workers' or workman's compensation acts, disability benefits acts, or other employees benefit acts.

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Exhibit "C-1"

CONTRACTOR RULES AND REGULATIONS

A copy of these Rules and Regulations, acknowledged and accepted by the Contractor, and all subs, must be posted on the job site in a manner allowing easy access for all workers. It is the Contractor's responsibility to instruct all subcontractor workers to familiarize themselves with these rules.

1. Tenant's Contractors shall cooperate with Landlord's contractor to ensure that Landlord and Tenant will occupy the Leased Premises within the agreed-upon schedule. Tenant contractors recognize that it is imperative that the work proceed uninterrupted and shall endeavor to promptly cure any work stoppage or disputes.

2. Tenant's Contractors will provide and maintain all temporary equipment distributions and connections and pay for hookups.

3. Tenant's Contractor shall coordinate any necessary inspection and approval with Landlord's contractor.

4. No smoking, alcohol, drugs or any persons under the influence allowed at the Land.

5. No abusive or explicit language, actions or materials permitted at or on the Land.

6. The Tenant's Contractor shall park and store equipment within the area designated by Landlord.

7. All materials used in performance of Tenant's Work which contain Hazardous Substances being used or brought into the building shall adhere to the requirements of authorities having jurisdiction and shall have the appropriate paperwork filed at the Landlord's Building Management Office, posted at the jobsite and a copy kept with the Material.

8. Any damage caused by the building and its systems by the contractor will be repaired by the contractor immediately. Landlord's Building Management reserves the right to remedy the defects at the Tenant's Contractors expense if the work is not corrected in a timely manner.

9. No paint thinners, or hazardous materials will be poured down any drain. Drains shall not to be used for the cleaning of tools or paint materials.

10. All work on building life safety systems (smoke detectors, fire pull stations, fire doors) must be identified and discussed with the Landlord prior to all construction work.

11. Any work that may activate any smoke detector(s) shall require previous notification to Landlord's Building Management

12. Any work which represents a fire hazard (i.e. sweating copper, welding, etc.) will require a suitable fire extinguisher to be kept in the immediate vicinity.

13. Shirts, long pants, and shoes must be worn at all times.

14. Contractors shall use their best efforts to prevent unnecessary power usage and to turn out all lights in work area at the end of each day.

15. Permits and Licenses necessary for the completion of work shall be secured and paid for by the Contractor. A copy of all permits will be posted, at all times, in a readily accessible area at the construction site.

16. If an Architectural Barrier Inspection is required by code, Architectural Barrier Inspection post construction shall be performed by a Registered Accessibility Specialist (RAS).

17. Workers are not allowed to access any part of the building other than the Leased Premises and other construction work areas mutually designated by Landlord and Tenant.

18. Any work that has the potential to disrupt the normal business activity of other tenants must be performed outside normal business hours. Normal business hours for construction projects are defined as 7 a.m. – 7 p.m. (these times are subject to change at any time).

19. Tenant's Contractor is responsible for storage and removal of all construction-related trash.

(a) Daily Requirement: Contractor shall maintain the construction site free from the accumulation of waste material and debris. Trash should be removed daily, and site left with broom finish.

(b) Final Cleanup: The final cleanup by the Tenant's Contractor shall include the entire lease space and any exterior parking or storage areas used by the Tenant's Contractor. If the Landlord is forced to clean any of the above, the "Tenant" shall be invoiced accordingly.

20. The Tenant's Contractor shall provide and clean temporary restrooms for subcontractors. These restrooms shall be located in an area designated by the Landlord's Construction Manager.

21. If prior to the Commencement Date, Tenant's construction consumes any electricity or other utilities, Tenant shall pay the cost therefor upon receipt of an invoice from Landlord.

22. At no time is welding, cutting torch use, or any open flame tool to be used in the building without prior approval from Landlord in the form of a Hot Work Permit.

23. All penetrations of piping, duct work, conduits, etc. through wall partitions, and doors shall be fire sealed to the Landlord's satisfaction in order to maintain the integrity of the structures fire safety rating. All fireproofing shall be UL certified. All new penetrations must be reviewed and approved by the Landlord prior to installation. Use of existing penetrations must be approved by the Landlord.

24. Seventy-two (72) hours' notice must be submitted to the building management office for approval for any work affecting shell building, MEP, sprinkler, fire safety or security systems.

25. The Tenant's Contractor shall coordinate all Fire Alarm System and Fire Sprinkler System related work with the Landlord's Property Management office. None of the aforementioned work shall commence until appropriate measures have been taken, and approved to assure that no false alarms will occur, that adequate building protection shall be maintained, and that all proper agencies have been notified of the shutdown parameters. Contractor shall be responsible for insuring restoration of such systems to normal operations immediately following completion of the work including notification to building management that the system is restored.

26. Tenant shall be imposed a fine of $200 by the Landlord for labor incurred responding to false alarms, caused by the Tenant's Contractor.

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Exhibit "D"

(SAMPLE - For Illustration Purposes Only - SAMPLE)

ESTOPPEL CERTIFICATE FOR PROSPECTIVE PURCHASER OR LENDER

Re: Lease between **HUFSMITH KOHRVILLE BUSINESS PARK LLC** ("Landlord") and _____ ("Tenant") dated _____ with respect to the land and building located at **22525 Hufsmith Kohrville Road, Tomball, Texas 77375 Suite** _____ (the "Premises")

Gentlemen:

SAMPLE

We, the undersigned Tenant, under the Lease described above (the "Lease"), certify to _____ ("Purchaser") and its successors and assigns as the prospective purchaser of the Premises, the following:

1. Attached hereto as Exhibit "A" is a true, correct, and complete copy of the Lease, including all amendments, exhibits, and addenda thereto.

2. There has not been a cancellation, modification, assignment, renewal, extension, or amendment to the Lease, except the following (true and correct copies of all of which are attached hereto and initialed by Tenant):

_____

_____

_____

3. All of the current Base Rent (in the amount of **$** _____) and Initial Estimate of Monthly Taxes and Insurance Payment (in the amount of **$** _____) provided for in the Lease is paid through _____. A Security Deposit in the amount of _____ has been paid to Landlord.

4. Other than the Lease, there are no other agreements, written or oral, between Landlord and Tenant regarding the Premises or Tenant's obligation to pay rentals under the Lease, and Tenant does not claim a right to any concessions, free rent, or rental abatement other than as set forth in the Lease, except as follows: _____

_____

5. The tenant currently pays for all utilities used in the Premises.

6. The Lease commenced on _____, and the rent commenced on _____. The Lease terminates on _____, and the Tenant is not entitled to any renewal options except _____ options to extend, of _____ (_____) months each.

7. The interest of Tenant in the Lease has not been assigned or encumbered, and not part of the Premises has been sublet. Landlord has satisfied all operating covenants of Landlord under the Lease.

8. The Lease is in full force and effect and Tenant is not aware of any presently existing claims against Landlord or any offsets against rent due under the Lease. There are no (i) defaults of Landlord or Tenant under the Lease, (ii) existing circumstances which with the passage of time, or notice or both, would give rise to a default by Landlord or Tenant under the Lease, (iii) existing rights to abate, reduce or offset sums against the rent or terminate this Lease because of any other condition, or (iv) existing circumstances which with the passage of time, or notice, or both, would give rise to a right to abate, reduce or offset sums against rent or terminate the Lease.

9. The Premises have been completed and accepted and are in conformity with the terms of the Lease, subject to the (i) Landlord's warranty and repair obligation contained in the Lease solely with respect to the roof, foundation and load-bearing walls supporting the roof of the building, (ii) general contractor's warranty obligations to the Tenant (if any) and (iii) liability of the architect and any engineers to the Tenant (if any) for design defects. Tenant has been paid all sums (if any) owed by Landlord with respect to allowances for construction performed at the Premises by
Tenant.

SAMPLE

10. The Tenant has not filed a petition in bankruptcy that has not been dismissed as of the date hereof, has not been subject to an involuntary petition in bankruptcy which has not been dismissed, has not made an assignment for the benefit of any creditor(s), or has not been adjudged to be bankrupt or insolvent by a court of competent jurisdiction.

11. The Tenant has not received any option to purchase any portion of the Premises, except as follows:

_____

_____.

12. Any notices which may or shall be given to Tenant under the terms of the Lease are not to be sent to Tenant at the following address:

_____

_____

13. The undersigned has all requisite authority to execute this Estoppel Certificate on behalf of Tenant. The undersigned acknowledges that Purchaser has requested the information contained herein for purposes of confirming and clarifying certain provisions of the Lease and is relying (and will rely) on the truth and accuracy of the representations made herein and upon the authority of the undersigned to execute this Estoppel Certificate on behalf of Tenant, in connection with Purchaser's decision to purchase (or not to purchase) the Premises. This Estoppel Certificate may only be relied upon by Purchaser and Purchaser's lender in connection with the acquisition and financing of the Premises, and no other person or entity shall be entitled to be a third-party beneficiary of this Estoppel Certificate.

14. Tenant acknowledges and consents to the fact that Landlord may assign and transfer or has assigned and transferred the Landlord's interest under the Lease to Purchaser and Tenant agrees to attorn to Purchaser and to perform all of Tenant's obligations as the tenant under the Lease (including, without limitation, the

payment of rent) directly to Purchaser, its successors and assigns, as the new Landlord under the Lease from and after the effective date of such assignment and transfer of the Lease by Landlord to Purchaser. Purchaser shall not be liable for any act or omission of any prior Landlord under the Lease, which act, or omission shall have occurred prior to the date Purchaser acquires Landlord's interest in the Lease.

15. So long as the Earnest Money Contract ("Contract") between Landlord and Purchaser is pending, Tenant understands and agrees that the Lease may not be modified or amended in any respect without the prior written consent of Purchaser.

SAMPLE

Very truly yours,

_____

(Tenant)

By: _____

Name: _____

Title: _____

Date: _____

Exhibit "E"

RULES & REGULATIONS

1. All floor areas and other improvements in or on the Leased Premises (including, without limitation, entrances and returns, doors, fixtures, windows, aisles, and displays) shall be maintained in a safe, neat, clean, and attractive condition.

2. No person shall use the parking areas except for ingress and egress and for the parking of motor vehicles during the period of time such persons or the occupants of such vehicles. No sidewalks, walkways, or halls shall be used other than for pedestrian travel. No roadways, walkways, sidewalks, halls, parking areas, or other open areas shall be used by skateboards, roller blades, roller skates, or other moveable contrivances, except for or by handicapped persons.

3. All motor vehicles shall be parked in an orderly manner within the painted lines defining the individual parking spaces, except that trucks may be parked elsewhere on the Leased Premises in an orderly manner.

4. No person shall do any of the following:

   A. Throw, discard, or deposit any paper, glass, or extraneous matter of any kind, except in designated receptacles, or create litter or hazards of any kind on or in any part of the Leased Premises.

   B. Deface, damage, or demolish any sign, light standard or fixture, landscaping material, or other improvement within the Leased Premises.

5. No sign or covering shall be inscribed, displayed, printed, affixed, or hung on or to, or placed in or used in connection with, any window or door located on or within the Leased Premises without the prior written consent of Landlord. Landlord shall have the right to remove any such sign or covering that violates this provision without notice to and at the expense of Tenant.

6. Landlord reserves the right to exclude or expel from the Leased Premises, any person who, in Landlord's judgment, is or appears to be intoxicated or under the influence of liquor or drugs or is in violation of any of these Rules and Regulations.

7. Tenant shall comply with all commercially reasonable safety, fire protection, and evacuation procedures and regulations established by Landlord, its insurance carriers, or any governmental agency.

8. Landlord reserves the right to restrict the use of all electrical extension cords. At no time shall more than two electrical devices be connected to any single electrical outlet. Multiple adapters are prohibited. Any extension cord used must be a two-wire cord with a ground and must be sized according to the power draw on the circuit.

9. The plumbing fixtures shall be used only for the purposes for which they are designed, and no sweepings, rubbish, rags, or other unsuitable materials shall be disposed into them. Without the prior written consent of Landlord, Tenant shall not use the Leased Premises for washing clothes, lodging, or for any improper, objectionable, or immoral purposes. No cooking shall be done or permitted by Tenant on the Leased

Premises, other than cooking for Tenant's employees and visitors, including, without limitation, events hosted by Tenant at the Leased Premises.

10. Neither Tenant nor its employees, agents, contractors, subcontractors, or invitees shall go upon the roof of the Leased Premises without Landlord's prior written consent.

11. Tenant shall not alter any lock or install a new or additional lock or bolt on any door of its Leased Premises. Landlord uses a proprietary door lock/hardware system. All exterior and interior locks, padlocks or other means of securing the premises shall be supplied by Landlord through its security provider and in accordance with the numbering/organization scheme maintained by Landlord. Landlord will provide a new Tenant with new cores for all exterior doors/padlocks and will provide tenant with two (2) keys to exterior doors. Additional keys must be ordered thru Landlord preferably through the TWA (Tenant Web Access) portal and will be billed to Tenant's account.

12. Tenant shall not sell or regularly serve alcoholic beverages on the Leased Premises without the prior written consent of Landlord.

13. The Leased Premises shall be used only for the purposes set forth in the Lease.

14. Tenant shall store all its trash and garbage within its Leased Premises or in dumpsters or other contained areas in the Leased Premises. No material shall be placed in the trashcans or receptacles if such material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of trash and garbage in the area, without being in violation of any law or ordinance governing such disposal. All garbage and refuse disposal shall be made only through entryways provided for such purpose and at such times as Landlord shall designate. Large containers and any non-compactable trash shall be kept in the Leased Premises until such time as Tenant has made suitable arrangements for its removal. In no event shall Tenant's trash be visible to the general public or constitute any health, fire hazard, or nuisance to the public. No burning of trash, refuse, or waste shall be permitted.

15. These Rules and Regulations are in addition to and shall not be construed to in any way modify, alter, or amend, in whole or in part, the terms, covenants, agreements, and conditions of the Lease to which these Rules and Regulations are attached. Landlord reserves the right to rescind or waive any of the rules and regulations set forth herein (as to an individual tenant or as to all the tenants) and to make such other and further rules and regulations as in its reasonable judgment shall, from time to time, be required for the safety and protection, care, and cleanliness of the Leased Premises, the operation thereof, the preservation of good order therein, or the protection and comfort of the Tenant and their agents, employees, and invitees. Such rules and regulations, when made and written notice thereof is given to a tenant, shall be binding upon it in like manner as if originally herein prescribed.

16. Tenant shall not allow any of its merchandise, equipment, supplies or any other possession to be stored outside of the unit. All of the materials, inventory, parts, accessories or other items used in the normal course of the tenant's business shall be stored inside tenant's suite.

Doors to the tenant's unit (entry/exit or overhead) must remain closed at all times except when tenant is either receiving or delivering goods or merchandise.

Exhibit "F"

HAZARDOUS SUBSTANCES

1. Tenant shall not cause or permit any Hazardous Substance (as hereinafter defined) to be brought upon, generated, manufactured, refined, produced, processed, kept, stored, discharged, disposed of, leaked, emitted, or used (collectively herein called "Processed and Stored") in, or about the Leased Premises, except for such Hazardous Substances as are necessary or useful to Tenant's business and the use of which is expressly approved by Landlord in writing. Landlord shall have no obligation to grant any such approval.

2. If Landlord consents as provided in paragraph 1 above, any Hazardous Substance permitted on the Leased Premises, and all containers therefor, shall be Processed and Stored in a manner that complies with all Governmental Laws (as hereinafter defined) applicable to Hazardous Substances.

3. Tenant shall not cause or permit any material or substance to be Processed or Stored in, on or about the Leased Premises, or the atmosphere, ground, sewer system, or any body of water, if that material (as is reasonably determined by the Landlord, or any governmental authority) does or may pollute or contaminate the same, or may adversely affect (a) the health, welfare, or safety of persons, whether located on the Leased Premises, or elsewhere, or (b) the condition, use, or enjoyment of the Building or any other real or personal property.

4. Tenant shall not cause or permit to occur any violation of any governmental law on, in, under, or about the Leased Premises, arising from Tenant's use, occupancy, or possession of the Leased Premises, including, but not limited to, soil and ground water conditions.

5. As used herein, the term "Hazardous Substance" means (a) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976, as amended from time to time, and regulations promulgated thereunder; (b) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, and regulations promulgated thereunder; (c) any oil, petroleum products, and their by-products (d) any substance that is or becomes regulated by a federal, state or local governmental authority; (e) any other ignitable, reactive, corrosive, hazardous, toxic, flammable, explosive, radioactive material, asbestos, asbestos containing material, polychlorinated biphenyl, chemical known or suspected to cause cancer or reproductive toxicity, pollutants, contaminates, hazardous wastes, controlled drugs or substances (except prescription drugs pursuant to existing prescriptions), (f) any substance or material declared to be hazardous or toxic under any statute, law, regulation, code, ordination rule or governmental pronouncement now or hereafter enacted or promulgated by any governmental authority (herein called "Governmental Laws") or (g) dangerous substance or material.

6. Tenant shall, at Tenant's own expense, comply with Governmental Laws relating to or regulating the bringing upon, generating, manufacturing, refining, producing, processing, keeping, storing, discharging, disposing of, leaking, emitting, or using (collectively herein called "Processing and Storing") of Hazardous Substances that occur during the term of the Lease.

7. The Tenant shall, at the Tenant's own expense, make all submissions to, provide all information required by, and comply with all requirements of any governmental authority (the "Authority") under the Governmental Laws.

8. Should any Authority or any third party demand that a clean-up plan be prepared and that a clean-up be undertaken because of the Processing and Storing of Hazardous Substances by Tenant that occurs during the term of this Lease, at or from the Leased Premises, or which arises at any time from Tenant's use or occupancy of the Leased Premises, then Tenant shall, at Tenant's own expense, prepare and submit the required plans and all related bonds and other financial assurances; and Tenant shall carry out all such clean-up plans.

9. Tenant shall promptly provide all information regarding the Processing and Storing of Hazardous Substances that is requested by Landlord.

10. If Tenant fails to fulfill any duty imposed under this Exhibit "F" within a reasonable time, not less than thirty (30) days after receipt of written notice, Landlord may do so; and in such case, Tenant shall reasonably cooperate with Landlord in order to prepare all documents Landlord reasonably deems necessary or appropriate to determine the applicability of the Governmental Laws to the Premises and Tenant's use, occupancy or possession thereof, and for compliance therewith, the Tenant shall execute all such documents promptly upon Landlord's request. No such action by Landlord and no attempt made by Landlord to mitigate damages under any law shall constitute a waiver of any of Tenant's obligations under this Exhibit "F".

11. Tenant hereby agrees that it shall be fully liable for all costs and expenses related to any Processing and Storage of Hazardous Substances by Tenant in, on, under or about the Leased Premises and the Tenant shall give immediate notice to the Landlord of any violation or potential violation of the provisions of Exhibit "F" or any Governmental Laws. Tenant shall defend, indemnify, and hold harmless Landlord, its agents, employees and managers, and their respective partners, agents, employees, officers, directors, beneficiaries, shareholders, partners, consultants and advisers from and against all claims, demands, penalties, fines, suits, causes of action, liabilities, settlements, damages, costs, expenses (including, without limitation, attorneys and consultants fees, court costs, and litigation expenses), or losses (including, without limitation, a decrease in value of the Leased Premises or usable space) of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or in any way related to, arising out of or in connection with or which is alleged to have arisen out of or in connection with any violation or alleged violation by Tenant of any covenant contained in this Exhibit "F".

12. In the event of a violation by Tenant of any covenant contained in this Exhibit "F" after this Lease has expired or otherwise terminated, and Landlord is not able to lease the Leased Premises as a result of such violation or alleged violation, then in addition to its obligations under Section 11 of this Exhibit "F", Tenant shall also reimburse Landlord for the Base Rent (at the applicable Market Rate) that Landlord would have received for the Leased Premises from the expiration of this Lease until such time that Tenant has complied with the terms of this Exhibit "F".

13. The provisions of this Exhibit "F" shall be in addition to any other obligations and liabilities Tenant may have to Landlord at law or equity and shall survive the transactions contemplated herein and shall survive the termination of this Lease.

Exhibit "G"

PROHIBITED USES

General Restrictions on Use. Unless otherwise approved by Landlord in writing, no portion of the Land shall be used, leased, subleased, or operated for:

(1) automotive repair, car wash, gasoline sales, or tire or battery sales;

(2) the renting, leasing, sale or display of any, truck, trailer, recreational vehicle or boats which are on premises; however, nothing shall prevent any such renting, leasing, or sale if the vehicles, trucks, trailers or boats are located at another site;

(3) any use which emits an obnoxious odor, or excessive noise or sound which can be heard or smelled outside of any building located in on the Land or which creates unusual fire, explosive or other risks to any portion of the Land;

(4) any mobile home park, trailer park, labor camp, or junkyard (except this provision shall not prohibit the temporary use of construction trailers during periods of construction, reconstruction or maintenance);

(5) any dumping, disposing, incinerating or reduction of garbage (exclusive of garbage compactors located near the rear of any building) except any recycle centers required by governmental regulations;

(6) any living quarters, sleeping apartments or lodging rooms;

(7) any veterinary hospital or animal raising facility;

(8) any mortuary or funeral home;

(9) any church, school or day-care;

(10) any establishment whose primary business is the sale or rental or display of sexual materials or drug related paraphernalia or whose primary business is providing any adult only or sexually oriented service or product including, but not limited to, massage parlors, brothels, topless establishments, any "sex" shop, "peep show", any "adult" bookstore or "adult" movie theater; or any establishment engaged in the selling of any tobacco or "vaping" products or paraphernalia;

(11) any flea market, amusement park, video arcade, pool or billiard hall;

(12) any gaming facility or operation including, but not limited to, off-track or sports betting parlor, table games such as blackjack, poker, slot machines, video poker, blackjack, keno machines or similar devices or bingo hall;

(13) any central laundry, dry cleaning plant or Laundromat; provided, however, this prohibition shall not be applicable to a laundry which is an ultimate consumer pickup and delivery site, provided no cleaning actually takes place upon the Land;

(14) the operation, establishment or maintenance of a movie theatre, children's playground, night club, bowling alley, skating or roller rink, health spa, a second hand or pawn shop type of business or other entertainment facilities, or any use in violation of applicable zoning and other governmental laws and regulations;

(15) any use which is public or private nuisance;

(16) distilling, refining, smelting, agricultural, animal raising or boarding or mining operation; or

(17) any place for public assembly (such as a church or meeting hall).

Exhibit "H"

COMMENCEMENT DATE AGREEMENT

1. Landlord: **HUFSMITH KOHRVILLE BUSINESS PARK LLC**

2. Tenant: MUDDY'S BUDDIES DAYCARE, LLC.
MARIBEL PAREE

3. Leased Premises: 22525 Hufsmith Kohrville Road, Suite 4-B
Tomball, Harris County, Texas 77375.

4. Executed on: 02/07/2025.

5. Commencement Date: The Commencement Date (**Lease Start Date**) shall be the date when the payment of rent (and other charges) begins. This day will be the earlier of either the date indicated as the **LEASE START DATE** (on page two) or One Hundred and Eighty (180) days from the date this lease is executed (**Lease Execution Date**).

LANDLORD:

Signature:
Email: Bill@wjl.me

TENANT:

Signature: Maribel Paree (Feb 7, 2025 14:51 CST)
Email: mparee0613@gmail.com

Exhibit "I"

GUARANTY OF LEASE

This **GUARANTY** is made among ("Guarantor's"), and **HUFSMITH KOHRVILLE BUSINESS PARK LLC**, a Texas limited partnership ("**Landlord**"), and:

(COMPANY): MUDDY'S BUDDIES DAYCARE, LLC.

(INDIVIDUAL 1): MARIBEL PAREE

(INDIVIDUAL 2): _____

(INDIVIDUAL 3): _____ ("**Tenant(s)**"), who represent and agree as follows:

1. Tenant has executed a lease (the "Lease"), dated 02/07/2025 for approximately 4500 square feet of space in Suite 4-B at 22525 Hufsmith Kohrville Road, Tomball, Texas 77375, all as more particularly described in the Lease (collectively, the "Leased Premises").

2. This Guaranty is given by Guarantor to induce Landlord to enter into the Lease with Tenant, and the parties understand that Landlord would not enter into the Lease without this Guaranty. It is expressly understood that if this Guaranty is signed after the execution of the Lease, Landlord would not have entered into the Lease without the prior commitment by Guarantor to execute this Guaranty. Guarantor hereby acknowledges and confirms that this Guaranty is supported by adequate consideration.

3. Guarantor hereby, jointly and severally, unconditionally and irrevocably guarantees to Landlord the full, faithful, prompt and complete payment and performance by Tenant of each and every obligation, condition and provision to be paid or performed by Tenant, and any assignee of Tenant, under the Lease.

4. This Guaranty shall be binding upon Guarantor for all option periods and/or assignments, renewals or extensions of the Lease, and shall include any and all modifications of the Lease or amendments thereto at any time made by Tenant and Landlord. Landlord and Tenant shall have no obligation to obtain Guarantor's approval prior to executing or making any renewals, extensions, modifications or other amendments to the Lease, and the failure by Landlord and Tenant to obtain such approval shall not in any way affect or diminish the validity and enforceability of this Guaranty.

5. Guarantor further agrees to indemnify, save and hold harmless Landlord from any and all loss, damage, liability, costs and expense in any way resulting from or arising out of the failure of Tenant to perform fully, faithfully and completely any one or more of the duties, liabilities and/or obligations under the Lease, as the same may be modified, amended, renewed and/or extended. In the event of a default by Tenant, Landlord may commence any action or proceeding against Guarantor or may otherwise exercise any remedy available at law or in equity to enforce the provisions of this Guaranty. Landlord may maintain successive actions for successive defaults. Landlord's rights hereunder shall not be exhausted by Landlord's exercise of any of its rights or remedies or by any such action or by any number of successive actions, until and unless all obligations hereby guaranteed have been paid and fully performed.

6. No waiver or delay by Landlord of the enforcement of any of its rights and/or remedies under the Lease shall affect the obligations of Guarantor under this Guaranty.

7. The obligation of Guarantor hereunder is joint and several with Tenant. Landlord may proceed to enforce this obligation of Guarantor against Guarantor and Tenant, or either of them, without first proceeding against the other. The right of Landlord to enforce the obligations of Guarantor shall not be postponed, delayed or otherwise prejudiced by the commencement of proceedings (whether voluntary or involuntary) to have Tenant named as a debtor under the Federal Bankruptcy Code, or under any similar state or federal law. If Tenant becomes insolvent or is adjudicated a bankrupt or files a petition for reorganization, arrangement or similar relief under any present or future provisions of the Federal Bankruptcy Code, or similar state or federal law, or if such a petition filed by creditors of Tenant shall be approved by a court, or if Tenant shall seek a judicial readjustment of the rights of its creditors under any present or future federal or state law, or if a receiver of all or any part of Tenant's property is appointed by any state or federal court:

7.1 If the Lease is terminated or rejected, or the obligations of Tenant thereunder are modified, Landlord shall have the right to recover from Guarantor that which Landlord would be entitled to recover from Tenant under the Lease in the event of a default under the Lease by Tenant; and

7.2 If any obligation under the Lease is performed by Tenant, and all or any part of such performance is avoided or recovered from Landlord as a preference, fraudulent transfer or otherwise, in any bankruptcy, insolvency, liquidation, reorganization or other proceeding involving Tenant, the liability of Guarantor under this Guaranty shall remain in full force and effect for any part of the performance which is so avoided or recovered.

8. Tenant agrees to notify Guarantor of any defaults, or declared defaults, under the Lease, and Landlord may, but shall have no obligation to provide notice of any such defaults to Guarantor. Any notice or notices given by Landlord to Guarantor shall be deemed to be for convenience only and shall not release Tenant of its obligation to give notice of any defaults or declared defaults to Guarantor. The failure of Landlord to give notice of any such defaults shall in no way prejudice Landlord's right to enforce this Guaranty.

9. This Guaranty shall be binding upon the parties hereto, their heirs, successors, representatives and assigns.

10. If any portion of this Guaranty is deemed to be unenforceable by a court of competent jurisdiction, this Guaranty shall be deemed to be modified only to the extent necessary to comply with applicable law.

11. Guarantor specifically understands and agrees that if Landlord enforces any of its rights hereunder as a result of any default under the Lease, Guarantor shall be liable to pay all reasonable attorneys' fees and costs incurred by Landlord as a result of the default.

12. If there is more than one Guarantor or more than one Tenant or Landlord, the singular shall also be deemed to mean the plural. If there is more than one Guarantor, the obligations of the Guarantors shall be joint and several. The release of any one or more Tenant(s) and/or Guarantor(s) shall not reduce the obligation of the remaining Tenant(s) and Guarantor(s) for all amounts due or to become due under the Lease.

13. This Agreement shall be construed according to the laws of the State of Texas.

14. If Landlord has any interest in any collateral to secure all or any portion of Tenant's obligation under the Lease, or to secure any other obligations of Tenant to Landlord, such interest shall be deemed to be held for the benefit of Landlord only and shall not inure at any time to or for the benefit of Guarantor. Landlord shall have no

obligation to record, maintain or otherwise enforce any such security interest, and Landlord's failure to do so shall neither diminish the enforceability of this Guaranty nor create any claim or right of Guarantor against Landlord.

15. Nothing in this Guaranty shall be deemed to grant or allow Guarantor any right of possession of the Leased Premises, whether before or after any payment by Guarantor under the Lease.

16. To the extent permitted by applicable laws, Guarantor waives and agrees not to assert or take advantage of: (a) all rights, remedies, claims and defenses based upon or related to §§ 51.003, 51.004 and 51.005 of the Texas Property Code (as the same may be amended from time to time), to the extent that the same pertain or may pertain to any enforcement of this Guaranty Agreement, Rule 31 of Texas Rules of Civil Procedure (as the same may be amended from time to time), § 17.001 of the Texas Civil Practice and Remedies Code (as the same may be amended from time to time), Chapter 43 of the Texas Civil Practice and Remedies Code (as the same may be amended from time to time) and any similar or analogous statutory or common laws or procedural rules of any jurisdiction relevant to guarantors, indemnitors, sureties, co-makers or accommodation parties; (b) any right to require Landlord to proceed against Tenant or any other person or entity, or to pursue any other remedy in Landlord's power before proceeding against Guarantor; (c) any defense of any statute of limitations or laches which may be asserted by Tenant; (d) any defense that may arise by reason of incapacity, lack of authority, dissolution or termination of, involvement in any bankruptcy or reorganization proceeding (including any rejection or disaffirmance of the Lease in such proceeding) by, or other similar occurrence with respect to Tenant or any successor in interest to Tenant; or (e) any right to receive any demand or any notice, including any notice of any default under the Lease.

17. The liability of the Guarantor hereunder shall in no way be affected by, and Guarantor expressly waives any defenses that may arise by reason of: (a) the release or discharge of Tenant in any creditors' workout, receivership, bankruptcy or other proceedings; (b) the impairment, limitation or modification of the liability of Tenant or the estate of Tenant in bankruptcy, or of any remedy for the enforcement of Tenant's liability under the Lease which results from the operation of any present or future provision of the Federal Bankruptcy Code or other statute, or from the decision in any court; (c) the rejection or disaffirmance of the Lease in any such proceeding; (d) the modification, assignment or transfer of the Lease by Tenant; (e) any disability or other defense of Tenant; or (f) the cessation from any cause whatsoever of the liability of Tenant, other than full compliance therewith by Tenant.

18. No payment by Guarantor shall entitle Guarantor under any obligations owed by Tenant to Guarantor, by subrogation or otherwise, to any payment by Tenant under or out of the property of Tenant, including but not limited to, the revenues derived from the Leased Premises, except after payment in full to Landlord of all amounts due and payable by Tenant to Landlord pursuant to the Lease. Guarantor hereby assigns to Landlord all of Guarantor's rights to any payments or distributions to which Guarantor may be entitled from Tenant out of any bankruptcy or similar state or federal proceeding in which filing of claims is required, and Guarantor hereby directs all applicable persons to make such distributions to Landlord, and not to Guarantor, until such time as all amounts due under the Lease to Landlord have been fully paid.

19. This Guaranty shall be enforced in accordance with the laws of the State of Texas, and the parties agree that the venue of any disputes hereunder shall be in Harris County, Texas.

IN WITNESS WHEREOF, the parties have signed this Guaranty on the dates indicated below.

LANDLORD:

Signature:

Email: Bill@wjl.me

TENANT:

Signature: Maribel Paree (Feb 7, 2025 14:51 CST)

Email: mparee0613@gmail.com

GUARANTOR(S):

(INDIVIDUAL 1): MARIBEL PAREE

Address: 27204 SILENT RAIN DRIVE, MAGNOLIA, TEXAS 77354

(INDIVIDUAL 2): _____

Address: _____

(INDIVIDUAL 3): _____

Address: _____

Exhibit "J"

Tenant's Insurance Requirements

1. Specific Insurance Requirements

The following insurance shall be maintained in effect with limits not less than those set forth below at all times during the term of this Agreement and thereafter as required:

Insurance	Coverage/Limits	Other Requirements
Commercial General Liability (Occurrence Basis)	▪ $1,000,000 Per Occurrence ▪ $2,000,000 General Aggregate ▪ $2,000,000 Products/Completed Operations Aggregate ▪ $1,000,000 Personal and Advertising Injury ▪ Designated Location(s) General Aggregate Limit	▪ Current ISO edition of CG 00 01 ▪ The personal injury contractual liability exclusion shall be deleted. ▪ Landlord shall be included as an insured under the CGL policy for liability arising out of Tenant's maintenance, use or occupancy of the Premises under this Agreement. Such coverage shall be written on ISO form CG 20 11 04 13. ▪ This coverage shall be endorsed to provide primary and non-contributing liability coverage. It is the intent of the parties to this Agreement that all insurance coverage required herein shall be primary to and shall seek no contribution from all insurance available to Landlord Parties, with Landlord Parties' insurance being excess, secondary and non-contributing. ▪ The following exclusions/limitations (or their equivalent(s), are prohibited: o Contractual Liability Limitation CG 21 39 o Amendment of Insured Contract Definition CG 24 26 o Any endorsement modifying the Employer's Liability exclusion or deleting the exception to it. o Any "Insured vs. Insured" exclusion except Named Insured vs. Named Insured o Any Punitive, Exemplary or Multiplied Damages exclusion
Business Auto Liability	$1,000,000 Per Accident	▪ Current ISO edition of CA 00 01 ▪ Arising out of any auto (Symbol 1), including owned, hired and non owned
Workers' Compensation and Employer's Liability	▪ Statutory Limits ▪ $1,000,000 Each Accident and Disease ▪ USL&H must be provided where such exposure exists.	▪ The State in which work is to be performed must listed under Item 3.A. on the Information Page ▪ Such insurance shall cover liability arising out of the Tenant's employment of workers and anyone for whom the Tenant may be liable for

		workers' compensation claims. Workers' compensation insurance is required, and no "alternative" forms of insurance shall be permitted. ▪ Where a Professional Employer Organization (PEO) or "leased employees" are utilized, Tenant shall require its leasing company to provide Workers' Compensation insurance for said workers and such policy shall be endorsed to provide an Alternate Employer endorsement in favor of Landlord.
Excess Liability (Occurrence Basis)	$5,000,000 Each Occurrence	▪ Such insurance shall be excess over and be no less broad than all coverages described above. ▪ Drop-down coverage shall be provided for reduction and/or exhaustion of underlying aggregate limits and shall include a duty to defend any insured.
Environmental Liability	▪ $5,000,000 Each Occurrence ▪ Such insurance must provide third party liability coverage for bodily injury, property damage, clean up expenses, and defense arising from the operations of Tenant. ▪ All coverage provided in the policy shall apply to operations and completed operations of the firm without separate restrictions for either of these time frames. ▪ Mold and/or microbial matter and/or fungus and/or biological substance shall be specifically included within the definition of Pollutants in the policy.	▪ This insurance is not permitted to include any type of exclusion or limitation of coverage applicable to claims arising from: o asbestos or lead o contractual assumption of liability o impaired property that has not been physically injured o materials supplied or handled by the named insured. However, exclusions for the sale and manufacture of products are allowed. Exclusionary language pertaining to materials supplied by the insured shall be reviewed by the certificate holder for approval. o punitive, exemplary or multiplied damages
Property	▪ Coverage shall be provided In an amount not less than 100% of the full replacement cost thereof and in compliance with all laws, regulations or ordinances affecting such property at any time during the Lease	▪ ISO Special Form, including theft ▪ Flood coverage shall be included ▪ Replacement Cost, Agreed Value basis ▪ Such insurance shall cover all buildings, piers, docks and other Tenant leasehold improvements, Tenant's business personal property, HVAC, trade fixtures and signs from time to time in, on, adjacent to or upon the Premises, and all alterations, additions, or changes made by Tenant pursuant to the terms of this Lease, and shall not be subject to coinsurance
Business Income and Extra Expense	▪ Coverage shall be provided on all operations at the described Premises	▪ ISO Special Form, including theft ▪ Flood coverage shall be included

	▪ Coverage shall be provided in an amount of not less than 80% of Tenant's gross annual income at the described Premises less non-continuing expenses	▪ Agreed Value basis
Boiler & Machinery	▪ Coverage shall be provided on all operations at the described Premises	▪ Comprehensive Form or its equivalent, including Business Income ▪ Replacement Cost, Agreed Value basis
Other Insurance	Such other insurance against other insurable hazards as Landlord may from time to time reasonably require	

2. General Insurance Requirements

A. Definitions. For purposes of this Agreement:

i. "ISO" means Insurance Services Office.

ii. "Tenant" shall include lessees of any tier.

iii. "Landlord Parties" means (a) HUFSMITH KOHRVILLE BUSINESS PARK LLC ("Landlord"), (b) its shareholders, members, partners, joint venturers, affiliates, subsidiaries, successors and assigns, (c) any directors, officers, employees, or agents, and (d) others as required by the Lease Documents.

B. Policies.

i. All policies must:
   a. Be written through insurance companies authorized to do business in the State in which the work is to be performed and rated no less than A-: VII in the most current edition of A. M. Best's Key Rating Guide at all times during this Agreement.
   b. Provide a waiver of subrogation in favor of Landlord Parties on all insurance coverage carried by Tenant, whether required herein or not
   c. Contain an endorsement providing for thirty (30) days prior written notice to Landlord of cancellation.
   d. Be provided to the Landlord Parties in compliance with the requirements herein and shall contain no endorsements that restrict, limit, or exclude coverage required herein in any manner without the prior express written approval of the Landlord.

ii. Failure of any Landlord Party to demand such certificate or other evidence of full compliance with these insurance requirements or failure of any Landlord Party to identify a deficiency from evidence that is provided shall not be construed as a waiver of the Tenant's obligation to maintain such insurance.

iii. Tenant shall provide to the Landlord a certified copy of all insurance policies required herein within ten (10) days of any such request. Renewal policies, if necessary, shall be delivered to the Landlord prior to the expiration of the previous policy.

iv. Commencement of occupancy without provision of the required certificate of insurance, evidence of insurance or required endorsements, or without compliance with any other provision of this Agreement, shall not constitute a waiver by any Landlord Party of any rights. The Landlord shall have the right, but not the obligation, of prohibiting the Tenant from utilizing the Premises in any manner until such certificate of insurance, evidence of insurance or required endorsements are received and approved by the Landlord.

C. Limits, Deductibles and Retentions

i. The limits of liability may be provided by a single policy of insurance or by a combination of primary and excess policies, but in no event shall the total limits of liability available for any one occurrence or accident be less than the amount required herein.

ii. No deductible or self-insured retention shall exceed $25,000 without prior written approval of the Landlord, except as otherwise specified herein. All deductibles and/or retentions shall be paid by, assumed by, for the account of, and at the Tenant's sole risk. The Tenant shall not be reimbursed for same

D. Forms

i. If the forms of policies, endorsements, certificates or evidence of insurance required by this Exhibit are superseded or discontinued, Landlord will have the right to require other equivalent forms.

ii. Any policy or endorsement form other than a form specified in this Exhibit must be approved in advance by Landlord.

E. Evidence of Insurance. Insurance must be evidenced as follows:

i. ACORD Form 25 Certificate of Liability Insurance for liability coverages.

ii. ACORD Form 28 Evidence of Commercial Property Insurance for property coverages.

iii. Evidence shall be provided to Landlord prior to commencing Work and prior to the expiration of any required coverage.

iv. ACORD Forms specify:
   a. Landlord as certificate holder at Landlord's mailing address;
   b. Insured's name, which must match that on this Agreement;
   c. Insurance companies producing each coverage and the policy number and policy date of each coverage;
   d. Producer of the certificate with correct address and phone number and have the signature of the authorized representative of the producer;
   e. Additional Insured status in favor of Landlord Parties;
   f. Amount of any deductible or self-insured retention in excess of $25,000;
   g. Designated Location(s) General Aggregate Limit;
   h. Personal Injury Contractual Liability;
   i. Primary and non-contributory status;
   j. Waivers of subrogation; and
   k. All exclusions and limitations added by endorsement to the General Liability coverage. This can be achieved by attachment of the Schedule of Forms and Endorsements page.

v. Copies of the following General Liability endorsements shall also be provided:
   a. Additional insured endorsement
   b. 30 Day Notice of Cancellation
   c. Schedule of Forms and Endorsements

F. Tenant Insurance Representations to Landlord Parties

i. It is expressly understood and agreed that the insurance coverages required herein (a) represent Landlord Parties' minimum requirements and are not to be construed to void or limit the Tenant's indemnity obligations as contained in this Agreement nor represent in any manner a determination of the insurance coverages the Tenant should or should not maintain for its own protection; and (b) are being, or have been, obtained by the Tenant in support of the Tenant's liability and indemnity obligations under this Agreement. Irrespective of the requirements as to insurance to be carried as provided for herein, the insolvency, bankruptcy or failure of any insurance company carrying insurance of the Tenant, or the failure of any insurance company to pay claims accruing, shall not be held to affect, negate or waive any of the provisions of this Agreement.

ii. Failure to obtain and maintain the required insurance shall constitute a material breach of, and default under, this Agreement. If the Tenant shall fail to remedy such breach within five (5) business days after notice by the Landlord, the Tenant will be liable for any and all costs, liabilities, damages and penalties resulting to the Landlord Parties from such breach, unless a written waiver of the specific insurance requirement(s) is provided to the Tenant by the Landlord. In the event of any failure by the Tenant to comply with the provisions of this Agreement, the Landlord may, without in any way compromising or waiving any right or remedy at law or in equity, on notice to the Tenant, purchase such insurance, at the Tenant's expense, provided that the Landlord shall have no obligation to do so and if the Landlord shall do so, the Tenant shall not be relieved of or excused from the obligation to obtain and maintain such insurance amounts and coverages.

iii. This Exhibit is an independent contract provision and shall survive the termination or expiration of the Construction Agreement.

G. Release and Waiver

The Tenant hereby releases the Landlord Parties from any and all claims or causes of action whatsoever which the Tenant might otherwise now or hereafter possess resulting in or from or in any way connected with any loss covered by insurance, whether required herein or not, or which should have been covered by insurance required herein, including the deductible and/or uninsured portion thereof, maintained or required to be maintained by the Tenant pursuant to this Agreement. **THE FOREGOING RELEASE AND WAIVER APPLY EVEN IF THE LOSS OR DAMAGE IS CAUSED IN WHOLE OR IN PART BY THE FAULT OR NEGLIGENCE OR STRICT LIABILITY OF THE LANDLORD PARTIES.**

H. Self-Insurance, Large Deductibles and/or Retentions

i. If Tenant elects to self-insure or to maintain insurance required herein subject to deductibles and/or retentions exceeding $25,000.00, Landlord and Tenant shall maintain all rights and obligations between themselves as if Tenant maintained the insurance with a commercial insurer including any Additional Insured status, Primary and Non-Contributory Liability, Waivers of Rights of Recovery, Other Insurance Clauses, and any other extensions of coverage required herein. Tenant shall pay from its assets the costs, expenses, damages, claims, losses and liabilities, including attorney's fees and necessary litigation expenses at least to the extent that an insurance company would have been obligated to pay those amounts if Tenant had maintained the insurance pursuant to this Exhibit.

ii. All deductibles, retentions, and/or uninsured amounts shall be paid by, assumed by, for the account of, and at Tenant's sole risk. Landlord shall not be responsible for payment of any deductible or self-insured retention or uninsured amount.

iii. The Tenant's right to self-insure shall terminate at any time (1) Tenant's net worth, as reported in its latest annual report, or audited financial statement prepared in accordance with GAAP, drops below two hundred fifty million dollars ($250,000,000.00), (2) Tenant's Moody's rating on its long-term debt drops below investment grade, or (3) Tenant fails to maintain adequate loss reserves to fund its self-insurance obligations.

2025.03.01 Mudd's Buddies Daycare, LLC Lease

Final Audit Report 2025-02-08

Created:	2025-02-07
By:	William Lawrence (Bill@wjl.me)
Status:	Signed
Transaction ID:	CBJCHBCAABAABSRuDzN3Td6YTUZXYzbUyDCEbSYxtMg9

"2025.03.01 Mudd's Buddies Daycare, LLC Lease" History

Document created by William Lawrence (Bill@wjl.me)
2025-02-07 - 2:27:05 PM GMT- IP address: 108.210.128.153

Document emailed to Maribel Paree (mparee0613@gmail.com) for signature
2025-02-07 - 2:34:59 PM GMT

Email viewed by Maribel Paree (mparee0613@gmail.com)
2025-02-07 - 2:35:06 PM GMT- IP address: 74.125.214.98

Document e-signed by Maribel Paree (mparee0613@gmail.com)
Signature Date: 2025-02-07 - 8:51:28 PM GMT - Time Source: server- IP address: 174.226.0.31

Document emailed to William Lawrence (Bill@wjl.me) for signature
2025-02-07 - 8:51:30 PM GMT

Email viewed by William Lawrence (Bill@wjl.me)
2025-02-07 - 8:54:01 PM GMT- IP address: 107.116.165.39

Document e-signed by William Lawrence (Bill@wjl.me)
Signature Date: 2025-02-08 - 0:33:10 AM GMT - Time Source: server- IP address: 108.210.128.153

Agreement completed.
2025-02-08 - 0:33:10 AM GMT

AGREEMENT

THE STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

This Agreement (the "Agreement") is made and entered into by and between the **Tomball Economic Development Corporation**, an industrial development corporation created pursuant to Tex. Rev. Civ. Stat. Ann. Art. 5190.6, Section 4B, located in Harris County, Texas (the "TEDC"), and **Muddy's Buddies Daycare, LLC** (the "Company"), 27204 Silent Rain Dr, Magnolia, TX 77354.

W I T N E S S E T H :

WHEREAS, it is the established policy of the TEDC to adopt such reasonable measures from time-to-time as are permitted by law to promote local economic development and stimulate business and commercial activity within the City of Tomball (the "City"); and

WHEREAS, the Company proposes to lease a 4,500 square foot existing commercial space located at 22525 Hufsmith Kohrville Rd., Ste 4-B, Tomball, Texas 77375 (the "Property"), and more particularly described in Exhibit "A," attached hereto and made a part hereof; and

WHEREAS, the Company proposes to open a dog daycare at the Property; and

WHEREAS, the Company proposes to create Two (2) full-time employees and Three (3) part-time employees in Tomball in conjunction with the new location; and

WHEREAS, the TEDC agrees to provide to the Company an amount equal to twenty-five percent (25%) of the base monthly rent for the first 12 consecutive months of operation not to exceed Ten Thousand Dollars ($10,000.00), in accordance with an established Rental Assistance Incentive; and

DRAFT

WHEREAS, the Company has agreed, in exchange and as consideration for the funding, to satisfy and comply with certain terms and conditions; and

NOW, THEREFORE, in consideration of the premises and the mutual benefits and obligations set forth herein, including the recitals set forth above, the TEDC and the Company agree as follows:

1.

Except as provided by paragraph 3, the Company covenants and agrees that it will operate and maintain the proposed business for a term of at least three (3) years within the City of Tomball.

2.

The Company also covenants and agrees that construction of the Improvements, the addition of at least Two (2) new employees, and obtaining all necessary occupancy permits from the City shall occur within eighteen (18) months from the Effective Date of this Agreement. Extensions of these deadlines, due to any extenuating circumstance or uncontrollable delay, may be granted at the sole discretion of the Board of Directors of the TEDC.

3.

The Company further covenants and agrees that it does not and will not knowingly employ an undocumented worker. An "undocumented worker" shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States, or (b) authorized by law to be employed in that manner in the United States.

4.

DRAFT

In consideration of the Company's representations, promises, and covenants, TEDC agrees to grant to the Company an amount equal to twenty-five percent (25%) of the base monthly rent for the first 12 consecutive months of operation not to exceed Ten Thousand Dollars ($10,000.00). The TEDC agrees to distribute such funds to the Company within thirty (30) days of receipt of a letter from the Company requesting such payment, which letter shall also include: (a) a copy of the City's occupancy permit for the Property; (b) proof that the Company has added the number of employees indicated above to its business operations on the Property, as evidenced by copies of Texas Workforce Commission form C-3 or Internal Revenue Service Form 941; and, (c) an affidavit from the landlord of the Property stating that all rents have been paid in accordance with the terms of the lease agreement for the first twelve consecutive months of operation.

5.

It is understood and agreed by the parties that, in the event of a default by the Company on any of its obligations under this Agreement, the Company shall reimburse the TEDC the full amount paid to the Company by the TEDC, with interest at the rate equal to the 90-day Treasury Bill plus ½% per annum, within thirty (30) days after the TEDC notifies the Company of the default. It is further understood and agreed by the parties that if the Company is convicted of a violation under 8 U.S.C. Section 1324a(f), the Company will reimburse the TEDC the full amount paid to the Company, with interest at the rate equal to the 90-day Treasury Bill plus ½% per annum, within thirty (30) days after the TEDC notifies the Company of the violation.

The Company shall also reimburse the TEDC for any and all reasonable attorney's fees and costs incurred by the TEDC as a result of any action required to obtain reimbursement of such funds.

DRAFT

6.

This Agreement shall inure to the benefit of and be binding upon the TEDC and the Company, and upon the Company's successors and assigns, affiliates, and subsidiaries, and shall remain in force whether the Company sells, assigns, or in any other manner disposes of, either voluntarily or by operation of law, all or any part of the Property and the agreements herein contained shall be held to be covenants running with the Property for so long as this Agreement, or any extension thereof, remains in effect.

7.

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by (i) depositing the same in the United States mail, addressed to the party to be notified, postage prepaid, registered or certified mail, return receipt requested; or (ii) by delivering the same in person to such party; or (iii) by overnight or messenger delivery service that retains regular records of delivery and receipt; or (iv) by facsimile; provided a copy of such notice is sent within one (1) day thereafter by another method provided above. The initial addresses of the parties for the purpose of notice under this Agreement shall be as follows:

If to City: Tomball Economic Development Corporation
401 W. Market Street
Tomball, Texas 77375
Attn: President, Board of Directors

If to Company: Muddy's Buddies Daycare, LLC
27204 Silent Rain Dr.
Magnolia, TX 77354
Attn: Maribel Paree, Owner

8.

This Agreement shall be performable and enforceable in Harris County, Texas, and shall be construed in accordance with the laws of the State of Texas.

DRAFT

9.

Except as otherwise provided in this Agreement, this Agreement shall be subject to change, amendment or modification only in writing, and by the signatures and mutual consent of the parties hereto.

10.

The failure of any party to insist in any one or more instances on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant, or condition, or right with respect to further performance. This Agreement shall bind and benefit the respective Parties and their legal successors and shall not be assignable, in whole or in part, by any party without first obtaining written consent of the other party.

11.

In the event any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporation, or circumstance, shall be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be deemed to be independent of and severable from the remainder of this Agreement, and the validity of the remaining parts of this Agreement shall not be affected thereby.

DRAFT

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the parties on this _____ day of _____ 2025 (the "Effective Date").

MUDDY'S BUDDIES DAYCARE, LLC

By: _____

Name: Maribel Paree

Title: Owner

ATTEST:

By: _____

Name: _____

Title: _____

TOMBALL ECONOMIC DEVELOPMENT CORPORATION

By: _____

Name: Lisa Covington

Title: President, Board of Directors

ATTEST:

By: _____

Name: Bill Sumner Jr.

Title: Secretary, Board of Directors

DRAFT

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the __ day of ____ 2025, by Maribel Paree, Owner of Muddy's Buddies Daycare, LLC, for and on behalf of said company.

_____
Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the _19th____ day of _August___ 2025, by Lisa Covington, President of the Board of Directors of the Tomball Economic Development Corporation, for and on behalf of said Corporation.

_____
Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

DRAFT

Exhibit "A"

Legal Description of Property

Property Address: 22525 Hufsmith Kohrville Rd., Suite 4-B, Tomball, TX 77375

DRAFT

RESOLUTION NO. 2025-38-TEDC

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, AUTHORIZING AND APPROVING THE TOMBALL ECONOMIC DEVELOPMENT CORPORATION'S PROJECT TO EXPEND FUNDS IN ACCORDANCE WITH AN ECONOMIC DEVELOPMENT AGREEMENT BY AND BETWEEN THE CORPORATION AND MUDDY'S BUDDIES DAYCARE, LLC TO PROMOTE AND DEVELOP A NEW OR EXPANDED BUSINESS ENTERPRISE; CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT; AND PROVIDING FOR SEVERABILITY.

* * * * *

WHEREAS, the Tomball Economic Development Corporation (the "TEDC"), created pursuant to the Development Corporation Act, now Chapter 501 of the Texas Local Government Code, as amended (the "Act"), desires to adopt projects and provide incentives for economic development within the City; and

WHEREAS, the Board of Directors of the TEDC had adopted as a specific project the expenditure of the estimated amount of Ten Thousand Dollars ($10,000.00), found by the Board to be required or suitable to promote a new business development by Muddy's Buddies Daycare, LLC; and

WHEREAS, pursuant to the Act, the TEDC may not undertake such project without the approval of Tomball City Council; and

WHEREAS, City Council finds and determines that such project promotes new or expanded business development and is in the best interests of the citizenry; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS:

Section 1. The facts and matters set forth in the preamble of this Resolution are hereby found to be true and correct.

Section 2. The City Council hereby authorizes and approves the adoption, by the Board of Directors of the Tomball Economic Development Corporation, as a specific project for the economic development of the City, an expenditure of the estimated amount of Ten Thousand Dollars ($10,000.00), to Muddy's Buddies Daycare, LLC, in accordance with an economic development agreement by and between the TEDC and Muddy's Buddies Daycare, LLC to promote and develop a new or expanded business enterprise, to be located at 22525 Hufsmith-Kohrville Rd., Ste 4-B, Tomball, Texas 77375.

Section 3. In the event any clause, phrase, provision, sentence, or part of this Resolution or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or

invalidate this Resolution as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

PASSED AND APPROVED on first reading this _____ day of _____, 202__.

PASSED, APPROVED, AND RESOLVED on second and final reading this _____ day of _____, 202__.

_____
Lori Klein Quinn, Mayor

ATTEST:

_____
City Secretary

Regular City Council
Agenda Item
Data Sheet

Meeting Date: September 2, 2025

Topic:

Approve, on First Reading, Resolution No. 2025-39-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Performance Agreement by and between the Corporation and LeMaster Law Firm, PLLC, to make direct incentives to, or expenditures for, rental assistance for new or expanded business enterprise to be located at 203 Raymond Street, Tomball, Texas 77375. The estimated amount of expenditures for such Project is an amount not to exceed $10,000.00.

Background:

On August 19, 2025, the Tomball Economic Development Corporation (TEDC) Board of Directors unanimously approved, as a Project of the Corporation, an economic development performance agreement with LeMaster Law Firm, PLLC for rental assistance for new or expanded business enterprise. The Tomball City Council has final approval authority over all programs and expenditures of the Corporation.

Origination: Tomball Economic Development Corporation Board of Directors

Recommendation: Approval of Resolution No. 2025-39-TEDC

Party(ies) responsible for placing this item on agenda: Kelly Violette

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: _____ If yes, specify Account Number: #Project Grants

If no, funds will be transferred from account # _____ To account # _____

Signed _____ Approved by _____

Staff Member-TEDC Date Executive Director-TEDC Date

TOMBALL
ECONOMIC DEVELOPMENT CORP.

TO: Honorable Mayor and City Council

FROM: Kelly Violette
Executive Director

MEETING DATE: September 2, 2025

SUBJECT: LeMaster Law Firm, PLLC

ITEM TYPE: Action

The Tomball Economic Development Corporation has received a request from Jennifer LeMaster, Owner of LeMaster Law Firm, for funding assistance through the TEDC's Rental Incentive Program.

Mrs. Lemaster, who also owns Raymond Street Professional Suites, LLC, has purchased the property at 203 Raymond Street, Tomball, TX 77375. She plans to lease 1,918 square feet of the property to her personal injury law firm (LeMaster Law Firm) and sublease any unused office space to other tenants. LeMaster Law Firm has been in business for over eight years. It began as a work-from-home business, transitioned to a virtual tenant arrangement, and later doubled its office size at its current location in The Woodlands. The new Tomball space would provide ample room for continued operations and future growth.

The goal of the TEDC's Rental Incentive Program is to assist in the establishment of new businesses in existing vacant spaces and to stimulate commercial investment in the City of Tomball. In accordance with the Rental Incentive Program Policy, the proposed performance agreement is for 25% of the base monthly rent for the first year of operation only, not to exceed $10,000.00.

The lease agreement that was submitted in conjunction with the request letter shows a five-year lease commitment with a monthly rent amount of $3,500.00 for the first 12 months. The proposed grant amount is $10,000.00, payable after the first year of operation based on landlord verification of rents paid and meeting the performance agreement criteria.

Although this project does not create primary jobs, it does promote the development and expansion of business enterprise, which is considered a permissible project as outlined in Texas Economic Development Legislation. If this project is approved, it will go to the Tomball City Council for final approval by resolution at two separate readings.


W MAIN ST
RAYMOND AVE
LAWRENCE AVE
ALMA ST

LeMASTER
LAW FIRM

Jennifer LeMaster
jennifer@lemasterlawfirm.com

August 9, 2025

Tiffani Wooten, CEcD
Assistant Director
Tomball Economic Development Corp.
29201 Quinn Rd., Suite A
Tomball, TX 77375

Re: Property: 203 Raymond Street
Tenant: LeMaster Law Firm, PLLC
Owner: Raymond Street Professional Suites, LLC

Dear Tiffani:

I'm excited to share that LeMaster Law Firm, PLLC, is expanding its presence at Raymond Street Professional Suites. As we continue to grow our practice and strengthen our commitment to providing high-level, compassionate legal advocacy, we're thrilled to establish a more permanent home for our team and clients here in Tomball.

Our new office space will enhance our ability to deliver top-tier personal injury legal services to the community, ensuring we maintain the high standard of personalized attention and care that sets us apart. In addition to providing a welcoming and professional environment for our clients, the space will allow us to continue building meaningful relationships with the residents and businesses of Tomball.

As a small, client-focused firm, the move into a larger office space involves significant upfront costs for equipment, furnishings, and improvements to best serve our clients. We are seeking the Rental Incentive Grant to help support these necessary investments, enabling us to provide even better service and expand our ability to connect with and support the Tomball community.

We're grateful for the opportunity to be a part of Tomball's growing business landscape and are excited to continue our mission of ensuring every injured Texan receives the justice they deserve.

Thank you for your consideration. We look forward to furthering our relationship and making Raymond Street Professional Suites our forever home.

Best regards,

Jennifer B. LeMaster

Main: 832.356.7983
Direct: 713.568.5381
FAX: 832.653.9360

LeMaster Law Firm
8777 W. Rayford Rd, Suite 200 PMB 303
The Woodlands, TX 77389

Web: lemasterla

TOMBALL
ECONOMIC DEVELOPMENT CORP.

NEW BUSINESS RENTAL INCENTIVE PROGRAM

PART A –BUSINESS OWNER APPLICATION

The New Business Rental Incentive Program seeks to reduce area vacancies and facilitate the establishment of new businesses in previously underutilized areas of the City. The intent of the program is to facilitate business growth and expansion by assisting businesses in leasing space. All grant award decisions of the Tomball Economic Development Corporation (TEDC) Board of Directors are discretionary and final. Through the Program, the TEDC will provide up to 25% of the base monthly rent for the first year of operation only, not to exceed $10,000 per business.

Business Owner Applicant Information

Name of Business: LeMaster Law Firm, PLLC

Current Business Physical Address: 8777 West Rayford Rd., Suite 200

City, State & Zip The Woodlands, TX 77389

Mailing Address: Same

City, State & Zip Same

Business Phone: 7135685381

Business Website: www.lemasterlawfirm.com

Business Owner Name: Jennifer LeMaster

Applicant's Name (if different): _____

Position /Title: Owner / Lawyer

Phone and Email: 832.457.7653 jennifer@lemasterlawfirm.com

Nature of Business: Law Firm

NAICS Code: _____

Legal Form of Business:

- ☐ Sole Proprietor
- ☐ Partnership Number of Partners _____
- ☐ Corporation
- ☒ Limited Liability Corp
- ☐ Other _____

Business Start/Opening Date 2017

Days and Hours of Operation

Days Open: M-F

Hours Open: 8-5 pm

Employees

Full Time Employees (40 hours per week): 5

Part Time Employees (less than 40 hours per week): 3

Does the Business Owner Have any Relationship to the Property Owner/Landlord?

No ■ Yes □ (please explain)

I am the sole business owner (law firm owner and practicing lawyer) My husband and I own the property jointly.

Moving and Space Improvement Cost and Funding Information

Investment Data

Tenant Space Improvement (finish)	$ 20,000
Landlord Space Improvement (finish)	$ 0
Equipment and Display	$ 20,000
Product Stock (for Opening)	$ 0
Marketing (First Year)	$ 24,000

Sources of Funding for Move/Expansion

Funds invested by owner	$ 94,000
Funds from other sources*	$ 0.00
Total estimated cost to move/expand	$ 64,000

* Source of Funding and Amounts n/a

New Lease Property Information

Address of space to be leased: 203 Raymond Street, Tomball

Total amount of square feet to be leased and occupied: 1918

Term of lease (minimum 3 years): 5 years

Gross rental rate $3500 per month $1.82 per s.f.

Additional lease terms and other monthly charges: plus cam

Indicate any rate increases: 3% escalation

FINANCIAL NEED DEMONSTRATION: Acceptance into the Rental Incentive Program requires an acceptable explanation of financial need. Use the lines below to explain why and how the rent subsidy is an important factor in opening your business.

The rent subsidy is important to my business. I have slowly grown my business over the last eight years. I started entirely as work from home. I then became a virtual tenant. I grew to a double office suite at my current location. I have now outgrown that space. A leap to space of the size of 203 Raymond will more than triple my budget for office space. Acceptance into the Rental Incentive Program will greatly assist in absorbing these new costs.

Explain how your business will benefit and enhance the area in which you are locating and how your business will complement other businesses within the area:

I believe my professional business (a law office) will enhance the area in which it is specifically located, while also honoring the mixed use, residential / commercial roots of the area. Nearby are other law offices and medical practices, which prove to be good neighbors in the mixed use setting as they do not operate late at night or early in the morning. My office will also not typically have unexpected visitors as we are appointment only. I expect minimal impact of traffic on the street. However, I will bring employes and scheduled clients to the Tomball area and look very forward to supporting other local businesses, shops, and restaurants.

Certification

By signing below, the Business Owner of record (applicant) understands and agrees to the following:

1. All information contained in this application, the attached exhibits and other materials submitted in connection with this application are true and accurate to the best of the business owner's knowledge. Business owner understands and agrees that false or untruthful information may be grounds for the TEDC to stop processing this application or to withdraw any approval previously obtained based in whole or in part on such false or untruthful statements.
2. The TEDC is under no obligation to approve the request contained in the application. No promises of approval are conveyed with the acceptance of this application.
3. All tax obligations to the City of Tomball are current.
4. The business is currently in good standing with the City, and has no pending municipal code violations.
5. The business is not currently occupying the space with or without a lease in place.
6. The APPLICANT hereby certifies that the APPLICANT does not and will not knowingly employ an undocumented worker. An "undocumented worker" shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States; or (b) authorized under the law to be employed in that manner in the United States. APPLICANT understands and agrees that if, after receiving a Grant, APPLICANT is convicted of a violation under 8 U.S.C. Section 1324a(f), the APPLICANT shall be required to reimburse to the TEDC the grant amount received. Payments must be paid in full within thirty (30) days after the date of written notification by the TEDC. The form of such payment shall be a cashier's check or money order, made payable to the Tomball Economic Development Corporation. The TEDC has the right to recover court costs and reasonable attorney's fees as a result of any civil action required to recover such repayment.

Jennifer LeMaster

Printed Name of Principal Owner

Signature

8/9/25

Date

Please submit the completed application along with a copy of the Proposed Lease Agreement to:

Kelly Violette

Tomball Economic Development Corporation

29201 Quinn Road, Suite B

Tomball, TX 77375

For further questions about the Program, please contact Kelly Violette, Executive Director, at 281.401.4086 or kviolette@tomballtxedc.org.

TOMBALL
ECONOMIC DEVELOPMENT CORP.

NEW BUSINESS RENTAL INCENTIVE PROGRAM

PART B – PROPERTY OWNER/LANDLORD APPLICATION

Complete all items carefully and accurately to the best of your knowledge and return with a copy of Proof of Ownership to:

Kelly Violette
Tomball Economic Development Corporation
29201 Quinn Road, Suite B
Tomball, TX 77375

Property Address: 203 Raymond Street, Tomball, TX 77375

Property Owner of Record: Raymond Street Professional Suites, LLC
Mailing Address: 6906 Pennwell Dr.
City, State & Zip Spring, TX 77389
Phone: 8325287552 Email: jenniferlemasterbolz@gmail.com
Name(s) of Authorized Signatories: Jennifer LeMaster, Scott Bolz

Name of Management Company: same
Name of Representative/Contact Person: _____
Management Company Address: _____
City, State & Zip _____
Phone: _____ Email: _____

Name of proposed business at site:

LeMaster Law Firm, PLLC

Name of business owner:

Jennifer LeMaster, sole owner

DOES THE BUSINESS OWNER OR THE BUSINESS HAVE ANY RELATIONSHIP TO THE PROPERTY OWNER/LANDLORD? NO □ YES ■ Please explain

Jennifer LeMaster is the sole business owner (law firm owner and practicing lawyer). Jennifer LeMaster and Scott Bolz jointly own the subject property.

SITE & LEASE INFORMATION

Total amount of square feet to be leased and occupied by business: 1918

Term of lease: 5 years

Gross rental rate $3500 per month $1.82 per s.f.

Additional lease terms and other monthly charges: plus cam

Indicate any rate increases: 3% escalation

Is the subject space currently vacant? Yes ■ No □

If yes, how long has the space been vacant? 4 months

Name of previous tenant: Air BnB Operation

Previous Rental Rate: $approx $125 nightly rental Per Month $ _____ Per Square Foot

CERTIFICATIONS

Are all real estate and personal property taxes due the City of Tomball paid in full?

Subject Property: YES ■ NO □ (Please explain on supplemental sheet)

Other Properties: YES □ NO □ N/A ■

Are all City of Tomball water and sewer bills due paid in full?

Subject Property: YES ■ NO □ (Please explain on supplemental sheet)

Other Properties: YES □ NO □ N/A ■

Have you been cited for any existing zoning, building or property maintenance code violations that remain uncorrected?

Subject Property: YES □ NO ■ (Please explain on supplemental sheet)

Other Properties: YES □ NO □ N/A ■

Are you involved in any litigation with the City of Tomball?

□ YES (Please explain on supplemental sheet)

■ NO

By signing below, the Landlord/Property Owner of record understands and agrees to the following:

1. All information contained in this application, the attached exhibits and other materials submitted in connection with this application are true and accurate to the best of the land owner's knowledge. Landowner understands and agrees that false or untruthful information may be grounds for the TEDC to stop processing this application or to withdraw any approval previously obtained based in whole or in part on such false or untruthful statements.
2. The TEDC is under no obligation to approve the request contained in the application. No promises of approval are conveyed with the acceptance of this application.
3. All tax obligations to the City of Tomball are current.
4. The property is currently in good standing with the City, and has no pending municipal code violations.
5. The business is not currently occupying the space with or without a lease in place.

Jennifer LeMaster

Printed Name of Property Owner/Landlord



Signature

8.13.25

Date

COMMERCIAL LEASE AGREEMENT

THIS LEASE, is entered into as of the 1st day of August, 2025 by Raymond Street Professional Suites, LLC ("*Landlord*"), and LeMaster Law Firm, PLLC ("*Tenant*"), and is personally guaranteed as identified in ***Exhibit A***.

Section 1. *Lease and Premises*. Landlord, in consideration of the rents and agreements herein to be performed by Tenant leases and rents to Tenant, and Tenant hereby leases and rents from Landlord, the property described in ***Exhibit B*** hereto, together with all improvements thereto (the "*Premises*"), subject to all matters duly of record in Harris County, Texas affecting same, and to the provisions of this Lease. Tenant hereby accepts the Premises in their current "AS IS" "WHERE IS" condition, WITH ALL FAULTS. ***Exhibit C*** sets forth any initial construction-related agreements between Landlord and Tenant.

Section 2. *Term; Use*. This Lease shall be for a term of five (5) years, commencing on September 1, 2025(the "Commencement Date") and expiring on September 1, 2030. Tenant shall use the Premises solely for a law office and for no other purpose without Landlord's prior written consent, which consent may be withheld in Landlord's sole discretion.

Section 3.1 *Rent*. Tenant shall pay Landlord, without notice, or demand and without set-off or deduction, rent of **$3,500.00** per month for the entire term of this lease, hereinafter referred to combined as "Base Rent", payable in monthly payments on or before the first day of each month for the term as set forth in Section 2. The first Base Rent monthly payment is due on or before September 1, 2025. If the Commencement Date is on a day other than the first day of a month, Tenant will pay Landlord as prorated rent, an amount equal to the Base Rent multiplied by the following fraction: the number of days from the Commencement Date to the first day of the following month divided by the number of days in the month in which this lease commences. The prorated rent is due on or before the Commencement Date. Tenant's obligation to pay rent under this Lease is an independent, unconditional covenant of Tenant. All other payments to be paid by Tenant to third parties as provided for under this Lease shall constitute rent payable hereunder. In addition to the Base Rent, Tenant will also pay to Landlord any additional rents identified in ***Exhibit D*** to this Agreement ("Additional Rents"), payable in monthly payments on or before the first day of each month for the term as set forth in Section 2.

Section 3.2 *Rent Escalation.* On each anniversary date the Commencement Date of this Agreement, Landlord may escalate the Base Rent due and owing by the increase in the Consumer Price Index ("CPI") for each relevant anniversary year. Notwithstanding the foregoing, any increase in the Base Rent shall not exceed six percent (6%) in any given year and shall be at least an increase of three percent (3%) for each given year.

Section 3.3 *Rent Payment Procedure and Late Payments and Charges.* Tenant will remit all amounts due Landlord under this lease to the following person at the place stated or to such other person as Landlord may later designate in writing: Scott Bolz, Raymond Street Professional Suites, LLC, 6906 Pennwell Dr., Spring, TX 77389. If Tenant fails to timely pay any amounts due under this lease or if any check of Tenant is returned to Landlord by the institution on which it was drawn, Landlord after providing written notice to Tenant may require Tenant to pay subsequent amounts that become due under this lease in certified funds. This paragraph does not limit Landlord from seeking other remedies under this lease or at law for Tenant's failure to make timely payments with good funds. If Landlord does not actually receive a rent payment at the designated place of payment within five (5) days after the date it is due, Tenant will pay Landlord a late charge equal to five percent (5%) of the amount due. In this paragraph, the mailbox is not the agent for receipt for Landlord. The late charge is a cost associated with the collection of rent and Landlord's acceptance of a late charge does not waive Landlord's right to exercise remedies at law or under this Agreement. Further and in addition to late charges, Tenant will pay up to a twenty-five ($25.00) dollar returned check fee if Landlord is charged the same by its banking institution.

Section 4. *Security Deposit*. Tenant has deposited with Landlord the sum of **$3,500.00**, as security for the faithful performance and observance by Tenant of the terms and conditions of this Lease (the "*Security Deposit*"). Landlord may commingle the Security Deposit with its other funds and shall receive and hold

the Security Deposit without liability for interest. Landlord may, at Landlord's option (without prejudice to any other remedy) use, apply, or retain the whole or any part of the Security Deposit to the extent required for the payment of any rent or any other sum as to which Tenant is in default or for any sum which Landlord may expend or may be required to expend by reason of Tenant's default in respect of any of the terms and conditions of this Lease. In the event all or any part of the Security Deposit is applied toward payment of an obligation or liability of Tenant under this Lease, Tenant shall, within ten (10) days after request therefor by Landlord, again pay Landlord as a Security Deposit an amount equal to any amount so applied, so that the Security Deposit shall equal its original amount. In the event that Tenant shall fully and faithfully comply with all of the terms, provisions, agreements, covenants and conditions of this Lease, the Security Deposit shall be returned to Tenant within thirty (30) days after the termination or expiration of this Lease (provided such termination is not the result of a default by Tenant) and after delivery of possession of the Premises to Landlord (in a condition satisfactory to Landlord) and payment of all sums due to Landlord.

Section 5. *Maintenance and Repairs*. Tenant acknowledges and represents that Tenant understands that the amount of rent due under this Lease is based upon the allocation of risks and Tenant's agreement to repair and maintain the Premises set forth in this Lease and that Tenant understands that a change in the allocation of risks or the respective duties of Tenant or Landlord under this Lease would affect the amount of rent set forth herein. Tenant agrees, at Tenant's sole cost and expense, (except as set forth in ***Exhibit C***), to promptly repair, renovate and take such action as necessary to make the Premises suited for the use permitted by this Lease and throughout the term hereof, at Tenant's sole cost and expense, Tenant shall maintain the Premises and improvements in good condition and repair and operate and maintain the same in accordance with all applicable laws, rules, ordinances, orders and regulations of federal, state, county, municipal, and other governmental agencies and bodies having or claiming jurisdiction over the Premises, *provided* that repairs to the plumbing, heating, cooling and electrical systems for the Premises (collectively, the "*Mechanical Systems*") must be approved in advance in writing by Landlord. For the sake of clarity, Landlord has the right to reasonably reject any proposed repairs to the Mechanical Systems, and the right to reject contractors or vendors selected to work on Mechanical Systems at its sole discretion. Notwithstanding the foregoing, it is Tenant's sole responsibility to repair or maintain any Mechanical Systems it installs or causes to be installed in the leased property or leased Premises. To the extent that Landlord installs any Mechanical System, Tenant shall pay half of any repairs, but Tenant shall remain solely liable for any maintenance and the associated costs of said Mechanical System. Landlord's sole duty as to the maintenance of the Premises is upon written request from Tenant to repair any material structural defect in the Premises (except for any improvements constructed by Tenant), unless such material defect is caused, directly or indirectly, by the act or omission of Tenant. All improvements constructed on the Premises by Tenant as permitted by this Lease shall be owned by Tenant until expiration of the term or sooner termination of this Lease. Tenant shall not, however, remove any improvements from the Premises nor waste, destroy or (except as set forth herein above) modify any improvements. The parties covenant for themselves and all persons claiming by, through under them that the improvements are real property. All additions to the existing improvements shall at the expiration of the term or sooner termination of this Lease and without compensation to Tenant, become Landlord's property free and clear of all claims to or against them by Tenant or anyone claiming by, through or under Tenant, **AND TENANT SHALL DEFEND AND INDEMNIFY LANDLORD AGAINST ALL LIABILITY AND LOSS ARISING FROM SUCH CLAIMS OR FROM LANDLORD'S EXERCISE OF THE RIGHTS CONFERRED BY THIS PARAGRAPH.** No alterations to the Premises shall be made to the Premises without the express prior written consent of Landlord. Tenant has accepted the Premises in their "AS IS" condition on the date of this Lease and is, except as expressly provided herein, accepting the Premises without representation or warranty, express or implied in fact or by law and without recourse to the Landlord as to the nature, condition or usability thereof or the use or uses for which the Premises or any portion thereof may be put. The taking of possession of the Premises by the Tenant is conclusive evidence of the satisfactory condition of the Premises and no subsequent discovery of latent or patent defects shall constitute grounds for abatement of rent or any other remedy by or for the benefit of Tenant.

Section 6. *Insurance*. Tenant shall be responsible for insuring Tenant's property located on or about the Premises, and for insuring the improvements constituting a portion thereof; Landlord shall have no obligation to insure such property and improvements. Throughout the term of this Lease, Tenant shall

maintain all such policies of insurance as Landlord may reasonably require, including without limitation, comprehensive general liability insurance, including personal injury liability, premises/operation, property damage, independent contractors and broad form contractual in support of *Section 9* of this Lease (the indemnification of Landlord), in amounts of not less than a combined single limit of $1,000,000.00, comprehensive automobile liability insurance, contractual liability insurance, property insurance with respect to Tenant's property, all leasehold improvements, alterations and additions written on an "all risk" basis for full replacement cost, worker's compensation and employer's liability insurance and comprehensive catastrophe liability insurance, all maintained with companies, on forms and in such amounts as Landlord may, from time to time, reasonably require and endorsed to include Landlord as an additional insured, with the premiums fully paid on or before the due dates. All policies of insurance required to be maintained by Tenant shall specifically provide that Landlord shall be given at least thirty (30) days prior written notice of any cancellation or nonrenewal of any such policy. A duplicate original of each such policy shall be deposited with Landlord by Tenant on or before the commencement date of this Lease, and a duplicate original of each subsequent policy shall be deposited with Landlord at least thirty (30) days prior to the expiration of the preceding such policy. All insurance policies obtained by Tenant shall be written as primary policies (primary over any insurance carried by Landlord), not contributing with and not in excess of coverage which Landlord may carry, if any. Landlord must be named as an additional insured on any such insurance policies.

Section 7. *Utilities*. Tenant shall pay utility bills and other expenses incurred in connection with the use and occupancy of the Premises.

Section 8. *Signs.* Tenant may not post or paint any signs at, on, or about the leased premises or Property without Landlord's written consent. Landlord may remove any unauthorized sign, and Tenant will promptly reimburse Landlord for its cost of removal. Any Landlord authorized sign must comply with all laws, restrictions, zoning ordinances, and any governmental order relating to signs on the lease premises or Property. Landlord may temporarily remove any Landlord authorized sign to complete repairs or alterations to the leased premises or the Property. By providing written notice to Tenant before this lease ends, Landlord may require Tenant, upon move-out and at Tenant's expense, to remove, without damage to the Property or leased premises, any or all signs that were placed on the Property or leased premises by or at the request of Tenant. Any signs that Landlord does not require Tenant to remove and that are fixtures, become the property of the Landlord and must be surrendered to the Landlord at the time this lease ends.

Section 9. *Liability, Indemnity, and Waiver of Subrogation*. **TENANT AGREES TO INDEMNIFY AND HOLD HARMLESS LANDLORD FROM AND AGAINST ANY AND ALL CLAIMS, SUITS, ACTIONS, LOSSES, COSTS, LIABILITIES, AND DAMAGES (INCLUDING, BUT NOT LIMITED TO, ATTORNEYS' FEES) FOR INJURY TO PERSONS, INCLUDING DEATH, OR FOR DAMAGE TO PROPERTY RESULTING FROM TENANT'S OCCUPANCY OF THE PREMISES OR FROM ANY ACT OR OMISSION OF TENANT OR TENANT'S AGENTS, SERVANTS, EMPLOYEES, CONTRACTORS, CUSTOMERS, OR INVITEES. IN THE EVENT OF LOSS OR DAMAGE TO THE PREMISES OR ANY CONTENTS THEREOF, THE TENANT SHALL LOOK SOLELY TO ANY INSURANCE CARRIED BY TENANT COVERING SUCH LOSS. TENANT HEREBY WAIVES ANY RIGHT TENANT, OR ANY PARTY CLAIMING THROUGH OR UNDER TENANT, BY SUBROGATION OR OTHERWISE, MAY HAVE AGAINST LANDLORD TO RECOVER FOR ANY INSURABLE LOSS.** To the extent permitted under applicable law, Tenant shall obtain, for each policy of such insurance, an endorsement waiving the insurer's rights against the Landlord for any such loss or damage.

Section 10. *Fire and Other Casualty Damage*. In the event the improvements on the Premises are damaged or destroyed, partially or totally, from any cause whatsoever, whether or not such damage or destruction is covered by any insurance required to be maintained under this Lease, the Tenant shall repair, restore and rebuild the Premises to their condition existing immediately prior to such damage or destruction and this Lease shall continue in full force and effect. Such repair, restoration and rebuilding (all of which are herein called the "repair") shall be commenced within a reasonable time after such damage or destruction and shall be diligently prosecuted to completion. There shall be no abatement of rent or of any other obligation of Tenant hereunder by reason of such damage or destruction. The proceeds of any

insurance maintained under this Lease shall be made available to Tenant for payment of the cost and expense of the repair, provided, however, that such proceeds may be made available to Tenant subject to reasonable conditions including, but not limited to, architect's certification of costs and retention of a percentage of such proceeds pending final notice of completion. If the Premises are partially destroyed during the last six (6) months of the term of this Lease, Landlord may, at Landlord's option, cancel and terminate this Lease as of the date of occurrence of such damage by giving written notice to Tenant of Landlord's election to do so within thirty (30) days after the date of occurrence of such damage and in such event, pro rata adjustment of rent based upon a thirty (30) day month shall be made.

Section 11. *Legal Use; Environmental Compliance*. Tenant shall not use, occupy, or permit to be used or occupied the Premises for any purpose that is illegal, that is dangerous to life, limb, or property, that would make void or voidable any insurance relating to the Premises, or that would constitute a nuisance. Without limiting the foregoing, Tenant covenants and agrees to comply strictly and in all respects with the requirements of any applicable law, statute, ordinance, permit, decree, guideline, rule, regulation or order pertaining to health or the environment (hereinafter sometimes collectively called "*Applicable Environmental Laws*"), including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Resource Conservation and Recovery Act, the Texas Water Code and the Texas Solid Waste Disposal Act, as each of the foregoing may be amended from time to time. Tenant shall not cause or permit any Hazardous Materials (as hereinafter defined) to be generated, treated, stored, used, installed or disposed in, on, under or about the Premises. Tenant shall not install or place (or permit to be installed or placed upon the Premises) any Underground Storage Tank (defined below) or any aboveground storage tank utilized in storing petroleum products or substances, hazardous substances or Hazardous Materials. Tenant represents, warrants, covenants and agrees that Tenant is not and will not become involved in operations at the Premises or at other locations which could lead to the imposition on Landlord of liability under any of the Applicable Environmental Laws. Tenant does hereby, for itself and its heirs, legal, representatives, successors, assigns and grantees, agree to and hereby does indemnify, defend and hold harmless Landlord, and its heirs, legal representatives, assigns, successors and grantees, of and from any and all liabilities, assessments, suits, damages, costs and expenses, attorneys' fees and judgments related to or arising out of (a) the breach of any of the agreements of Tenant under this *Section 11*, (b) the handling, installation, storage, use, generation, treatment or disposal of Hazardous Materials, including any cleanup, remedial, removal, or restoration work required by the Applicable Environmental Laws or (c) the assertion of any lien or claim imposed against the Premises or any portion thereof or Landlord pursuant to the Applicable Environmental Laws. The covenants and agreements of Tenant under this *Section 11* shall survive the expiration or termination of this Lease. As used in this Lease, the term "*Hazardous Materials*" means any flammables, explosives, radioactive materials, asbestos-containing materials, petroleum products, the group of organic compounds known as polychlorinated byphenyls and other hazardous waste, toxic substances or related materials, including without limitation substances defined as "hazardous substances", "hazardous materials", "toxic substances" or "solid waste" in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Hazardous Materials Transportation Act, the Resources Conservation and Recovery Act ("*RCRA*") and the Texas Solid Waste Disposal Act, as each of the foregoing may be amended from time to time. "Underground Storage Tank" shall have the meaning specified in RCRA.

Section 12. *Liens*. Tenant shall not place, or permit to be placed as a result of any action taken by Tenant, any lien or security interest of any nature whatsoever on the Premises, or any part thereof or right thereto, including Tenant's leasehold estate therein and any alterations and improvements to the Premises, and shall cause any such liens which are placed on the Premises to be immediately released or discharged. Tenant hereby grants to Landlord a lien and security interest on and in all property of Tenant now or hereafter placed in or upon the Premises, including without limitation all goods, wares, fixtures, Trade Fixtures, machinery, inventory, equipment, furniture, furnishings and other personal property now or hereafter placed in or upon the Premises (collectively, the "*Personal Property*"), and such Personal Property shall be and remain subject to such lien and security interest of Landlord for payment of all rent and other sums agreed to be paid by Tenant under this Lease. Said lien and security interest shall be in addition to and cumulative of the Landlord's liens provided by law. This Lease shall constitute a security agreement under the Uniform Commercial Code as enacted and enforced in the State of Texas (the "*UCC*") so that Landlord shall have and may enforce a security interest on all such Personal Property. Such

Personal Property shall not be removed from the Premises unless such removal is in the ordinary course of Tenant's business and Tenant is not at the time of such removal in default under this Lease. Tenant agrees to execute as debtor such financing statement or statements as Landlord may now or hereafter reasonably request in order that such security interest or interests may be protected pursuant to said UCC. Landlord may at its election at any time file a copy of this Lease as a financing statement. Landlord, as secured party, shall be entitled to all of the rights and remedies afforded a secured party under said UCC, which rights and remedies shall be in addition to and cumulative of Landlord's liens and rights provided by law or by the other terms and provisions of this Lease.

Section 13. *Tenant's Furniture, Fixtures, Personalty and Clean-Up*. Prior to the termination of this Lease, Tenant shall remove all furniture, trade fixtures, and personal property from the Premises, and shall repair any damage caused by such removal and shall thoroughly clean the Premises and remove all trash, debris, dirt and other materials and substances in, on or about the Premises arising out of or related to Tenant's use of the Premises.

Section 14. *Assignment and Sublease*. Without the prior written consent of Landlord, which consent may be withheld in Landlord's sole discretion, Tenant shall not have the right to assign all or any part of Tenant's rights under this Lease or to sublet any part of the Premises. Any transfer by Tenant of a majority of the ownership interest of Tenant, or any lesser percentage which results in a change in the effective control of Tenant, without Landlord's consent shall constitute a breach of this *Section 14*. Consent by Landlord to any such assignment or sublease shall not relieve Tenant of its liabilities and obligations under the Lease.

Section 15.1. *Default by Tenant*. The occurrence of any one or more of the following events shall constitute a default by Tenant under this Lease:

(a) Tenant shall fail to perform, observe or comply with any of the terms, provisions, agreements, covenants or conditions of this Lease or any guaranty now or hereafter executed relating to this Lease, such failure continuing for ten (10) days after written notice from Landlord to Tenant of such failure; *provided*, *however*, that Landlord shall not be required to provide such notice (x) with respect to any default which is by its nature incurable, or (y) with respect to any nonmonetary default (or substantially similar nonmonetary default), be obligated to provide such written notice more than two times during the Term, the third such default not requiring such notice by Landlord;

(b) Tenant shall fail to pay to Landlord any rent or any other monetary charge due from Tenant hereunder as and when due and payable;

(c) The interest of Tenant under this Lease shall be levied on under execution or other legal process;

(d) Any petition in bankruptcy or other insolvency proceedings shall be filed by or against Tenant, or any petition shall be filed or other action taken to declare Tenant a bankrupt or to delay, reduce or modify Tenant's debts or obligations or to reorganize or modify Tenant's capital structure or indebtedness or to appoint a trustee, receiver or liquidator of Tenant or of any property of Tenant, or any proceeding or other action shall be commenced or taken by any governmental authority for the dissolution or liquidation of Tenant;

(e) Tenant shall become insolvent, or Tenant shall make an assignment for the benefit of creditors, or Tenant shall make a transfer in fraud of creditors, or a receiver or trustee shall be appointed for Tenant or any of its properties;

(f) The admission by Tenant that it cannot meet its obligations as they become due;

(g) Tenant shall desert, abandon or vacate the Premises or any substantial portion thereof;

(h) Tenant shall fail to operate its business in the Premises for more than fifteen (15) days for any reason other than destruction or condemnation of the Premises; or

(i) The death or legal incapacity of Tenant if Tenant is an individual person or the termination, dissolution or liquidation of Tenant if Tenant is a corporation, partnership or other entity.

The term "*Tenant*" as used in this *Section 15.1* shall be deemed to include any guarantor of, or any other person or entity primarily or secondarily liable for, any of the Tenant's obligations under this Lease.

Section 15.2. *Landlord's Remedies* Upon the occurrence of any default by Tenant under this Lease, Landlord may, at its sole option, have the option to pursue any one or more of the following remedies without any notice or demand whatsoever, other than any notice expressly provided in this Lease (and without limiting the generality of the foregoing, Tenant hereby specifically waives notice and demand for payment of rent or other obligations due hereunder and waives any and all other notice or demand requirements imposed by applicable law):

(a) Terminate this Lease, and Landlord may forthwith repossess the Premises, in any lawful manner and without breach of the Peace, and be entitled to recover as damages a sum of money equal to the total of (i) the cost of recovering the Premises, (ii) the cost of removing and storing Tenant's or any other occupant's property, (iii) the unpaid rent and any other sums accrued hereunder at the date of termination, (iv) a sum equal to the amount, if any, by which the present value of the total rent and other benefits which would have accrued to Landlord under this Lease for the remainder of the Term if the terms of this Lease had been fully complied with by Tenant, exceeds the total fair market value of the Premises for the balance of the Term (it being the agreement of the parties hereto that Landlord shall receive the benefit of its bargain), (v) the cost of restoring the Premises to the condition necessary to rent the Premises at the prevailing market rental rate, normal wear and tear excepted, (vi) any increase in insurance premiums caused by the vacancy of the Premises and (vii) any other sum of money or damages owed by Tenant to Landlord. The fair market value of the Premises shall be the prevailing market rental rate for similar space of similar size in a similar building in the city where the Premises is located for a lease term equal to the remaining Term (without regard to any renewal option). In the event Landlord shall elect to terminate this Lease, Landlord shall at once have all the rights of reentry upon the Premises, without becoming liable for damages, or guilty of trespass.

(b) Terminate Tenant's right of occupancy of the Premises and reenter and repossess the Premises, without breach of the peace and in any lawful manner by entry, forcible entry or detainer suit or otherwise, without demand or notice of any kind to Tenant and without terminating this Lease, without acceptance of surrender of possession of the Premises, and without becoming liable for damages or guilty of trespass, in which event Landlord may, but shall be under no obligation to relet the Premises or any part thereof for the account of Tenant (nor shall Landlord be under any obligation to relet the Premises before Landlord relets or leases any other property under the ownership or control of Landlord) for a period equal to or lesser or greater than the remainder of the Term of this Lease on whatever terms and conditions Landlord, at Landlord's sole discretion, deems advisable. Tenant shall be liable for and shall pay to Landlord all rent payable by Tenant under this Lease (plus interest at the rate (the "*Past Due Rate*") of eighteen percent (18%) per annum not to exceed the highest lawful rate allowed by applicable law if in arrears) plus an amount equal to (i) the cost of recovering possession of the Premises, (ii) the cost of removing and storing any of Tenant's or any other occupant's property left on the Premises after reentry, (iii) the cost of decorations, repairs, changes, alterations and additions to the Premises, (iv) the cost of any attempted reletting or reletting and the collection of the rent accruing from such reletting, (v) the cost of any brokerage fees or commissions payable by Landlord in connection with any reletting or attempted reletting, (vi) any other costs incurred by Landlord in connection with any such reletting or attempted reletting, (vii) the cost of any increase in insurance premiums caused by the termination of possession of the Premises and (viii) any other sum of money or damages owed by Tenant to Landlord, all reduced by any sums received by Landlord through reletting the Premises; *provided*, *however*, that in no event shall Tenant be entitled to any excess of any sums obtained by reletting over and above rent provided in this Lease to be paid by Tenant to Landlord. For the purpose of such reletting Landlord is authorized to decorate or to make any repairs, changes, alterations or additions in or to the Premises that may be necessary. Landlord may file suit to recover any sums falling due under the terms of this *Section 15.2(b)* from time to time, and no delivery to or recovery by Landlord of any portion due Landlord hereunder shall be any defense in any action to

recover any amount not theretofore reduced to judgment in favor of Landlord. No reletting shall be construed as an election on the part of Landlord to terminate this Lease unless a written notice of such intention is given to Tenant by Landlord. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for such previous default and/or exercise its rights under *Section 15.2(a)* of this Lease.

(c) Do whatever Tenant is obligated to do under the terms on this Lease and, if necessary enter upon the Premises to perform such act; and Tenant agrees to reimburse Landlord on demand for any expenses which Landlord may incur in effecting compliance with Tenant's obligations under this Lease plus fifteen percent (15%) of such cost to cover overhead plus interest at the Past Due Rate, and Tenant further agrees that Landlord shall not be liable for any damages resulting to Tenant from such action. No action taken by Landlord under this *Section 15.2(c)* shall relieve Tenant from any of its obligations under this Lease or from any consequences or liabilities arising from the failure to perform such obligations.

(d) Without waiving such default, apply all or any part of the Security Deposit to cure the default or to any damages suffered as a result of the default to the extent of the amount of damages suffered. Tenant shall reimburse Landlord for the amount of such depletion of the Security Deposit on demand.

(e) Disconnect, discontinue, interrupt or cause the interruption of any utility or service currently being furnished to Tenant including without limitation gas, water, electricity, air conditioning and heating.

(f) Change all door locks and other security devices of Tenant at the Premises, and Tenant hereby expressly agrees that Landlord shall not be required to affix any notice of any kind to the Premises or provide the new key to the Tenant at any hour, including Tenant's regular business hours, until such time as Tenant has cured any and all defaults hereunder and reimbursed Landlord for all sums due Landlord hereunder. Landlord, on terms and conditions satisfactory to Landlord in its sole discretion, may upon request from Tenant's employees, enter the Premises for the purpose of retrieving therefrom personal property of such employees, provided, Landlord shall have no obligation to do so.

(g) Exercise any of the following remedies: enforcement of Landlord's statutory lien, enforcement of Landlord's contractual lien provided in this Lease, suit on the contract, suit for anticipatory breach and injunctive relief of all varieties.

(h) Exercise any or all other remedies available to Landlord in this Lease, at law or in equity.

Section 15.3. *No Duty to Relet or Mitigate*. Notwithstanding anything contained herein to the contrary, to the full extent permitted under applicable law, Tenant hereby releases Landlord from any and all duty to relet the Premises or otherwise mitigate damages. Landlord shall not be liable, nor shall Tenant's obligations hereunder be diminished, because of Landlord's failure to relet the Premises or collect rent due with respect to such reletting. In no event shall Tenant be entitled to any excess rents received by Landlord. In the event, and only in the event, that (despite such waiver) Texas law requires Landlord to attempt to mitigate damages, Landlord shall use reasonable efforts to relet the Premises on such terms and conditions as Landlord in its good faith judgment may determine (including without limitation a term different than the Term, rental concessions, alterations and repair of the Premises); *provided, however*, that Landlord shall not be obligated to relet the Premises before leasing any other property under the ownership or control of Landlord.

Section 15.4. *Reentry.* If Tenant fails to allow Landlord to reenter and repossess the Premises, Landlord shall have full and free license to enter into and upon the Premises, without breach of the peace and in any legal manner, with or without process of law for the purpose of repossessing the Premises, expelling or removing Tenant and any others who may be occupying or within the Premises, removing any and all property therefrom and changing all door locks of the Premises. Landlord may take these actions without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer, without accepting surrender of possession of the Premises by Tenant, and without incurring any liability for any damage resulting therefrom including without limitation any liability arising under Sections 93.002 and 93.003 of the Texas Property Code, as amended or superseded from time to time, and without relinquishing

Landlord's right to rent or any other right given to Landlord hereunder or by operation of law or in equity; Tenant hereby waiving any right to claim damage for such reentry and expulsion including without limitation any rights granted to Tenant by Sections 93.002 and 93.003 of the Texas Property Code, as amended or superseded from time to time.

Section 15.5. *Rights of Landlord in Bankruptcy*. Nothing contained in this Lease shall limit or prejudice the right of Landlord to prove for and obtain in proceedings for bankruptcy or insolvency, by reason of the expiration or termination of this Lease or the termination of Tenant's right of occupancy, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceedings in which, the damages are to be proved, whether or not the amount be greater, equal to, or less than the amount of the loss or damages referred to in this *Section 15.5*. In the event that under applicable law the trustee in bankruptcy or Tenant has the right to affirm this Lease and continue to perform the obligations of Tenant hereunder, such trustee or Tenant shall, in such time period as may be permitted by the bankruptcy court having jurisdiction, cure all defaults of Tenant hereunder outstanding as of the date of the affirmance of this Lease and provide to Landlord such adequate assurances as may be necessary to ensure Landlord of the continued performance of Tenant's obligations under this Lease.

Section 15.6. *Waiver of Certain Rights*. Tenant hereby expressly waives any and all rights Tenant may have under Sections 93.002 and 93.003 of the Texas Property Code (as amended or superseded from time to time) including without limitation its right to (a) either recover possession of the Premises or terminate this Lease, and (b) recover from Landlord an amount equal to the sum of its actual damages, one month's rent, and reasonable attorneys' fees, less any delinquent rents or other sums for which Tenant is liable. Tenant hereby waives any and all liens (whether statutory, contractual or constitutional) it may have or acquire as a result of a breach by Landlord under this Lease. Tenant also waives and releases any statutory lien and offset rights it may have against Landlord, including without limitation the rights conferred upon Tenant pursuant to Section 91.004 of the Texas Property Code, as amended or superseded from time to time, or other applicable law.

Section 15.7. *Non-Waiver*. Failure on the part of Landlord to complain of any action or nonaction on the part of Tenant, no matter how long the same may continue, shall not be deemed to be a waiver by Landlord of any of its rights under this Lease. Further, it is covenanted and agreed that no waiver at any time of any of the provisions hereof by Landlord shall be construed as a waiver of any of the other provisions hereof and that a waiver at any time of any of the provisions hereof shall not be construed as a waiver at any subsequent time of the same provisions. The consent or approval by Landlord to or of any action by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent or approval to or of any subsequent similar act by Tenant.

Section 15.8. *Holding Over*. In the event Tenant remains in possession of the Premises after the expiration or termination of this Lease without the execution of a new lease, then Tenant, at Landlord's option, shall be deemed to be occupying the Premises as a tenant at will at a base rental equal to one hundred fifty percent (150%) of the rent then in effect and shall otherwise remain subject to all the conditions, provisions and obligations of this Lease insofar as the same are applicable to a tenancy at will. No holding over by Tenant after the expiration or termination of this Lease shall be construed to extend the term or in any other manner be construed as permission by Landlord to hold over. Tenant shall indemnify Landlord (y) against all claims for damages by any other tenant to whom Landlord may have leased all or any part of the Premises effective upon the termination or expiration of this Lease, and (z) for all other losses, costs and expenses, including reasonable attorneys' fees, incurred by reason of such holding over.

Section 15.9. *Attorneys' Fees and Other Expenses*. In the event either party hereto defaults in the faithful performance or observance of any of the terms, covenants, provisions, agreements or conditions contained in this Lease, the party in default shall be liable for and shall pay to the nondefaulting party all expenses incurred by such party in enforcing any of its remedies for any such default, and if the nondefaulting party places the enforcement of all or any part of this Lease in the hands of an attorney, the party in default agrees to pay the non-defaulting party's reasonable attorneys' fees in such connection.

Section 16. *Eminent Domain*. If all or any part of the Premises shall be taken by condemnation or

under threat of condemnation, either Landlord or Tenant, at its option, may terminate this Lease. If Landlord or Tenant does not so terminate this Lease, then this Lease shall continue in full force and effect as to the remainder of the Premises not taken. Landlord shall be entitled to any and all condemnation proceeds for the taking of the Premises.

Section 17. *Landlord's Entry*. Landlord may enter in and upon the Premises from time to time to inspect same, to show same to prospective purchasers or tenants and for any other purposes, provided that such entry (except in the case of emergency) shall be made only during reasonable business hours and in a manner so as not to unreasonably interfere with Tenant's use of the Premises.

Section 18. *Notices*. All notices required or permitted hereunder shall be in writing and may be given or served by depositing such notice with the United States postal service, certified mail with return receipt requested, postage prepaid, or by delivering same in person, addressed as follows:

To Landlord:
Scott Bolz
Raymond Street Professional Suites, LLC
6906 Pennwell Dr.
Spring, Texas 77389

To Tenant:
LeMaster Law Firm
8777 West Rayford Rd.,
Suite 200, PMB 303
Spring, Texas 77389

Notices so mailed shall be effective the date deposited with the United States postal service as required above. Notices given in any other manner shall be effective only if and when actually delivered at the address of the addresses.

Section 19. *Successors and Assigns*. Subject to the provisions of *Section 14* hereof, the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, and assigns.

Section 20. *Subordination, Attornment, Estoppels*. This Lease and Tenant's rights to the Premises are subject and subordinate to any mortgage, deed of trust, or other lien, or other matters of record presently existing or hereafter placed upon the Premises. Upon foreclosure by the trustee or beneficiary under any such mortgage or deed of trust, Tenant will automatically become the tenant of any party succeeding to the interest of Landlord hereunder. Upon request by Landlord or any trustee or beneficiary under any such mortgage or deed of trust, Tenant shall execute such agreements, including estoppel agreements and attornment agreements, as Landlord or such trustee or beneficiary may reasonably request.

Section 21. *Multi-Tenant Building*. If Tenant does not occupy 100% of the building covered by this Lease, Landlord will allocate any taxes, costs and expenses to be paid by Tenant under this Lease based on the proportionate relationship of the Premises to the entire building as determined by Landlord taking into account square footage, usage and other matters deemed to be relevant by Landlord.

Section 22. ***Landlord's Liability*. Any provisions of this Lease to the contrary notwithstanding, Tenant hereby agrees that no personal, partnership or corporate liability of any kind or character whatsoever now attaches or at any time hereafter under any condition shall attach to Landlord, its agents and representatives for payment of any amounts payable under this Lease or for the performance of any obligation under this Lease. The exclusive remedies of Tenant for the failure of Landlord to perform any of its obligations under this Lease shall be to proceed against the interest of Landlord in and to the Premises.**

Section 23. *Entire Agreement and Modification*. This Lease constitutes the entire agreement between

Landlord and Tenant and may be modified or amended only by a written document duly executed by both Landlord and Tenant.

Section 24. *Governing Law and Severability*. This Lease shall be governed by and construed in accordance with the laws of the State of Texas. All legal actions to improve or continue this Lease shall be instituted in the courts of Harris County, Texas. If any provision hereof is invalid or unenforceable, then the remainder of this Lease shall not be affected thereby and shall remain in full force and effect.

Section 25. *Quiet Enjoyment*. Landlord covenants and warrants that while Tenant is not in default hereunder, Tenant shall and may peaceably and quietly enjoy, have, hold, occupy and use the Premises and Landlord agrees to warrant and forever defend title to the Premises against the claims of any and all persons whomsoever lawfully claiming or to claim all or any part of the Premises by, through, or under Landlord, but not otherwise, subject to the provisions of this Lease and the matters herein referred to.

LANDLORD HAS MADE NO WARRANTIES TO TENANT AS TO THE USE OR CONDITION OF THE PREMISES, EITHER EXPRESS OR IMPLIED, AND LANDLORD AND TENANT EXPRESSLY DISCLAIM ANY IMPLIED WARRANTY THAT THE PREMISES ARE SUITABLE FOR TENANT'S INTENDED COMMERCIAL PURPOSE OR ANY OTHER WARRANTY (EXPRESS OR IMPLIED) REGARDING THE PREMISES. TENANT EXPRESSLY WAIVES (TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW) ANY CLAIMS UNDER FEDERAL, STATE OR OTHER LAW THAT TENANT MIGHT OTHERWISE HAVE AGAINST LANDLORD RELATING TO THE USE, CHARACTERISTICS OR CONDITION OF THE PREMISES. LANDLORD AND TENANT EXPRESSLY AGREE THAT THERE ARE NO, AND SHALL NOT BE ANY, IMPLIED WARRANTIES OF MERCHANTABILITY, HABITABILITY, FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER KIND ARISING OUT OF THIS LEASE AND THAT ALL EXPRESS OR IMPLIED WARRANTIES IN CONNECTION HEREWITH ARE EXPRESSLY DISCLAIMED AND WAIVED.

Section 26. *Force Majeure.* If Landlord's performance of a term in this lease is delayed by strike, lock-out, shortage of material, governmental restriction, riot, flood, terrorist activity, or any cause outside of Landlord's control, the time for Landlord's performance will be abated until after the delay.

WITNESS, THE EXECUTION HEREOF, as of the date first set forth hereinabove.

"LANDLORD"

_____

"TENANT"

_____

AGREEMENT

THE STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

This Agreement (the "Agreement") is made and entered into by and between the **Tomball Economic Development Corporation**, an industrial development corporation created pursuant to Tex. Rev. Civ. Stat. Ann. Art. 5190.6, Section 4B, located in Harris County, Texas (the "TEDC"), and **LeMaster Law Firm, PLLC** (the "Company"), 8777 West Rayford Rd, Suite 200, The Woodlands, Texas 77389.

W I T N E S S E T H :

WHEREAS, it is the established policy of the TEDC to adopt such reasonable measures from time-to-time as are permitted by law to promote local economic development and stimulate business and commercial activity within the City of Tomball (the "City"); and

WHEREAS, the Company proposes to lease a 1,918 square foot existing commercial space located at 203 Raymond Street, Tomball, Texas 77375 (the "Property"), and more particularly described in Exhibit "A," attached hereto and made a part hereof; and

WHEREAS, the Company plans to open a personal injury law firm with five (5) full-time employees and three (3) part-time employees at the Property; and

WHEREAS, the TEDC agrees to provide to the Company an amount equal to twenty-five percent (25%) of the base monthly rent for the first 12 consecutive months of operation not to exceed Ten Thousand Dollars ($10,000.00), in accordance with an established Rental Assistance Incentive; and

WHEREAS, the Company has agreed, in exchange and as consideration for the funding, to satisfy and comply with certain terms and conditions; and

DRAFT

NOW, THEREFORE, in consideration of the premises and the mutual benefits and obligations set forth herein, including the recitals set forth above, the TEDC and the Company agree as follows:

1.

Except as provided by paragraph 3, the Company covenants and agrees that it will operate and maintain the proposed business for a term of at least three (3) years within the City of Tomball.

2.

The Company also covenants and agrees that construction of the Improvements, the addition of the five (5) new employees, and obtaining all necessary occupancy permits from the City shall occur within twelve (12) months from the Effective Date of this Agreement. Extensions of these deadlines, due to any extenuating circumstance or uncontrollable delay, may be granted at the sole discretion of the Board of Directors of the TEDC.

3.

The Company further covenants and agrees that it does not and will not knowingly employ an undocumented worker. An "undocumented worker" shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States, or (b) authorized by law to be employed in that manner in the United States.

4.

In consideration of the Company's representations, promises, and covenants, TEDC agrees to grant to the Company an amount equal to twenty-five percent (25%) of the base monthly rent for the first 12 consecutive months of operation not to exceed Ten Thousand

DRAFT

Dollars ($10,000.00). The TEDC agrees to distribute such funds to the Company within thirty (30) days of receipt of a letter from the Company requesting such payment, which letter shall also include: (a) a copy of the City's occupancy permit for the Property; (b) proof that the Company has added the number of employees indicated above to its business operations on the Property, as evidenced by copies of Texas Workforce Commission form C-3 or Internal Revenue Service Form 941; and, (c) an affidavit from the landlord of the Property stating that all rents have been paid in accordance with the terms of the lease agreement for the first twelve consecutive months of operation.

5.

It is understood and agreed by the parties that, in the event of a default by the Company on any of its obligations under this Agreement, the Company shall reimburse the TEDC the full amount paid to the Company by the TEDC, with interest at the rate equal to the 90-day Treasury Bill plus ½% per annum, within thirty (30) days after the TEDC notifies the Company of the default. It is further understood and agreed by the parties that if the Company is convicted of a violation under 8 U.S.C. Section 1324a(f), the Company will reimburse the TEDC the full amount paid to the Company, with interest at the rate equal to the 90-day Treasury Bill plus ½% per annum, within thirty (30) days after the TEDC notifies the Company of the violation.

The Company shall also reimburse the TEDC for any and all reasonable attorney's fees and costs incurred by the TEDC as a result of any action required to obtain reimbursement of such funds.

6.

This Agreement shall inure to the benefit of and be binding upon the TEDC and the Company, and upon the Company's successors and assigns, affiliates, and subsidiaries, and shall

DRAFT

remain in force whether the Company sells, assigns, or in any other manner disposes of, either voluntarily or by operation of law, all or any part of the Property and the agreements herein contained shall be held to be covenants running with the Property for so long as this Agreement, or any extension thereof, remains in effect.

7.

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by (i) depositing the same in the United States mail, addressed to the party to be notified, postage prepaid, registered or certified mail, return receipt requested; or (ii) by delivering the same in person to such party; or (iii) by overnight or messenger delivery service that retains regular records of delivery and receipt; or (iv) by facsimile; provided a copy of such notice is sent within one (1) day thereafter by another method provided above. The initial addresses of the parties for the purpose of notice under this Agreement shall be as follows:

If to City: Tomball Economic Development Corporation
401 W. Market Street
Tomball, Texas 77375
Attn: President, Board of Directors

If to Company: LeMaster Law Firm, PLLC
203 Raymond Street
Tomball, TX 77375
Attn: Jennifer LeMaster, Owner

8.

This Agreement shall be performable and enforceable in Harris County, Texas, and shall be construed in accordance with the laws of the State of Texas.

DRAFT

9.

Except as otherwise provided in this Agreement, this Agreement shall be subject to change, amendment or modification only in writing, and by the signatures and mutual consent of the parties hereto.

10.

The failure of any party to insist in any one or more instances on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant, or condition, or right with respect to further performance. This Agreement shall bind and benefit the respective Parties and their legal successors and shall not be assignable, in whole or in part, by any party without first obtaining written consent of the other party.

11.

In the event any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporation, or circumstance, shall be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be deemed to be independent of and severable from the remainder of this Agreement, and the validity of the remaining parts of this Agreement shall not be affected thereby.

DRAFT

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the parties on this _____ day of _____ 2025 (the "Effective Date").

LeMASTER LAW FIRM, PLLC

By: _____

Name: Jennifer LeMaster

Title: Owner

ATTEST:

By: _____

Name: _____

Title: _____

TOMBALL ECONOMIC DEVELOPMENT CORPORATION

By: _____

Name: Lisa Covington

Title: President, Board of Directors

ATTEST:

By: _____

Name: Bill Sumner

Title: Secretary, Board of Directors

DRAFT

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the _____ day of _____ 2025, by Jennifer LeMaster, Owner of LeMaster Law Firm, PLLC, for and on behalf of said company.

_____
Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 19th day of August 2025, by Lisa Covington, President of the Board of Directors of the Tomball Economic Development Corporation, for and on behalf of said Corporation.

_____
Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

DRAFT

Exhibit "A"

Legal Description of Property

Property Address – 203 Raymond Street, Tomball, Texas 77375

DRAFT

RESOLUTION NO. 2025-39-TEDC

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, AUTHORIZING AND APPROVING THE TOMBALL ECONOMIC DEVELOPMENT CORPORATION'S PROJECT TO EXPEND FUNDS IN ACCORDANCE WITH AN ECONOMIC DEVELOPMENT AGREEMENT BY AND BETWEEN THE CORPORATION AND LEMASTER LAW FIRM, PLLC TO PROMOTE AND DEVELOP A NEW OR EXPANDED BUSINESS ENTERPRISE; CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT; AND PROVIDING FOR SEVERABILITY.

* * * * *

WHEREAS, the Tomball Economic Development Corporation (the "TEDC"), created pursuant to the Development Corporation Act, now Chapter 501 of the Texas Local Government Code, as amended (the "Act"), desires to adopt projects and provide incentives for economic development within the City; and

WHEREAS, the Board of Directors of the TEDC had adopted as a specific project the expenditure of the estimated amount of Ten Thousand Dollars ($10,000.00), found by the Board to be required or suitable to promote a new business development by LeMaster Law Firm, PLLC; and

WHEREAS, pursuant to the Act, the TEDC may not undertake such project without the approval of Tomball City Council; and

WHEREAS, City Council finds and determines that such project promotes new or expanded business development and is in the best interests of the citizenry; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS:

Section 1. The facts and matters set forth in the preamble of this Resolution are hereby found to be true and correct.

Section 2. The City Council hereby authorizes and approves the adoption, by the Board of Directors of the Tomball Economic Development Corporation, as a specific project for the economic development of the City, an expenditure of the estimated amount of Ten Thousand Dollars ($10,000.00), to LeMaster Law Firm, PLLC, in accordance with an economic development agreement by and between the TEDC and LeMaster Law Firm, PLLC to promote and develop a new or expanded business enterprise, to be located at 203 Raymond Street, Tomball, Texas 77375.

Section 3. In the event any clause, phrase, provision, sentence, or part of this Resolution or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Resolution as a whole or any part or provision hereof other than the part declared to

be invalid or unconstitutional; and the City Council of the City of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

PASSED AND APPROVED on first reading this _____ day of _____, 202__.

PASSED, APPROVED, AND RESOLVED on second and final reading this _____ day of _____, 202__.

_____
Lori Klein Quinn, Mayor

ATTEST:

_____
City Secretary

Regular City Council
Agenda Item
Data Sheet

Meeting Date: September 2, 2025

Topic:

Approve, on First Reading, Resolution No. 2025-40-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Performance Agreement by and between the Corporation and HOTWORX-Tomball, LLC, to make direct incentives to, or expenditures for, rental assistance for new or expanded business enterprise to be located at 1417 Graham Dr., Suite 300, Tomball, Texas 77375. The estimated amount of expenditures for such Project is an amount not to exceed $10,000.00.

Background:

On August 19, 2025, the Tomball Economic Development Corporation (TEDC) Board of Directors unanimously approved, as a Project of the Corporation, an economic development performance agreement with HOTWORX-Tomball, LLC, for rental assistance for new or expanded business enterprise. The Tomball City Council has final approval authority over all programs and expenditures of the Corporation.

Origination: Tomball Economic Development Corporation Board of Directors

Recommendation: Approval of Resolution No. 2025-40-TEDC

Party(ies) responsible for placing this item on agenda: Kelly Violette

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: _____ If yes, specify Account Number: #Project Grants

If no, funds will be transferred from account # _____ To account # _____

Signed _____ Approved by _____

Staff Member-TEDC Date Executive Director-TEDC Date

TOMBALL
ECONOMIC DEVELOPMENT CORP.

TO: Honorable Mayor and City Council

FROM: Kelly Violette
Executive Director

MEETING DATE: September 2, 2025

SUBJECT: HOTWORX-Tomball, LLC

ITEM TYPE: Action

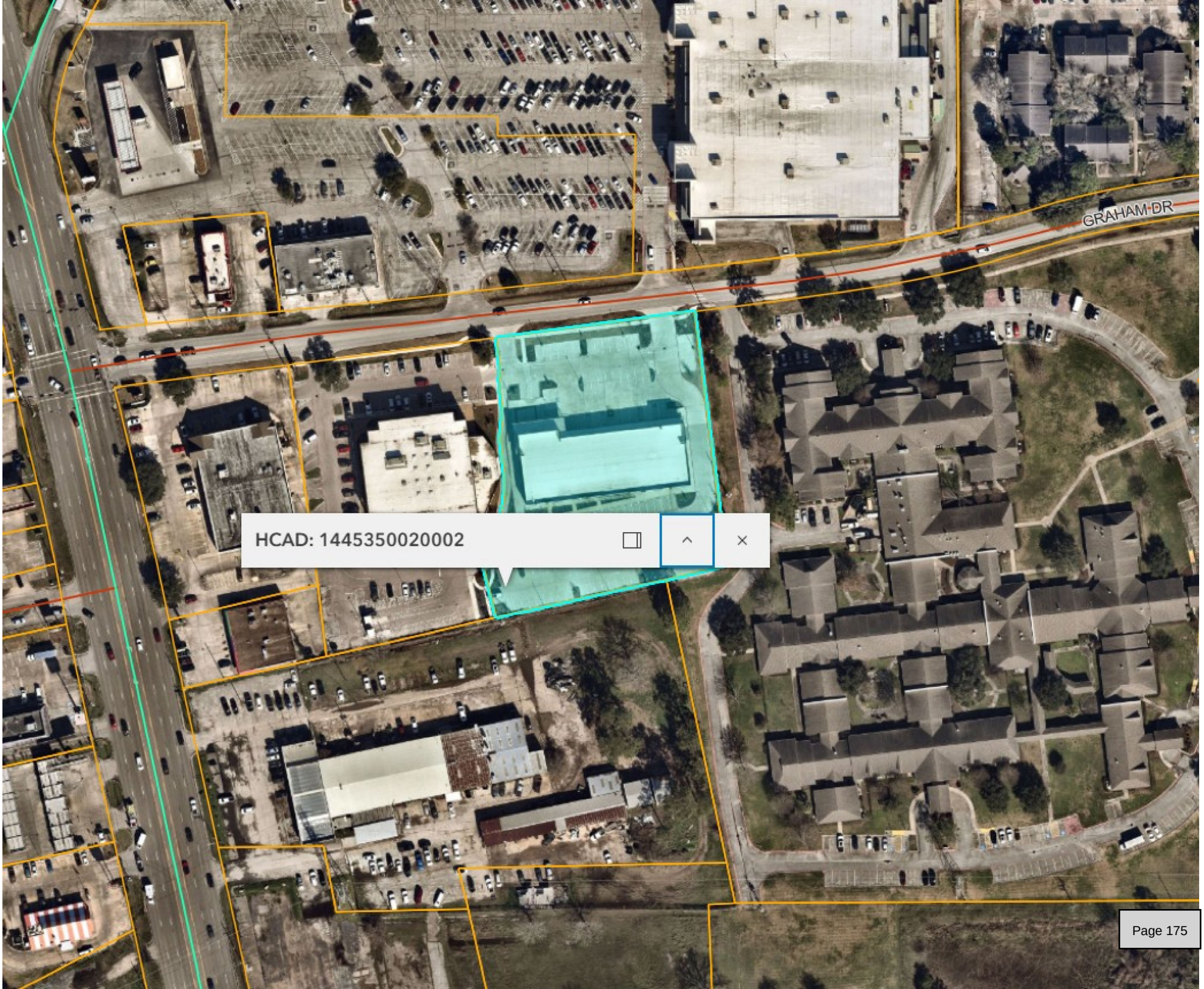
The Tomball Economic Development Corporation has received a request from Lisa Miller, Franchise Owner, of HOTWORX-Tomball, LLC, for funding assistance through the TEDC's Rental Incentive Program.

Ms. Miller aims to bring a HOTWORX fitness studio to be located at 1417 Graham Dr., in Suite 300, Tomball, TX 77375. The space is approximately 1,875 square feet and located in the new Headquarters TOO development. HOTWORX is a virtually instructed exercise program created for users to experience the many benefits of infrared heat absorption, while completing a 30-minute Isometric workout or 15-minute High Intensity Interval Training session.

The goal of the TEDC's Rental Incentive Program is to assist in the establishment of new businesses in existing vacant spaces and to stimulate commercial investment in the City of Tomball. In accordance with the Rental Incentive Program Policy, the proposed performance agreement is for 25% of the base monthly rent for the first year of operation only, not to exceed $10,000.00.

The lease agreement that was submitted in conjunction with the request letter shows a ten-year lease commitment with a monthly rent amount of $6,094.00 for the first 12 months. The proposed grant amount of $10,000.00 will be payable after the first year of operation based on landlord verification of rents paid and meeting the performance agreement criteria.

Although this project does not create primary jobs, it does promote the development and expansion of business enterprise, which is considered a permissible project as outlined in Texas Economic Development Legislation. If this project is approved, it will go to the Tomball City Council for final approval by resolution at two separate readings.


GRAHAM DR
HCAD: 1445350020002

Tiffani Wooten, CEcD
Assistant Director
Tomball Economic Development Corporation

Dear Tiffani,

My name is Lisa Miller and I am happy to announce that we are bringing a HOTWORX fitness studio to Tomball in the Four Corners area.

HOTWORX is a virtually instructed exercise program created for users to experience the many benefits of infrared heat absorption, while completing a 30-minute isometric workout session and/or a 15-minute High Intensity Interval Training (HIIT) session. As the infrared heat penetrates your body causing you to sweat, the isometric postures further accelerate detoxification by physically removing the toxins from your organs through muscle contraction. The HIIT, high intensity interval training, provides an excellent resistance and cardio workout in a very short amount of time. The results our users achieve makes HOTWORX the most efficient 15 or 30-minute workout program in the fitness industry today!

HOTWORX will be open 24/7 and accessible through a secure keypad entry or mobile application on the members phone. Members schedule the session they want to do and at the time that is convenient for them. There is also a free weight / machine area to get added variability with each members personal workout preferences.

Opening a new business is a large investment, of which we are funding with personal investment and SBA loan funding. The upfront cost are high, with the need to secure a lease, equipment, marketing, branding, construction and staffing. As a woman owned business, this investment comes with added pressure to be successful early on, with lots of local marketing in the community and other avenues like social media. We invest a lot of time and money into the marketing.

While HOTWORX is a franchise, I am opening the Tomball location as a woman-owned location. We will hire a GM and 2-3 part time sales associates to work flexible schedules. This will also require funding to may for staff all while selling memberships to new members.

Tomball is going to be a great location to serve the community with a super fun, accessible, versatile fitness experience. I am personally looking forward to getting to know the community and hearing their testimonials as they focus on their personal health at HOTWORX.

I am applying for the New Business Rental Incentive to help offset the upfront expenses for our studio. It is critical that we gain the proper amount of members and maintain them for the overall success of HOTWOWRX. Having this incentive will allow me as an owner and my manger to focus on memberships and all the operational responsibilities to be successful, knowing there is an incentive after a successful year one.

We are looking forward to being part of the wonderful Tomball community and look forward to celebrating our Grand Opening with you soon.

Sincerely,

Lisa Miller

Lisa Miller
Franchise Owner, HOTWORX Tomball- Four Corners
lisa.miller@hotworx.net
713-539-2773
https://www.hotworx.net/studio/tomball-fourcorners

TOMBALL
ECONOMIC DEVELOPMENT CORP.

NEW BUSINESS RENTAL INCENTIVE PROGRAM

PART A –BUSINESS OWNER APPLICATION

The New Business Rental Incentive Program seeks to reduce area vacancies and facilitate the establishment of new businesses in previously underutilized areas of the City. The intent of the program is to facilitate business growth and expansion by assisting businesses in leasing space. All grant award decisions of the Tomball Economic Development Corporation (TEDC) Board of Directors are discretionary and final. Through the Program, the TEDC will provide up to 25% of the base monthly rent for the first year of operation only, not to exceed $10,000 per business.

Business Owner Applicant Information

Name of Business: Hotworx

Current Business Physical Address: 1417 Graham Dr, Suite 300

City, State & Zip Tomball, TX 77375

Mailing Address: 15409 Queen Elizabeth Ct.

City, State & Zip Montgomery TX 77316

Business Phone: 832-662-2242

Business Website: https://www.hotworx.net/studio/tomball-fourcorners

Business Owner Name: Lisa Miller

Applicant's Name (if different): _____

Position /Title: Franchise Owner

Phone and Email: 713-539-2773

Nature of Business: Fitness Studio

NAICS Code: _____

Legal Form of Business:

- ☐ Sole Proprietor
- ☐ Partnership Number of Partners _____
- ☐ Corporation
- ☑ Limited Liability Corp
- ☐ Other _____

Business Start/Opening Date est. 10/1/25

Days and Hours of Operation

Days Open: 24 /7 via secure access

Hours Open: Staffed hours M - Th 11-8

Employees

Full Time Employees (40 hours per week): 1

Part Time Employees (less than 40 hours per week): 2-3

Does the Business Owner Have any Relationship to the Property Owner/Landlord?

No ■ Yes □ (please explain)

_____

_____

Moving and Space Improvement Cost and Funding Information

Investment Data

Tenant Space Improvement (finish)	$ 250,000
Landlord Space Improvement (finish)	$ 75,000
Equipment and Display	$ 180,000
Product Stock (for Opening)	$ 20,000
Marketing (First Year)	$ 20,000

Sources of Funding for Move/Expansion

Funds invested by owner	$ 120,000
Funds from other sources*	$ 480,000
Total estimated cost to move/expand	$ 600,000

* Source of Funding and Amounts savings and investments

New Lease Property Information

Address of space to be leased: 1417 Graham Dr. Suite 300, Tomball, TX 77375

Total amount of square feet to be leased and occupied: 1875

Term of lease (minimum 3 years): 10 years

Gross rental rate $6094 per month $_____per s.f.

Additional lease terms and other monthly charges: _____

_____

Indicate any rate increases: rate increase 6/1/2027 to $6411 monthly

FINANCIAL NEED DEMONSTRATION: Acceptance into the Rental Incentive Program requires an acceptable explanation of financial need. Use the lines below to explain why and how the rent subsidy is an important factor in opening your business.

Hotworx is an investment for me personally using a combination of personal funds and SBA fun with the lease, deposits, insurance, marketing, and the high cost for equipment is a very large investment. The Rental Incentive Program will be a supportive source of funding to support our year(s) we are in business. This will greatly help ensure we are successful in our business while a presence in the community of Tomball, and helping change lives mentally and physically for o members.

Specifically, the rent deposits and monthly rent is a large expense monthly. Having the support f with this Rental Incentive Program will help relieve some pressure of new member sales to offse investing in a start up business.

Explain how your business will benefit and enhance the area in which you are locating and how your business will complement other businesses within the area:

HOTWORX is a boutique fitness studio and we will be located in the Four Corners area of Tomb will benefit from a a studio that is accessable 24/7 and they can schedule their workout from the of their phone. HOTWORX will gain members that are passionate about their mental and physic and that are investing in themselves. This will compliment local business as our members are in and will be investing in other products and services to better their phyical being. We will be part businesses in the community to help their brand just as much as we would like support of our br is a critcal success factor for HOTWORX and we will be collaborating with all business in the To partnerships.

Certification

By signing below, the Business Owner of record (applicant) understands and agrees to the following:

1. All information contained in this application, the attached exhibits and other materials submitted in connection with this application are true and accurate to the best of the business owner's knowledge. Business owner understands and agrees that false or untruthful information may be grounds for the TEDC to stop processing this application or to withdraw any approval previously obtained based in whole or in part on such false or untruthful statements.

2. The TEDC is under no obligation to approve the request contained in the application. No promises of approval are conveyed with the acceptance of this application.

3. All tax obligations to the City of Tomball are current.

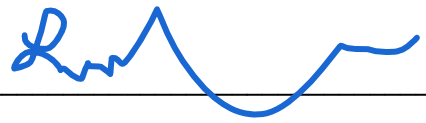
4. The business is currently in good standing with the City, and has no pending municipal code violations.

5. The business is not currently occupying the space with or without a lease in place.

6. The APPLICANT hereby certifies that the APPLICANT does not and will not knowingly employ an undocumented worker. An "undocumented worker" shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States; or (b) authorized under the law to be employed in that manner in the United States. APPLICANT understands and agrees that if, after receiving a Grant, APPLICANT is convicted of a violation under 8 U.S.C. Section 1324a(f), the APPLICANT shall be required to reimburse to the TEDC the grant amount received. Payments must be paid in full within thirty (30) days after the date of written notification by the TEDC. The form of such payment shall be a cashier's check or money order, made payable to the Tomball Economic Development Corporation. The TEDC has the right to recover court costs and reasonable attorney's fees as a result of any civil action required to recover such repayment.

Lisa Miller

Printed Name of Principal Owner



Signature

8/5/25

Date

Please submit the completed application along with a copy of the Proposed Lease Agreement to:

Kelly Violette

Tomball Economic Development Corporation

29201 Quinn Road, Suite B

Tomball, TX 77375

For further questions about the Program, please contact Kelly Violette, Executive Director, at 281.401.4086 or kviolette@tomballtxedc.org.

TOMBALL
ECONOMIC DEVELOPMENT CORP.

NEW BUSINESS RENTAL INCENTIVE PROGRAM

PART B – PROPERTY OWNER/LANDLORD APPLICATION

Complete all items carefully and accurately to the best of your knowledge and return with a copy of Proof of Ownership to:

Kelly Violette
Tomball Economic Development Corporation
29201 Quinn Road, Suite B
Tomball, TX 77375

Property Address: 1417 Graham Dr. Su8ite 300, Tomball TX 77375

Property Owner of Record: Headquarters TOO LLC
Mailing Address: 1417 Graham Drive
City, State & Zip Tomball TX 77375
Phone: 7132528604 Email: peter@tpc-re.com
Name(s) of Authorized Signatories: Peter LIcata

Name of Management Company: TPC Real Estate Corp
Name of Representative/Contact Person: same
Management Company Address: same
City, State & Zip same
Phone: same Email: same

Name of proposed business at site:

HOTWORX

Name of business owner:

L isa Miller

DOES THE BUSINESS OWNER OR THE BUSINESS HAVE ANY RELATIONSHIP TO THE PROPERTY OWNER/LANDLORD? NO ■ YES □ Please explain

SITE & LEASE INFORMATION

Total amount of square feet to be leased and occupied by business: 1875

Term of lease: 10 years

Gross rental rate $6094 per month $_____per s.f.

Additional lease terms and other monthly charges: rent increases throughout term

_____

Indicate any rate increases:_____

Is the subject space currently vacant? Yes □ No □

If yes, how long has the space been vacant? new months

Name of previous tenant: NA

Previous Rental Rate: $NA Per Month $ NA Per Square Foot

CERTIFICATIONS

Are all real estate and personal property taxes due the City of Tomball paid in full?

Subject Property: YES ■ NO □ (Please explain on supplemental sheet)

Other Properties: YES ■ NO □ N/A □

Are all City of Tomball water and sewer bills due paid in full?

Subject Property: YES ■ NO □ (Please explain on supplemental sheet)

Other Properties: YES ■ NO □ N/A □

Have you been cited for any existing zoning, building or property maintenance code violations that remain uncorrected?

Subject Property: YES □ NO ■ (Please explain on supplemental sheet)

Other Properties: YES □ NO ■ N/A □

Are you involved in any litigation with the City of Tomball?

□ YES (Please explain on supplemental sheet)

■ NO

By signing below, the Landlord/Property Owner of record understands and agrees to the following:

1. All information contained in this application, the attached exhibits and other materials submitted in connection with this application are true and accurate to the best of the land owner's knowledge. Land-owner understands and agrees that false or untruthful information may be grounds for the TEDC to stop processing this application or to withdraw any approval previously obtained based in whole or in part on such false or untruthful statements.
2. The TEDC is under no obligation to approve the request contained in the application. No promises of approval are conveyed with the acceptance of this application.
3. All tax obligations to the City of Tomball are current.
4. The property is currently in good standing with the City, and has no pending municipal code violations.
5. The business is not currently occupying the space with or without a lease in place.

Headquarters TOO LLC

Printed Name of Property Owner/Landlord



Signature

8-8-25

Date

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TEXAS REALTORS

COMMERCIAL LEASE

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CONCERNING THE LEASED PREMISES AT 1417 Graham Drive, Suite 300, Tomball, TX 77375
between Headquarters TOO LLC (Landlord)
and Pure Grit Fitness LLC (Tenant).

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ADDENDA & EXHIBITS *(check all that apply)*

- ☐ Exhibit _____
- ☐ Exhibit _____
- ☐ Exhibit _____
- ☐ Commercial Property Condition Statement (TXR-1408)
- ☐ Commercial Lease Addendum for Broker's Fee (TXR-2102)
- ☐ Commercial Lease Addendum for Option to Extend Term (TXR-2104)
- ☐ Commercial Lease Addendum for Tenant's Right of First Refusal (TXR-2105)
- ☐ Commercial Lease Addendum for Percentage Rent (TXR-2106)
- ☐ Commercial Lease Addendum for Parking (TXR-2107)
- ☑ Commercial Landlord's Rules and Regulations (TXR-2108)
- ☑ Commercial Lease Guaranty (TXR-2109)
- ☐ Commercial Lease Addendum for Tenant's Option for Additional Space (TXR-2110)
- ☑ Commercial Lease Construction Addendum (TXR-2111) or (TXR-2112)
- ☐ Commercial Lease Addendum for Contingencies (TXR-2119)
- ☑ Information About Brokerage Services (TXR-2501)
- ☑ Hotworx Lease Rider
- ☑ Addendum to Commercial Lease
- ☐ _____
- ☐ _____

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1. PARTIES: The parties to this lease are:

Landlord: Headquarters TOO LLC; and

Tenant: Pure Grit Fitness LLC.

2. LEASED PREMISES:

A. Landlord leases to Tenant the following described real property, known as the "leased premises," along with all its improvements *(Check only one box)*:

☑ (1) Multiple-Tenant Property: Suite or Unit Number 300 containing approximately 1875 square feet of rentable area ("rsf") in 1417 Graham Drive *(project name)* at 1417 Graham Drive *(address)* in Tomball *(city)*, Harris *(county)*, Texas, which is legally described on attached Exhibit _____ or as follows:

☐ (2) Single-Tenant Property: The real property containing approximately _____ square feet of rentable area ("rsf") at: _____ *(address)* in _____ *(city)*, _____ *(county)*, Texas, which is legally described on attached Exhibit _____ or as follows: _____

B. If Paragraph 2A(1) applies:
(1) "Property" means the building or complex in which the leased premises are located, inclusive of any common areas, drives, parking areas, and walks; and
(2) the parties agree that the rentable area of the leased premises may not equal the actual or useable area within the leased premises and may include an allocation of common areas in the Property. The rentable area ☐ will ☑ will not be adjusted if re-measured.

3. TERM:

A. Term: The term of this lease is 120 months and 0 days, commencing on:

06/01/2025 (Commencement Date) and ending on

05/31/2035 (Expiration Date).

B. Delay of Occupancy: If Tenant is unable to occupy the leased premises on the Commencement Date because of construction on the leased premises to be completed by Landlord that is not substantially complete or a prior tenant's holding over of the leased premises, Landlord will not be liable to Tenant for

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such delay and this lease will remain enforceable. In the event of such a delay, the Commencement Date will automatically be extended to the date Tenant is able to occupy the Property and the Expiration Date will also be extended by a like number of days, so that the length of this lease remains unchanged. If Tenant is unable to occupy the leased premises after the 30 day after the Commencement Date because of construction on the leased premises to be completed by Landlord that is not substantially complete or a prior tenant's holding over of the leased premises, Tenant may terminate this lease by giving written notice to Landlord before the leased premises become available to be occupied by Tenant and Landlord will refund to Tenant any amounts paid to Landlord by Tenant. This Paragraph 3B does not apply to any delay in occupancy caused by cleaning or repairs.

C. Certificate of Occupancy: Unless the parties agree otherwise, Tenant is responsible for obtaining a certificate of occupancy for the leased premises if required by a governmental body.

4. RENT AND EXPENSES:

A. Base Monthly Rent: On or before the first day of each month during this lease, Tenant will pay Landlord base monthly rent as described on attached Exhibit _____ or as follows:

Dates		Rate per rentable square foot *(optional)*		Base Monthly Rent $
From	To	$ Monthly Rate	$ Annual Rate	
06/01/2025	12/31/2025	0 / rsf / month	0 / rsf / year	0
01/01/2026	05/31/2027	2.58 / rsf / month	31.00 / rsf / year	4,843.75
06/01/2027	05/31/2030	2.75 / rsf / month	33.00 / rsf / year	5,156.25
06/01/2030	05/31/2035	2.97 / rsf / month	35.65 / rsf / year	5,570.31
		/ rsf / month	/ rsf / year	
		/ rsf / month	/ rsf / year	

B. Additional Rent: In addition to the base monthly rent, Tenant will pay Landlord the expense reimbursement detailed in Paragraph 4J (if applicable) and all other amounts, as provided by the attached *(Check all that apply.)*:

☐ (1) Commercial Lease Addendum for Percentage Rent (TXR-2106)
☐ (2) Commercial Lease Addendum for Parking (TXR-2107)
☐ (3) _____

All amounts payable under the applicable addenda are deemed to be "rent" for the purposes of this lease.

C. First Full Month's Rent: The first full monthly rent is due on or before 06/01/2025
First month's rent is prepaid and will be applied to rent for 01/01/2026 .

D. Prorated Rent: If the Commencement Date is on a day other than the first day of a month, Tenant will pay Landlord as prorated rent, an amount equal to the base monthly rent multiplied by the following fraction: the number of days from the Commencement Date to the first day of the following month divided by the number of days in the month in which this lease commences. The prorated rent is due on or before the Commencement Date.

E. Place of Payment: Tenant will remit all amounts due to Landlord under this lease to the following person at the place stated or to such other person or place as Landlord may later designate in writing:

Name: Yardi or comprable online system
Address: Online

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F. Method of Payment: Tenant must pay all rent timely without demand, deduction, or offset, except as permitted by law or this lease. If Tenant fails to timely pay any amounts due under this lease or if any check of Tenant is returned to Landlord by the institution on which it was drawn, Landlord after providing written notice to Tenant may require Tenant to pay subsequent amounts that become due under this lease in certified funds. This paragraph does not limit Landlord from seeking other remedies under this lease for Tenant's failure to make timely payments with good funds.

G. Late Charges: If Landlord does not actually receive a rent payment at the designated place of payment within 5 days after the date it is due, Tenant will pay Landlord a late charge equal to 10% of the amount due. In this paragraph, the mailbox is not the agent for receipt for Landlord. The late charge is a cost associated with the collection of rent and Landlord's acceptance of a late charge does not waive Landlord's right to exercise remedies under Paragraph 20.

H. Returned Checks: Tenant will pay $ 100 for each check Tenant tenders to Landlord which is returned by the institution on which it is drawn for any reason, plus any late charges until Landlord receives payment.

I. Application of Funds: Regardless of any notation on a payment, Landlord may apply funds received from Tenant first to any non-rent obligations of Tenant, including but not limited to: late charges and returned check charges, repairs, brokerage fees, periodic utilities and thereafter to rent.

(Check box only if Tenant reimburses Landlord for some or all expenses. Do not check for "gross" leases.)

☑ J. Expense Reimbursement. In addition to base monthly rent stated in Paragraph 4A, Tenant will pay Landlord the expense reimbursement described in this Paragraph 4J. Tenant will pay the expense reimbursement as additional rent each month at the time the base-monthly rent is due. All amounts payable under this Paragraph 4J are deemed to be "rent" for the purposes of this lease.

☑ (1) Reimbursable Periods. Additional rent under this Paragraph 4J is due for all months listed in the chart in Paragraph 4A, even if the base monthly rent is zero.

(2) Definitions:

(a) *"Tenant's pro rata share"* is 12.09 %.

(b) *"CAM"* means all of Landlord's expenses reasonably incurred to maintain, repair, operate, manage, and secure the Property (for example, security, lighting, painting, cleaning, decorations, utilities, trash removal, pest control, promotional expenses, and other expenses reasonably related the Property's operations); including all expenses incurred by Landlord under Paragraph 15, but not including expenses for structural components and roof replacement; CAM does not include capital expenditures, interest, depreciation, tenant improvements, insurance, taxes, or brokers' leasing fees. Notwithstanding the foregoing, CAM does include the amortized costs incurred by Landlord in making capital improvements or other modifications to the Property to the extent such improvements or modifications reduce CAM overall. These costs will be amortized over the useful life of the improvement or modification on a straight-line basis; however, in no event will the charge for such amortization included in CAM exceed the actual reduction in CAM achieved by the improvements and modifications.

(c) *"Insurance"* means Landlord's costs to insure the leased premises and the Property including but not limited to insurance for casualty loss, general liability, and reasonable rent loss.

(d) *"Taxes"* means the real property ad valorem taxes assessed against the leased premises and Property inclusive of all general and special assessments and surcharges.

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(e) *"Structural"* means all of Landlord's expenses reasonably incurred to maintain, repair, and replace the roof, foundation, exterior walls, load bearing walls and other structural components of the Property.

(f) *"Roof"* means all roofing components including, but not limited to decking, flashing, membrane, and skylights.

(3). Method: The additional rent under this Paragraph 4J will be computed under the following method *(Check only one box)*: *Note: "CAM" does not include taxes and insurance costs.*

☐ (a) Base-year expenses: Each month Tenant will pay Tenant's pro rata share of the projected monthly expenses for the Property that exceed the amount of the monthly base-year expenses for the calendar year _____ for: ☐ taxes; ☐ insurance; ☐ CAM; ☐ structural; and ☐ _____

☐ (b) Expense-stop: Each month Tenant will pay Tenant's pro rata share of the projected monthly expenses for the Property that exceed $_____ per square foot per year for: ☐ taxes; ☐ insurance; ☐ CAM; ☐ structural; ☐ roof replacement; and ☐ _____

☑ (c) Net: Each month Tenant will pay Tenant's pro rata share of the projected monthly expenses for the Property for: ☑ taxes; ☑ insurance; ☑ CAM; ☐ structural; ☐ roof replacement; and ☑ pro rata of water, and dumpster.

(4) Projected Monthly Expenses: On or about December 31 of each calendar year, Landlord will project the applicable monthly expenses (those that Tenant is to pay under this lease) for the following calendar year and will notify Tenant of the projected expenses. The projected expenses are based on Landlord's estimates of such expenses. The actual expenses may vary.

Notice: The applicable projected expenses at the time the lease commences are shown in the table below. The total area of the Property presently used by Landlord for calculating expense reimbursements is 15,500 rentable square feet (including any add on factor for common areas).

Projected Expenses	
$ Monthly Rate	$ Annual Rate
0.67 / rsf / month	8.00 / rsf / year

(5) Reconciliation: Within 120 days after the end of each calendar year, Landlord will notify Tenant of the actual costs of the applicable expenses (those that Tenant is to pay under this lease) for the previous year. If the actual costs of the applicable expenses exceed the amounts paid or owed by Tenant for the previous year, Tenant must pay the deficient amount to Landlord within 30 days after Landlord notifies Tenant of the deficient amount. If the actual costs of the applicable expenses are less than the amounts paid by Tenant for the previous year, Landlord will refund the excess to Tenant or will credit the excess to Tenant's next rent payment(s). Tenant may audit or examine those items in Landlord's records that relate to Tenant's obligations under this Paragraph 4J. Landlord will promptly refund to Tenant any overpayment revealed by an audit or examination. If the audit or examination reveals an error of more than 5% over the amounts Landlord collected in a calendar year from Tenant under this lease, Landlord will pay the reasonable cost of the audit or examination. Landlord may not seek a deficiency from Tenant under this paragraph if Landlord fails to timely provide the required notice.

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5. SECURITY DEPOSIT:

A. Upon execution of this lease, Tenant will pay $6,820.00 to Landlord as a security deposit.

B. Landlord may apply the security deposit to any amounts owed by Tenant under this lease. If Landlord applies any part of the security deposit during any time this lease is in effect to amounts owed by Tenant, Tenant must, within 10 days after receipt of notice from Landlord, restore the security deposit to the amount stated.

C. Within 60 days after Tenant surrenders the leased premises and provides Landlord written notice of Tenant's forwarding address, Landlord will refund the security deposit less any amounts applied toward amounts owed by Tenant or other charges authorized by this lease.

6. TAXES: Unless otherwise agreed by the parties, Landlord will pay all real property ad valorem taxes assessed against the leased premises. Tenant waives all rights to protest the appraised value of the leased premises and the Property, or appeal the same and all rights to receive notices of reappraisal set forth in sections 41.413 and 42.015 of the Texas Tax Code.

7. UTILITIES:

A. The party designated below will pay for the following utility charges to the leased premises and any connection charges for the utilities. *(Check all that apply.)*

	N/A	Landlord	Tenant
(1) Water	☐	☑	☐
(2) Sewer	☐	☑	☐
(3) Electric	☐	☐	☑
(4) Gas	☐	☐	☑
(5) Telephone	☐	☐	☑
(6) Internet	☐	☐	☑
(7) Cable	☐	☐	☑
(8) Trash	☐	☑	☐
(9) _____	☑	☐	☐
(10) All other utilities	☐	☐	☑

B. The party responsible for the charges under Paragraph 7A will pay the charges directly to the utility service provider. The responsible party may select the utility service provider, except that if Tenant selects the provider, any access or alterations to the Property or leased premises necessary for the utilities may be made only with Landlord's prior consent, which Landlord will not unreasonably withhold. If Landlord incurs any liability for utility or connection charges for which Tenant is responsible to pay and Landlord pays such amount, Tenant will immediately upon written notice from Landlord reimburse Landlord such amount.

C. **Notice: Tenant should determine if all necessary utilities are available to the leased premises and are adequate for Tenant's intended use**.

D. After-Hours HVAC Charges: "HVAC services" mean heating, ventilating, and air conditioning of the leased premises. *(Check one box only.)*

☐ (1) Landlord is obligated to provide the HVAC services to the leased premises only during the Property's operating hours specified under Paragraph 9C.

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☐ (2) Landlord will provide the HVAC services to the leased premises during the operating hours specified under Paragraph 9C for no additional charge and will, at Tenant's request, provide HVAC services to the leased premises during other hours for an additional charge of $_____ per hour. Tenant will pay Landlord the charges under this paragraph immediately upon receipt of Landlord's invoice. Hourly charges are charged on a half-hour basis. Any partial hour will be rounded up to the next half hour. Tenant will comply with Landlord's procedures to make a request to provide the additional HVAC services under this paragraph.

☑ (3) Tenant will pay for the HVAC services under this lease.

8. INSURANCE:

A. During all times this lease is in effect, Tenant must, at Tenant's expense, maintain in full force and effect from an insurer authorized to operate in Texas:
(1) commercial general liability insurance naming Landlord as an additional insured with policy limits on an occurrence basis in a minimum amount of: *(check only (a) or (b) below)*
☐ (a) $1,000,000; or
☑ (b) $2,000,000.
If neither box is checked the minimum amount will be $1,000,000.
(2) personal property damage insurance for the business operations being conducted in the leased premises and contents in the leased premises in an amount sufficient to replace such contents after a casualty loss; and
☑ (3) business interruption insurance sufficient to pay 12 months of rent payments.

B. Before the Commencement Date, Tenant must provide Landlord with a copy of insurance certificates evidencing the required coverage. If the insurance coverage is renewed or changes in any manner or degree at any time this lease is in effect, Tenant must, not later than 10 days after the renewal or change, provide Landlord a copy of an insurance certificate evidencing the renewal or change.

C. If Tenant fails to maintain the required insurance in full force and effect at all times this lease is in effect, Landlord may:
(1) purchase insurance that will provide Landlord the same coverage as the required insurance and Tenant must immediately reimburse Landlord for such expense; or
(2) exercise Landlord's remedies under Paragraph 20.

D. Unless the parties agree otherwise, Landlord will maintain in full force and effect insurance for: (1) fire and extended coverage in an amount to cover the reasonable replacement cost of the improvements of the Property; and (2) any commercial general liability insurance in an amount that Landlord determines reasonable and appropriate.

E. If there is an increase in Landlord's insurance premiums for the leased premises or Property or its contents that is caused by Tenant, Tenant's use of the leased premises, or any improvements made by or for Tenant, Tenant will, for each year this lease is in effect, pay Landlord the increase immediately after Landlord notifies Tenant of the increase. Any charge to Tenant under this Paragraph 8E will be equal to the actual amount of the increase in Landlord's insurance premium.

9. USE AND HOURS:

A. Tenant may use the leased premises for the following purpose and no other: 24 hour Infrared Sauna Hot Exercise studio featuring infrared heat and virtual instruction with ancillary high intensity interval training sessions and other ancillary purposes such as the retail sale of fitness related products and vending machines selling fitness related vitamins and beverages.

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B. Unless otherwise specified in this lease, Tenant will operate and conduct its business in the leased premises during business hours that are typical of the industry in which Tenant represents it operates.

C. The Property maintains operating hours of *(specify hours, days of week, and if inclusive or exclusive of weekends and holidays)*: minimum of 5 days a week, 8 hours per day

10. LEGAL COMPLIANCE:

A. Tenant may not use or permit any part of the leased premises or the Property to be used for:
(1) any activity which is a nuisance or is offensive, noisy, or dangerous;
(2) any activity that interferes with any other tenant's normal business operations or Landlord's management of the Property;
(3) any activity that violates any applicable law, regulation, zoning ordinance, restrictive covenant, governmental order, owners' association rules, tenants' association rules, Landlord's rules or regulations, or this lease;
(4) any hazardous activity that would require any insurance premium on the Property or leased premises to increase or that would void any such insurance;
(5) any activity that violates any applicable federal, state, or local law, including but not limited to those laws related to air quality, water quality, hazardous materials, wastewater, waste disposal, air emissions, or other environmental matters;
(6) the permanent or temporary storage of any hazardous material; or
(7) any activity other than their permitted use

B. "Hazardous material" means any pollutant, toxic substance, hazardous waste, hazardous material, hazardous substance, solvent, or oil as defined by any federal, state, or local environmental law, regulation, ordinance, or rule existing as of the date of this lease or later enacted.

C. Landlord does not represent or warrant that the leased premises or Property conform to applicable restrictions, zoning ordinances, setback lines, parking requirements, impervious ground cover ratio requirements, and other matters that may relate to Tenant's intended use. Tenant must satisfy itself that the leased premises may be used as Tenant intends by independently investigating all matters related to the use of the leased premises or Property. Tenant agrees that it is not relying on any warranty or representation made by Landlord, Landlord's agent, or any broker concerning the use of the leased premises or Property.

11. SIGNS:

A. Tenant may not post or paint any signs or place any decoration outside the leased premises or on the Property without Landlord's written consent. Landlord may remove any unauthorized sign or decorations, and Tenant will promptly reimburse Landlord for its cost to remove any unauthorized sign or decorations.

B. Any authorized sign must comply with all laws, restrictions, zoning ordinances, and any governmental order relating to signs on the leased premises or Property. Landlord may temporarily remove any authorized sign to complete repairs or alterations to the leased premises or the Property.

C. By providing written notice to Tenant before this lease ends, Landlord may require Tenant, upon move-out and at Tenant's expense, to remove, without damage to the Property or leased premises, any or all signs or decorations that were placed on the Property or leased premises by or at the request of Tenant. Any signs or decorations that Landlord does not require Tenant to remove and that are fixtures, become the property of the Landlord and must be surrendered to Landlord at the time this lease ends.

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12. ACCESS BY LANDLORD:

A. During Tenant's normal business hours Landlord may enter the leased premises for any reasonable purpose, including but not limited to purposes for repairs, maintenance, alterations, and showing the leased premises to prospective tenants or purchasers. Landlord may access the leased premises after Tenant's normal business hours if: (1) entry is made with Tenant's permission; or (2) entry is necessary to complete emergency repairs. Landlord will not unreasonably interfere with Tenant's business operations when accessing the leased premises.

B. During the last 90 days of this lease, Landlord may place a "For Lease" or similarly worded sign on the leased premises.

13. MOVE-IN CONDITION: Tenant has inspected the leased premises and accepts it in its present (as-is) condition unless expressly noted otherwise in this lease or in an addendum. Landlord and any agent have made no express or implied warranties as to the condition or permitted use of the leased premises or Property.

14. MOVE-OUT CONDITION AND FORFEITURE OF TENANT'S PERSONAL PROPERTY:

A. At the time this lease ends, Tenant will surrender the leased premises in the same condition as when received, except for normal wear and tear. Tenant will leave the leased premises in a clean condition free of all trash, debris, personal property, hazardous materials, and environmental contaminants.

B. If Tenant leaves any personal property in the leased premises after Tenant surrenders possession of the leased premises, Landlord may: (1) require Tenant, at Tenant's expense, to remove the personal property by providing written notice to Tenant; or (2) retain such personal property as forfeited property to Landlord.

C. "Surrender" means vacating the leased premises and returning all keys and access devices to Landlord. "Normal wear and tear" means deterioration that occurs without negligence, carelessness, accident, or abuse.

D By providing written notice to Tenant before this lease ends, Landlord may require Tenant, upon move-out and at Tenant's expense, to remove, without damage to the Property or leased premises, any or all fixtures that were placed on the Property or leased premises by or at the request of Tenant. Any fixtures that Landlord does not require Tenant to remove become the property of the Landlord and must be surrendered to Landlord at the time this lease ends.

15. MAINTENANCE AND REPAIRS:

A. Cleaning: Tenant must keep the leased premises clean and sanitary and promptly dispose of all garbage in appropriate receptacles. ☐ Landlord ☑ Tenant will provide, at its expense, janitorial services to the leased premises that are customary and ordinary for the property type. Tenant will maintain any grease trap on the Property which Tenant uses, including but not limited to periodic emptying and cleaning, as well as making any modification to the grease trap that may be necessary to comply with any applicable law.

B. Repairs of Conditions Caused by a Party: Each party must promptly repair a condition in need of repair that is caused, either intentionally or negligently, by that party or that party's guests, patrons, invitees, contractors or permitted subtenants.

C. Repair and Maintenance Responsibility: Except as otherwise provided by this Paragraph 15, the party designated below, at its expense, is responsible to maintain and repair the following specified items in the leased premises (if any). The specified items must be maintained in clean and good operable

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condition. If a governmental regulation or order requires a modification to any of the specified items, the party designated to maintain the item must complete and pay the expense of the modification. The specified items include and relate only to real property in the leased premises. Tenant is responsible for the repair and maintenance of its personal property. *(Check all that apply.)*

		N/A	Landlord	Tenant
(1)	Foundation, exterior walls, and other structural components……	☐	☑	☐
(2)	Roof replacement……	☐	☑	☐
(3)	Roof repair……	☐	☑	☐
(4)	Glass and windows……	☐	☐	☑
(5)	Fire protection equipment ……	☐	☐	☑
(6)	Fire sprinkler systems……	☐	☐	☑
(7)	Exterior and overhead doors, including closure devices, molding, locks, and hardware……	☐	☐	☑
(8)	Grounds maintenance, including landscaping and irrigation systems……	☐	☑	☐
(9)	Interior doors, including closure devices, frames, molding, locks, and hardware……	☐	☐	☑
(10)	Parking areas and walks……	☐	☑	☐
(11)	Plumbing systems, drainage systems and sump pumps……	☐	☐	☑
(12)	Electrical systems, mechanical systems……	☐	☐	☑
(13)	Ballast and lamp replacement……	☐	☐	☑
(14)	Heating, Ventilation and Air Conditioning (HVAC) systems……	☐	☐	☑
(15)	HVAC system replacement……	☐	☐	☑
(16)	Signs and lighting: ……	☐	☐	☑
	(a) Pylon……	☐	☐	☑
	(b) Fascia……	☐	☐	☑
	(c) Monument……	☐	☐	☑
	(d) Door/Suite……	☐	☐	☑
	(e) Directional……	☐	☐	☑
	(f) Other: _____……	☑	☐	☐
(17)	Extermination and pest control, excluding wood-destroying insects..	☐	☑	☐
(18)	Fences and Gates……	☐	☑	☐
(19)	Storage yards and storage buildings……	☑	☐	☐
(20)	Wood-destroying insect treatment and repairs……	☐	☐	☑
(21)	Cranes and related systems……	☑	☐	☐
(22)	_____……	☑	☐	☐
(23)	_____……	☑	☐	☐
(24)	All other items and systems……	☐	☐	☑

D. Repair Persons: Repairs must be completed by trained, qualified, and insured repair persons.

E. HVAC Service Contract: If Tenant maintains the HVAC system under Paragraph 15C(14), Tenant ☑ is ☐ is not required to maintain, at its expense, a regularly scheduled maintenance and service contract for the HVAC system. The maintenance and service contract must be purchased from a HVAC maintenance company that regularly provides such contracts to similar properties. If Tenant fails to maintain a required HVAC maintenance and service contract in effect at all times during this lease, Landlord may do so and Tenant will reimburse Landlord for the expense of such maintenance and service contract or Landlord may exercise Landlord's remedies under Paragraph 20.

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F. Common Areas: Landlord will maintain any common areas in the Property in a manner as Landlord determines to be in the best interest of the Property. Landlord will maintain any elevator and signs in the common area. Landlord may change the size, dimension, and location of any common areas, or allocate areas for short term or reserved parking for specific tenants, provided that such change does not materially impair Tenant's use and access to the leased premises. Tenant has the non-exclusive license to use the common areas in compliance with Landlord's rules and regulations. Tenant may not solicit any business in the common areas or interfere with any other person's right to use the common areas. This paragraph does not apply if Paragraph 2A(2) applies.

G. Notice of Repairs: Tenant must promptly notify Landlord of any item that is in need of repair and that is Landlord's responsibility to repair. All requests for repairs to Landlord must be in writing.

H. Failure to Repair: Landlord must make a repair for which Landlord is responsible within a reasonable period of time after Tenant provides Landlord written notice of the needed repair. If Tenant fails to repair or maintain an item for which Tenant is responsible within 10 days after Landlord provides Tenant written notice of the needed repair or maintenance, Landlord may: (1) repair or maintain the item, without liability for any damage or loss to Tenant, and Tenant must immediately reimburse Landlord for the cost to repair or maintain; or (2) exercise Landlord's remedies under Paragraph 20.

16. ALTERATIONS:

A. Tenant may not alter (including making any penetrations to the roof, exterior walls or foundation), improve, or add to the Property or the leased premises without Landlord's written consent. Landlord will not unreasonably withhold consent for the Tenant to make reasonable non-structural alterations, modifications, or improvements to the leased premises.

B. Tenant may not alter any locks or any security devices on the Property or the leased premises without Landlord's consent. If Landlord authorizes the changing, addition, or rekeying of any locks or other security devices, Tenant must immediately deliver the new keys and access devices to Landlord.

C. If a governmental order requires alteration or modification to the leased premises, the party obligated to maintain and repair the item to be modified or altered as designated in Paragraph 15 will, at its expense, modify or alter the item in compliance with the order and in compliance with Paragraphs 16A and 17.

D. Any alterations, improvements, fixtures or additions to the Property or leased premises installed by either party during the term of this lease will become Landlord's property and must be surrendered to Landlord at the time this lease ends, except for those fixtures Landlord requires Tenant to remove under Paragraph 11 or 14 or if the parties agree otherwise in writing.

17. LIENS: Tenant may not do anything that will cause the title of the Property or leased premises to be encumbered in any way. If Tenant causes a lien to be filed against the Property or leased premises, Tenant will within 20 days after receipt of Landlord's demand: (1) pay the lien and have the lien released of record; or (2) take action to discharge the lien. Tenant will provide Landlord a copy of any release Tenant obtains pursuant to this paragraph.

18. LIABILITY: To the extent permitted by law, Landlord is NOT responsible to Tenant or Tenant's employees, patrons, guests, or invitees for any damages, injuries, or losses to person or property caused by:

A. an act, omission, or neglect of: Tenant; Tenant's agent; Tenant's guest; Tenant's employees; Tenant's patrons; Tenant's invitees; or any other tenant on the Property;

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B. fire, flood, water leaks, ice, snow, hail, winds, explosion, smoke, riot, strike, interruption of utilities, theft, burglary, robbery, assault, terrorism, vandalism, other persons, environmental contaminants, or other occurrences or casualty losses.

19. INDEMNITY: Each party will indemnify, defend, and hold the other party harmless from any property damage, personal injury, suits, actions, liabilities, damages, cost of repairs or service to the leased premises or Property, or any other loss caused, negligently or otherwise, by that party or that party's employees, patrons, guests, or invitees.

20. DEFAULT:

A. If Landlord fails to comply with this lease within 30 days after Tenant notifies Landlord of Landlord's failure to comply, Landlord will be in default and Tenant may seek any remedy provided by law. If, however, Landlord's non-compliance reasonably requires more than 30 days to cure, Landlord will not be in default if the cure is commenced within the 30-day period and is diligently pursued.

B. If Landlord does not actually receive at the place designated for payment any rent due under this lease within 5 days after it is due, Tenant will be in default. If Tenant fails to comply with this lease for any other reason within 20 days after Landlord notifies Tenant of its failure to comply, Tenant will be in default.

C. If Tenant is in default, Landlord may, with at least 3 days written notice to Tenant: (i) terminate this lease, or (ii) terminate Tenant's right to occupy the leased premises without terminating this lease and may accelerate all rents which are payable during the remainder of this lease or any renewal period. Landlord will attempt to mitigate any damage or loss caused by Tenant's breach by using commercially reasonable means. If Tenant is in default, Tenant will be liable for:
   (1) any lost rent;
   (2) Landlord's cost of reletting the leased premises, including brokerage fees, advertising fees, and other fees necessary to relet the leased premises;
   (3) repairs to the leased premises for use beyond normal wear and tear;
   (4) all Landlord's costs associated with eviction of Tenant, such as attorney's fees, court costs, and prejudgment interest;
   (5) all Landlord's costs associated with collection of rent such as collection fees, late charges, and returned check charges;
   (6) cost of removing any of Tenant's equipment or fixtures left on the leased premises or Property;
   (7) cost to remove any trash, debris, personal property, hazardous materials, or environmental contaminants left by Tenant or Tenant's employees, patrons, guests, or invitees in the leased premises or Property;
   (8) cost to replace any unreturned keys or access devices to the leased premises, parking areas, or Property; and
   (9) any other recovery to which Landlord may be entitled under this lease or under law.

21. ABANDONMENT, INTERRUPTION OF UTILTIES, REMOVAL OF PROPERTY, AND LOCKOUT: Chapter 93 of the Texas Property Code governs the rights and obligations of the parties with regard to: (a) abandonment of the leased premises; (b) interruption of utilities; (c) removal of Tenant's property; and (d) "lock-out" of Tenant.

22. HOLDOVER: If Tenant fails to vacate the leased premises at the time this lease ends, Tenant will become a tenant-at-will and must vacate the leased premises immediately upon receipt of demand from Landlord. No holding over by Tenant, with or without the consent of Landlord, will extend this lease. Tenant will indemnify Landlord and any prospective tenants for any and all damages caused by the holdover. Rent for any holdover period will be 150% of the base monthly rent plus any additional rent calculated on a daily basis and will be immediately due and payable daily without notice or demand.

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23. LANDLORD'S LIEN AND SECURITY INTEREST: To secure Tenant's performance under this lease, Tenant grants to Landlord a lien and security interest against all of Tenant's nonexempt personal property that is in the leased premises or on the Property. This lease is a security agreement for the purposes of the Uniform Commercial Code. Landlord may file a financing statement to perfect Landlord's security interest under the Uniform Commercial Code.

24. ASSIGNMENT AND SUBLETTING: Landlord may assign this lease to any subsequent owner of the Property. Tenant may not assign this lease or sublet any part of the leased premises without Landlord's written consent. An assignment of this lease or subletting of the leased premises without Landlord's written consent is voidable by Landlord. If Tenant assigns this lease or sublets any part of the leased premises, Tenant will remain liable for all of Tenant's obligations under this lease regardless if the assignment or sublease is made with or without the consent of Landlord.

25. RELOCATION:

☑ A. By providing Tenant with not less than 90 days advanced written notice, Landlord may require Tenant to relocate to another location in the Property, provided that the other location is equal in size or larger than the leased premises then occupied by Tenant and contains similar leasehold improvements. Landlord will pay Tenant's reasonable out-of-pocket moving expenses for moving to the other location. "Moving expenses" means reasonable expenses incurred by Tenant payable to professional movers, utility companies for connection and disconnection fees, wiring companies for connecting and disconnecting Tenant's office equipment required by the relocation, and printing companies for reprinting Tenant's stationery, business cards, and marketing materials containing Tenant's address. A relocation of Tenant will not change or affect any other provision of this lease that is then in effect, including rent and reimbursement amounts, except that the description of the suite or unit number will automatically be amended.

☐ B. Landlord may not require Tenant to relocate to another location in the Property without Tenant's prior consent.

26. SUBORDINATION:

A. This lease and Tenant's leasehold interest are and will be subject, subordinate, and inferior to:
(1) any lien, encumbrance, or ground lease now or hereafter placed on the leased premises or the Property that Landlord authorizes;
(2) all advances made under any such lien, encumbrance, or ground lease;
(3) the interest payable on any such lien or encumbrance;
(4) any and all renewals and extensions of any such lien, encumbrance, or ground lease;
(5) any restrictive covenant affecting the leased premises or the Property; and
(6) the rights of any owners' association affecting the leased premises or Property.

B. Tenant must, on demand, execute a subordination, attornment, and non-disturbance agreement that Landlord may request that Tenant execute, provided that such agreement is made on the condition that this lease and Tenant's rights under this lease are recognized by the lien-holder.

27. ESTOPPEL CERTIFICATES AND FINANCIAL INFORMATION:

A. Within 10 days after receipt of a written request from Landlord, Tenant will execute and deliver to Landlord an estoppel certificate that identifies the terms and conditions of this lease.

B. Within 30 days after receipt of a written request from Landlord, Tenant will provide to Landlord Tenant's current financial information (balance sheet and income statement). Landlord may request the financial information no more frequently than once every 12 months.

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28. CASUALTY LOSS:

A. Tenant must immediately notify Landlord of any casualty loss in the leased premises. Within 20 days after receipt of Tenant's notice of a casualty loss, Landlord will notify Tenant if the leased premises are less than or more than 50% unusable, on a per square foot basis, and if Landlord can substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty loss.

B. If the leased premises are less than 50% unusable and Landlord can substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty, Landlord will restore the leased premises to substantially the same condition as before the casualty. If Landlord fails to substantially restore within the time required, Tenant may terminate this lease.

C. If the leased premises are more than 50% unusable and Landlord can substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty, Landlord may: (1) terminate this lease; or (2) restore the leased premises to substantially the same condition as before the casualty. If Landlord chooses to restore and does not substantially restore the leased premises within the time required, Tenant may terminate this lease.

D. If Landlord notifies Tenant that Landlord cannot substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty loss, Landlord may: (1) choose not to restore and terminate this lease; or (2) choose to restore, notify Tenant of the estimated time to restore, and give Tenant the option to terminate this lease by notifying Landlord within 10 days.

E. If this lease does not terminate because of a casualty loss, rent will be reduced from the date Tenant notifies Landlord of the casualty loss to the date the leased premises are substantially restored by an amount proportionate to the extent the leased premises are unusable.

29. CONDEMNATION: If after a condemnation or purchase in lieu of condemnation the leased premises are totally unusable for the purposes stated in this lease, this lease will terminate. If after a condemnation or purchase in lieu of condemnation the leased premises or Property are partially unusable for the purposes of this lease, this lease will continue and rent will be reduced in an amount proportionate to the extent the leased premises are unusable. Any condemnation award or proceeds in lieu of condemnation are the property of Landlord and Tenant has no claim to such proceeds or award. Tenant may seek compensation from the condemning authority for its moving expenses and damages to Tenant's personal property.

30. ATTORNEY'S FEES: Any person who is a prevailing party in any legal proceeding brought under or related to the transaction described in this lease is entitled to recover prejudgment interest, reasonable attorney's fees, and all other costs of litigation from the nonprevailing party.

31. REPRESENTATIONS:

A. Tenant's statements in this lease and any application for rental are material representations relied upon by Landlord. Each party signing this lease represents that he or she is of legal age to enter into a binding contract and is authorized to sign this lease. If Tenant makes any misrepresentation in this lease or in any application for rental, Tenant is in default.

B. Landlord is not aware of any material defect on the Property that would affect the health and safety of an ordinary person or any environmental hazard on or affecting the Property that would affect the health or safety of an ordinary person, except: _____

_____

C. Each party and each signatory to this lease represents that: (1) it is not a person named as a Specially Designated National and Blocked Person as defined in Presidential Executive Order 13224; (2) it is not acting, directly or indirectly, for or on behalf of a Specially Designated and Blocked Person; and (3) is not

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arranging or facilitating this lease or any transaction related to this lease for a Specially Designated and Blocked Person. Any party or any signatory to this lease who is a Specially Designated and Blocked person will indemnify and hold harmless any other person who relies on this representation and who suffers any claim, damage, loss, liability or expense as a result of this representation.

32. BROKERS:

A. The brokers to this lease are:

Principal Broker: TPC Real Estate Copr	**Cooperating Broker:** Morrow Hill
Agent: Peter Licata	Agent: Josh Smith
Address:	Address:
Phone & Fax:	Phone & Fax:
E-mail:	E-mail:
License No.:	License No.:

Principal Broker: *(Check only one box)*
☑ represents Landlord only.
☐ represents Tenant only.
☐ is an intermediary between Landlord and Tenant.

Cooperating Broker represents Tenant.

B. Fees:

☑ (1) Principal Broker's fee will be paid according to: *(Check only one box).*
☑ (a) a separate written commission agreement between Principal Broker and:
☑ Landlord ☐ Tenant.
☐ (b) the attached Commercial Lease Addendum for Broker's Fee (TXR-2102).

☐ (2) Cooperating Broker's fee will be paid according to: *(Check only one box).*
☐ (a) a separate written commission agreement between Cooperating Broker and:
☐ Principal Broker ☐ Landlord ☐ Tenant.
☐ (b) the attached Commercial Lease Addendum for Broker's Fee (TXR-2102).

33. ADDENDA: Incorporated into this lease are the addenda, exhibits and other information marked in the Addenda and Exhibit section of the Table of Contents. If Landlord's Rules and Regulations are made part of this lease, Tenant agrees to comply with the Rules and Regulations as Landlord may, at its discretion, amend from time to time.

34. NOTICES: All notices under this lease must be in writing and are effective when hand-delivered, mailed by certified mail return receipt requested, sent by a national or regional overnight delivery service that provides a delivery receipt, or sent by confirmed facsimile transmission to:

Landlord at: Headquarters TOO LLC
Address: 1431 Graham, Ste 175, Tomball, TX 77375
Attention: TPC Real Estate
Fax:

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and a copy to: _____
Address: _____
Attention: _____
Fax: _____

☑ Landlord also consents to receive notices by e-mail at: PETER@TPC-RE.COM

Tenant at the leased premises,

and to: _____
Address: _____
Attention: _____
Fax: _____

and a copy to: _____
Address: _____
Attention: _____
Fax: _____

☑ Tenant also consents to receive notices by e-mail at: _____

35. SPECIAL PROVISIONS: The following special provisions apply and will control in the event of a conflict with other provisions of this lease. *(If special provisions are contained in an addendum, identify the applicable addendum on the cover page of this lease.)*

36. AGREEMENT OF PARTIES:

A. Entire Agreement: This lease contains the entire agreement between Landlord and Tenant and may not be changed except by written agreement.

B. Binding Effect: This lease is binding upon and inures to the benefit of the parties and their respective heirs, executors, administrators, successors, and permitted assigns.

C. Joint and Several: All Tenants are jointly and severally liable for all provisions of this lease. Any act or notice to, or refund to, or signature of, any one or more of the Tenants regarding any term of this lease, its renewal, or its termination is binding on all Tenants.

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D. Controlling Law: The laws of the State of Texas govern the interpretation, performance, and enforcement of this lease.

E. Severable Clauses: If any clause in this lease is found invalid or unenforceable by a court of law, the remainder of this lease will not be affected and all other provisions of this lease will remain valid and enforceable.

F. Waiver: Landlord's delay, waiver, or non-enforcement of acceleration, contractual or statutory lien, rental due date, or any other right will not be deemed a waiver of any other or subsequent breach by Tenant or any other term in this lease.

G. Quiet Enjoyment: Provided that Tenant is not in default of this lease, Landlord covenants that Tenant will enjoy possession and use of the leased premises free from material interference.

H. Force Majeure: If the performance of any party to this lease is delayed by strike, lock-out, shortage of material, governmental restriction, riot, war, epidemic, pandemic, quarantine, or by other cause, without fault and beyond the control of the party obligated (financial inability excepted), performance of such act will be abated for the period of the delay; provided, however, nothing in this paragraph excuses Tenant from the prompt payment of rent or other charge, nor will Tenant's inability to obtain governmental approval for its intended use of the leased premises excuse any of Tenant's obligations hereunder.

I. Time: Time is of the essence. The parties require strict compliance with the times for performance.

J. Counterparts: If this lease is executed in a number of identical counterparts, each counterpart is an original and all counterparts, collectively, constitute one agreement.

37. EFFECTIVE DATE: The effective date of this lease is the date the last party executes this lease and initials any changes.

38. LICENSE HOLDER DISCLOSURE: Texas law requires a real estate license holder who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the license holder owns more than 10%, or a trust for which the license holder acts as a trustee or of which the license holder or the license holder's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale or rental agreement. Disclose if applicable: License Holder owns more than 10% of property.

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Brokers are not qualified to render legal advice, property inspections, surveys, engineering studies, environmental assessments, tax advice, or compliance inspections. The parties should seek experts to render such services. READ THIS LEASE CAREFULLY. If you do not understand the effect of this Lease, consult your attorney BEFORE signing.

Landlord: Headquarters TOO LLC

By:
By (signature): Mark Licata dotloop verified 06/01/25 4:31 PM CDT VZEF-2N8L-FYXH-JOU6
Printed Name:
Title: Date:

By:
By (signature):
Printed Name:
Title: Date:

Tenant: Pure Grit Fitness LLC

By:
By (signature): Lisa Miller dotloop verified 05/31/25 10:59 AM CDT C9NZ-4PHI-HZ96-TIZD
Printed Name: Lisa Miller
Title: Owner Date: 05/31/2025

By:
By (signature):
Printed Name:
Title: Date:

ADDENDUM TO COMMERCIAL LEASE

THIS **ADDENDUM TO COMMERCIAL LEASE** (this "**Addendum**") is attached to and incorporated herein by reference to that certain Commercial Lease (the "**Lease**") between **Pure Grit Fitness LLC**, as tenant ("**Tenant**"), and **Headquarters TOO LLC**, as landlord ("**Landlord**"), relating to the lease of the approximately 1875 square feet of real property commonly known as 1417 Graham Drive, Suite 300, Tomball, Texas 77375, as more particularly described in the Lease (the "**Property**").

The following modifications and supplemental provisions are hereby incorporated into the Lease as if set forth therein verbatim, and all terms used herein which have a defined meaning in the Lease shall have the same meaning herein unless expressly stated to the contrary. To the extent of any conflict between the terms of this Addendum and the terms of the Lease, the terms of this Addendum shall control.

1. **THE FOLLOWING REPLACES "IN CERTIFIED FUNDS" IN THE SECOND SENTENCE OF PARAGRAPH 4.F:**

   "via ACH transfer or other electronic funds transfer of immediately available funds into an account designated by Landlord"

2. **THE FOLLOWING IS ADDED AT THE END OF PARAGRAPH 10.B:**

   "Notwithstanding the foregoing, it shall not be a breach or default by Tenant to use, store and dispose of small quantities of ordinary cleaning and office supplies used by Tenant in the ordinary course of its business in accordance with all applicable federal, state, or local environmental law, regulation, ordinance or rule existing as of the date of the lease or later enacted"

3. **THE FOLLOWING IS ADDED AT THE END OF PARAGRAPH 16A:**

   "Notwithstanding anything to the contrary herein, Landlord hereby authorizes and consents to Tenant's performance of non-structural alterations, modifications, and improvements to the Property which do not penetrate the roof, exterior walls, or foundation and do not cost more than $10,000.00 in the aggregate in any calendar year."

4. **THE FOLLOWING IS ADDED AT THE END OF PARAGRAPH 24:**

   "Notwithstanding the foregoing, Tenant shall have the right without the prior consent of Landlord, but with written notice to Landlord, to make an assignment or sublease to an entity affiliated with or under common ownership or control with Tenant or its principals, provided that Tenant and Guarantor shall not be released from liability under this Lease in connection therewith unless expressly agreed to by Landlord."

5. **PARAGRAPH 25A IS UNCHECKED AND PARAGRAPH 25B IS CHECKED.**

6. **THE FOLLOWING IS ADDED TO THE END OF PARAGRAPH 28E OF THE LEASE:**

   "If this Lease is terminated because of a casualty loss, rent shall be prorated to the date of the damage or destruction and any prepaid rents or other prepaid amounts shall be promptly refunded to Tenant."

7. **THE FOLLOWING IS ADDED IN PARAGRAPH 35 "SPECIAL PROVISIONS":**

RENEWAL TERMS. "Provided Tenant is not in default hereunder, Tenant shall have 3 options to extend the term of this Lease for a period of 60 months each (each, a "Renewal Term") commencing respectively at the expiration of the initial term of this lease, and the expiration of the subsequent Renewal Term(s) hereof, if any. To exercise such option, Tenant shall notify Landlord of Tenant's intention to renew this lease at least 120 days prior to the expiration of (i) the initial term of this Lease in the case of the first Renewal Term, or (ii) each subsequent Renewal Term hereof, if any, in the case of the Renewal Terms subsequent to the first Renewal Term. All terms and conditions of this lease shall apply in their entirety to such Renewal Terms except that the Base Monthly Rent payable hereunder for the first and any subsequent Renewal Term shall be at a 15% increase over the Base Monthly Rent of the initial term or the prior renewal term, as the case may be."

EXCLUSIVE USE: "Landlord agrees that during the term of this Lease, but only for so long as Tenant is open for business, using the leased premises for the use permitted in Section 9.A and is not otherwise in default of any of the provisions of this Lease beyond any applicable notice and opportunity to cure period, Landlord will not hereafter enter into a new lease at the property with a tenant whose principal permitted use is the operation of a unsupervised exercise, fitness studio, sauna, or sweat studio"

PRESALE: "Prior to opening for business, Tenant shall be permitted to use the Common Area outside of the Premises, in a location reasonably determined by Landlord, for pre-sale marketing efforts, including a tent, one table and two chairs, in order to meet prospective members, and sell memberships and limited" retail. In the event the Common Area is not available, Landlord shall make other space available to Tenant at no cost to Tenant.

PARKING LOT LIGHTING: Landlord agrees to keep the parking lot of the Shopping Center illuminated from dusk until dawn.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum to be effective as of the date that Landlord executes the Lease and this Addendum. This Addendum and the Lease may be executed in multiple counterparts, each of which is an original and which, together, are one and the same instrument. Electronic execution and delivery are expressly permitted. Copies and printed electronic copies of executed counterparts shall be deemed originals and may be relied upon as originals for all purposes.

LANDLORD:

By: _____
Printed Name: Mark Licata
Title: Manager, Headquarters Too LLC

TENANT:

By: _____
Printed Name: LISA Miller
Title: Owner

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TEXAS REALTORS

COMMERCIAL LANDLORD'S RULES AND REGULATIONS

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REGARDING THE COMMERCIAL LEASE CONCERNING THE LEASED PREMISES AT 1417 Graham Drive, Tomball, TX

NOTICE: These rules and regulations are adopted to maintain and enhance the safety and appearance of the Property. From time to time Landlord, at its discretion, may amend these rules and regulations for the purposes for which they were adopted. Under the above-referenced lease, Tenant agrees to comply with these rules and regulations as they may be amended. Exceptions or waivers must be authorized by Landlord in writing. "Property" means the building or complex in which the leased premises are located, inclusive of any common areas, drives, parking areas, walks, and landscaped areas.

A. Goods, merchandise, equipment, or any personal property may not be stored on the Property, except for inventory within the leased premises necessary for Tenant's normal business operations.

B. Food is not permitted on the Property, except as inventory for sale and for a small amount of food for Tenant's personal consumption.

C. Other than those provided by Landlord or specifically authorized by Landlord, no vending machines are permitted on the Property.

D. The Property may not be used for lodging or sleeping quarters in any manner.

E. Unless authorized by law or the lease, no animals may be brought or kept on the Property.

F. No obstruction or interference that impedes use of the common areas, walks, drives, loading areas, parking areas, corridors, hallways, vestibules, and stairs is permitted on the Property.

G. Persons parking on the Property must comply with all posted signs and directions regulating the parking areas.

H. No flammable, toxic, noxious, or hazardous materials may be kept on the Property except for over-the-counter cleaning materials kept in enclosed storage closets or cabinets.

I. Tenants moving in or out of the Property must use only the service entrances and service elevators during the move. All moves must be made at times that do not cause inconvenience in the normal use of the Property.

J. Deliveries and shipping of goods and merchandise in or out of the Property must be made only through the service entrances, service elevators, loading docks, or other designated shipping and receiving areas. Shipments and deliveries must be made at times that do not cause inconvenience to tenants or patrons on the Property.

K. Leased premises must be kept clean and free of debris. Trash must be deposited into appropriate receptacles. Trash receptacles controlled by Tenant must not be allowed to overflow, attract rodents or vermin, or emit odors.

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L. Repair requests must be submitted to Landlord in writing in compliance with the lease.

M. No modification to the Property and leased premises may be made unless authorized by Landlord, in writing, or permitted by the lease.

N. No illegal or offensive activity is permitted on the Property nor is any activity that constitutes a nuisance or interferes with the rights of other tenants.

O. Unless specifically authorized by Landlord, no solicitation or business operations are permitted in the common areas.

P. Other:

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TEXAS REALTORS

COMMERCIAL LEASE CONSTRUCTION ADDENDUM
(Tenant to Complete Construction)

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ADDENDUM TO THE COMMERCIAL LEASE BETWEEN THE UNDERSIGNED PARTIES CONCERNING THE LEASED PREMISES AT 1417 Graham Drive, Suite 300, Tomball TX 77375

The following provisions apply and will control in the event of a conflict with other provisions stated in the lease:

A. Execution and License to Enter: This addendum is executed as a part of the above-referenced lease. Landlord authorizes Tenant to construct the improvements described in this addendum provided that Tenant complies with all of the terms of this addendum. In the event the term of the lease has not yet commenced, Landlord grants Tenant a license to enter into the Property and the leased premises effective upon lease execution for the purposes of constructing the improvements described under this addendum. This license is made under all the terms and provisions in the lease, except as to the covenant to pay rent.

B. Construction Costs: Tenant will pay the full cost to construct the improvements that Tenant is to construct under this addendum, including but not limited to the cost of material, engineering studies, environmental studies, contractors, permits, plans, architects, inspectors, subcontractors, and materialmen. Not later than 10 days after the construction is complete and Tenant has satisfied all of Tenant's obligations under this addendum, Landlord will reimburse Tenant the cost to construct the improvements in an amount that does not exceed $75,000.00 .

C. Approval of Plans:

(1) Not later than 09/01/2025, Tenant will submit to Landlord plans and specifications detailing the improvements Tenant desires to complete to the leased premises. The plans must detail all architectural, mechanical, electrical, and plumbing requirements for the improvements and must describe the proposed improvements along with the materials to be used and the interior floor plan of the leased premises. The plans must be drawn by a licensed professional architect in accordance with generally accepted architectural standards or by another person approved by Landlord and must be sufficient for a contractor to use to construct the desired improvements.

(2) Within 10 days after Landlord receives the plans in accordance with Paragraph C(1), Landlord will notify Tenant whether the plans are "approved" or "disapproved" by marking such on the plans and delivering the plans back to Tenant. Landlord will not unreasonably withhold approval of the plans. If Landlord does not notify Tenant of a disapproval within the time specified, the plans will be deemed approved.

(3) If the plans are disapproved, Landlord will detail the reasons for the disapproval either on the plans or in a separate notice to Tenant. If the plans are disapproved, Tenant will, within 15 days after receipt of the disapproval notice from Landlord, submit amended plans to Landlord that incorporate revisions necessary to satisfy Landlord's reasons for the disapproval. Landlord will not unreasonably withhold approval of any amended plans. If Tenant is unable or unwilling to satisfy Landlord's reasons for disapproval by _____, and:
(a) if this addendum is executed after the lease commenced, then Tenant will not construct the improvements and this Addendum will have no further effect; or

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(b) if this addendum is executed before the lease commences the lease will terminate and Landlord will refund any security deposit and advanced rent paid by Tenant.

(4) "Final plans" means the plans that Landlord approves under this Paragraph C.

D. Change Orders: Tenant must obtain Landlord's advanced written approval of any proposed changes to the final plans. Landlord will approve or disapprove any proposed change within _____ days after Landlord receives a copy of the proposed change order from Tenant. Landlord will not unreasonably withhold approval of any proposed change order. If Landlord does not notify Tenant of a disapproval of a proposed change order within the time specified, the proposed change order is deemed approved.

E. Contractor: Before construction begins Tenant will enter into a written construction contract with a contractor(s) acceptable to Landlord to construct the improvements in accordance with the final plans. Any subcontractors employed by Tenant or Tenant's contractors must be acceptable to Landlord. Landlord will not unreasonably withhold approval of contractors and subcontractors.

F. Construction:

(1) Tenant will diligently complete the improvements in accordance with the final plans and will satisfy any requirements of any governmental authorities having jurisdiction over the improvements. The construction of the improvements must be performed in a good workmanlike manner and must comply with all applicable laws, ordinances, rules, and governmental orders and regulations. Construction of the improvements may not:
(a) damage the Property except as specifically permitted by the final plans, including but not limited to damage to or interference with any structural component, system, or part of the Property;
(b) interfere with the rights or operations of any other tenant in the Property or with Landlord's management of the Property; and
(c) not obstruct any common area, walk, or drive except as Landlord permits.

(2) Landlord and Landlord's designees may inspect the construction of the improvements from time to time. If Landlord notifies Tenant of any construction defect or non-compliance with the final plans, Tenant must promptly correct the defect or non-compliance.

(3) All construction staging areas and dumpster locations are subject to Landlord's approval. Construction debris will not be allowed to accumulate on the Property. All construction debris will be completely removed from the Property upon completion of construction.

G. Completion:

(1) Tenant must substantially complete the construction of the improvements to the leased premises in accordance with this addendum on or before 09/30/2025. Except as provided in this paragraph, the failure to complete construction of the improvements by the date specified does not relieve Tenant of Tenant's obligations to pay rent or satisfy other terms and conditions of the lease. The time by which Tenant must complete construction may be extended only if: (a) Landlord causes the delay; (b) governmental authorities delay issuing permits or performing inspections through no fault of Tenant; or (c) a construction delay is caused by strike, lock-out, shortage of material, governmental restriction, riot, flood, or a cause outside Tenant's control. Any extension under this paragraph may be exercised by Tenant only if Tenant promptly notifies Landlord in writing of the extension after Tenant knows or has reason to know of any applicable delay which is cause for an extension. Any extension under this paragraph may not exceed the lesser of: the number of days of the delay caused by the specified cause for the delay or _____ days. If a delay authorized by this Paragraph applies, the Commencement Date and Expiration Date of the lease shall likewise be extended along with an appropriate adjustment in the rent due dates. If a delay is caused by Landlord and the delay exceeds the time for which an extension is permitted under this paragraph, Tenant may exercise its remedies under the default provision of the lease.

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(2) Construction is complete when all the improvements are constructed in accordance with the final plans and Tenant provides Landlord with: (a) a final certificate executed by the supervising person; and (b) if required by a governmental body, a certificate of occupancy permitting Tenant to occupy the leased premises for the purposes set forth in the lease.

(3) The supervising person is _____. The certificate of the supervising person is conclusive in any dispute involving the construction performed or required to be performed under this addendum.

H. No Liens:

(1) Tenant guarantees that Tenant will pay all costs of any liability related to the construction of the improvements described in this addendum and further guarantees the lien-free completion of the improvements against the leased premises and Property. Tenant may not create or place any lien or encumbrance, of any kind, upon the leased premises or Property that encumbers Landlord's interest in the leased premises or Property.

(2) Before Landlord reimburses Tenant for the cost of the improvements, Tenant must:
(a) deliver to Landlord a waiver of liens in recordable form acceptable to Landlord from each contractor, subcontractor, and materialman. The waivers must specify that: (a) the contractor, subcontractor, or materialman waive any and all claims against Landlord and waive any and all lien rights against Landlord's interest in the leased premises and Property; and (b) the contractor or subcontractor agree to hold Landlord harmless from any and all claims arising from or in connection with its work or materials;
(b) obtain any required certificate of occupancy; and
(c) commence business in the leased premises.

(3) If any lien is filed or asserted against any portion of the leased premises or Property as a result of the acts of Tenant or Tenant's contractors, subcontractors, or materialmen, Tenant must remove any such lien or lien claim within 20 days after receipt of notice from Landlord.

(4) Tenant will indemnify and keep Landlord harmless from all damages, costs, expenses, and attorney's fees that may arise from any lien or claim that may be filed or threatened as a result of the improvements to be constructed under this addendum.

I. Bonds: Before commencement of any construction, Tenant and Tenant's contractors, at no cost to Landlord, must post the following bonds in favor of the Landlord in the amounts specified: _____

_____.

J. Insurance:

(1) Before any construction commences, Tenant must deliver to Landlord evidence that the insurance required by Paragraph 8A of the lease will be in effect not later than the day construction begins.

(2) Before any construction commences, Tenant must deliver to Landlord certificates of insurance, from insurers acceptable to Landlord, evidencing that any contractor maintains insurance to protect Landlord, Tenant, and the contractor from:

☑ (a) workman compensation claims and other employee benefit acts in an amount not less than $250,000 per occurrence;

☑ (b) claims for damages from bodily injury or death to employees and others in an amount not less than $250,000 per person and $1,000,000 per occurrence; and

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☑ (c) property damage in an amount not less than $150,000 per occurrence.

(3) The insurance required by this Paragraph J must cover any and all claims that may arise out of or as a result of the operations of the contractor or the contractor's subcontractor(s).

(4) The coverage required by this Paragraph J must be maintained by Tenant or Tenant's contractors, at Tenant's or the contractors' sole expense, during all times of any construction period. If Tenant fails or if any of Tenant's contractors fail to maintain the required insurance in full force and effect at all required times, Landlord may:
(a) purchase such insurance on behalf of Tenant or the contractor(s) and Tenant must immediately reimburse Landlord for such expense; or
(b) exercise Landlord's remedies for Tenant's default under the lease.

K. Tenant's Assumption of Liability: Tenant must promptly pay and discharge all costs, expenses, claims for damages, liens, lien claims, and any other liabilities which may arise from or in connection with the construction of the improvements described in this addendum. Tenant agrees to hold Landlord harmless from all costs, expenses, damages, liens, lien claims, and any other liabilities, which may arise from or in connection with the construction of the improvements described in this addendum.

L. Special Provisions: *(If applicable, include any business details, factual statements, or any requirements the parties must satisfy [for example, Landlord's obligation to complete shell construction by a certain date or by the time the license under Paragraph A commences].)*

Tenant Improvement Allowance paid to Tenant once Tenant receives their Certificate of Occupancy, and delivers final lien waivers to Landlord.

Landlord: Headquarters Too LLC

By: Mark Licata

By (signature): Mark Licata dotloop verified 06/01/25 4:31 PM CDT NE2C-53QR-EHGO-DCDA

Printed Name:

Title:

By:

By (signature):

Printed Name:

Title:

Tenant:

By:

By (signature): Lisa Miller dotloop verified 05/31/25 10:59 AM CDT 9E3R-BTQP-JKCR-0X9V

Printed Name: Lisa Miller

Title: Owner

By:

By (signature):

Printed Name:

Title:

AGREEMENT

THE STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

This Agreement (the "Agreement") is made and entered into by and between the **Tomball Economic Development Corporation**, an industrial development corporation created pursuant to Tex. Rev. Civ. Stat. Ann. Art. 5190.6, Section 4B, located in Harris County, Texas (the "TEDC"), and **HOTWORX-Tomball, LLC** (the "Company"), 15409 Queen Elizabeth Ct., Montgomery, TX 77316.

W I T N E S S E T H :

WHEREAS, it is the established policy of the TEDC to adopt such reasonable measures from time-to-time as are permitted by law to promote local economic development and stimulate business and commercial activity within the City of Tomball (the "City"); and

WHEREAS, the Company proposes to lease an 1,875 square foot existing commercial space located at 1417 Graham Dr., Suite 300, Tomball, Texas 77375 (the "Property"), and more particularly described in Exhibit "A," attached hereto and made a part hereof; and

WHEREAS, the Company proposes to open a fitness studio at the Property; and

WHEREAS, the Company proposes to create Two (2) full-time jobs and two (2) part-time employees in Tomball in conjunction with the new location; and

WHEREAS, the TEDC agrees to provide to the Company an amount equal to twenty-five percent (25%) of the base monthly rent for the first 12 consecutive months of operation not to exceed Ten Thousand Dollars ($10,000.00), in accordance with an established Rental Assistance Incentive; and

DRAFT

WHEREAS, the Company has agreed, in exchange and as consideration for the funding, to satisfy and comply with certain terms and conditions; and

NOW, THEREFORE, in consideration of the premises and the mutual benefits and obligations set forth herein, including the recitals set forth above, the TEDC and the Company agree as follows:

1.

Except as provided by paragraph 3, the Company covenants and agrees that it will operate and maintain the proposed business for a term of at least three (3) years within the City of Tomball.

2.

The Company also covenants and agrees that construction of the Improvements, the addition of at least Two (2) new employees, and obtaining all necessary occupancy permits from the City shall occur within eighteen (18) months from the Effective Date of this Agreement. Extensions of these deadlines, due to any extenuating circumstance or uncontrollable delay, may be granted at the sole discretion of the Board of Directors of the TEDC.

3.

The Company further covenants and agrees that it does not and will not knowingly employ an undocumented worker. An "undocumented worker" shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States, or (b) authorized by law to be employed in that manner in the United States.

4.

DRAFT

In consideration of the Company's representations, promises, and covenants, TEDC agrees to grant to the Company an amount equal to twenty-five percent (25%) of the base monthly rent for the first 12 consecutive months of operation not to exceed Ten Thousand Dollars ($10,000.00). The TEDC agrees to distribute such funds to the Company within thirty (30) days of receipt of a letter from the Company requesting such payment, which letter shall also include: (a) a copy of the City's occupancy permit for the Property; (b) proof that the Company has added the number of employees indicated above to its business operations on the Property, as evidenced by copies of Texas Workforce Commission form C-3 or Internal Revenue Service Form 941; and, (c) an affidavit from the landlord of the Property stating that all rents have been paid in accordance with the terms of the lease agreement for the first twelve consecutive months of operation.

5.

It is understood and agreed by the parties that, in the event of a default by the Company on any of its obligations under this Agreement, the Company shall reimburse the TEDC the full amount paid to the Company by the TEDC, with interest at the rate equal to the 90-day Treasury Bill plus ½% per annum, within thirty (30) days after the TEDC notifies the Company of the default. It is further understood and agreed by the parties that if the Company is convicted of a violation under 8 U.S.C. Section 1324a(f), the Company will reimburse the TEDC the full amount paid to the Company, with interest at the rate equal to the 90-day Treasury Bill plus ½% per annum, within thirty (30) days after the TEDC notifies the Company of the violation.

The Company shall also reimburse the TEDC for any and all reasonable attorney's fees and costs incurred by the TEDC as a result of any action required to obtain reimbursement of such funds.

DRAFT

6.

This Agreement shall inure to the benefit of and be binding upon the TEDC and the Company, and upon the Company's successors and assigns, affiliates, and subsidiaries, and shall remain in force whether the Company sells, assigns, or in any other manner disposes of, either voluntarily or by operation of law, all or any part of the Property and the agreements herein contained shall be held to be covenants running with the Property for so long as this Agreement, or any extension thereof, remains in effect.

7.

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by (i) depositing the same in the United States mail, addressed to the party to be notified, postage prepaid, registered or certified mail, return receipt requested; or (ii) by delivering the same in person to such party; or (iii) by overnight or messenger delivery service that retains regular records of delivery and receipt; or (iv) by facsimile; provided a copy of such notice is sent within one (1) day thereafter by another method provided above. The initial addresses of the parties for the purpose of notice under this Agreement shall be as follows:

If to City: Tomball Economic Development Corporation
401 W. Market Street
Tomball, Texas 77375
Attn: President, Board of Directors

If to Company: HOTWORX-Tomball, LLC
15409 Queen Elizabeth Ct.
Montgomery, TX 77316
Attn: Lisa Miller, Franchise Owner

8.

This Agreement shall be performable and enforceable in Harris County, Texas, and shall be construed in accordance with the laws of the State of Texas.

DRAFT

9.

Except as otherwise provided in this Agreement, this Agreement shall be subject to change, amendment or modification only in writing, and by the signatures and mutual consent of the parties hereto.

10.

The failure of any party to insist in any one or more instances on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant, or condition, or right with respect to further performance. This Agreement shall bind and benefit the respective Parties and their legal successors and shall not be assignable, in whole or in part, by any party without first obtaining written consent of the other party.

11.

In the event any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporation, or circumstance, shall be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be deemed to be independent of and severable from the remainder of this Agreement, and the validity of the remaining parts of this Agreement shall not be affected thereby.

DRAFT

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the parties on this _____ day of _____ 2025 (the "Effective Date").

HOTWORX-TOMBALL, LLC

By: _____

Name: Lisa Miller

Title: Franchise Owner

ATTEST:

By: _____

Name: _____

Title: _____

TOMBALL ECONOMIC DEVELOPMENT CORPORATION

By: _____

Name: Lisa Covington

Title: President, Board of Directors

ATTEST:

By: _____

Name: Bill Sumner Jr.

Title: Secretary, Board of Directors

DRAFT

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the __ day of ____ 2025, by Lisa Miller, Franchise Owner of HOTWORX-Tomball, LLC, for and on behalf of said company.

_____
Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the _19th____ day of _August___ 2025, by Lisa Covington, President of the Board of Directors of the Tomball Economic Development Corporation, for and on behalf of said Corporation.

_____
Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

DRAFT

Exhibit "A"

Legal Description of Property

Property Address: 1417 Graham Drive, Suite 300, Tomball, TX 77375

DRAFT

RESOLUTION NO. 2025-40-TEDC

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, AUTHORIZING AND APPROVING THE TOMBALL ECONOMIC DEVELOPMENT CORPORATION'S PROJECT TO EXPEND FUNDS IN ACCORDANCE WITH AN ECONOMIC DEVELOPMENT AGREEMENT BY AND BETWEEN THE CORPORATION AND HOTWORX-TOMBALL, LLC TO PROMOTE AND DEVELOP A NEW OR EXPANDED BUSINESS ENTERPRISE; CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT; AND PROVIDING FOR SEVERABILITY.

* * * * *

WHEREAS, the Tomball Economic Development Corporation (the "TEDC"), created pursuant to the Development Corporation Act, now Chapter 501 of the Texas Local Government Code, as amended (the "Act"), desires to adopt projects and provide incentives for economic development within the City; and

WHEREAS, the Board of Directors of the TEDC had adopted as a specific project the expenditure of the estimated amount of Ten Thousand Dollars ($10,000.00), found by the Board to be required or suitable to promote a new business development by HOTWORX-Tomball, LLC; and

WHEREAS, pursuant to the Act, the TEDC may not undertake such project without the approval of Tomball City Council; and

WHEREAS, City Council finds and determines that such project promotes new or expanded business development and is in the best interests of the citizenry; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS:

Section 1. The facts and matters set forth in the preamble of this Resolution are hereby found to be true and correct.

Section 2. The City Council hereby authorizes and approves the adoption, by the Board of Directors of the Tomball Economic Development Corporation, as a specific project for the economic development of the City, an expenditure of the estimated amount of Ten Thousand Dollars ($10,000.00), to HOTWORX-Tomball, LLC, in accordance with an economic development agreement by and between the TEDC and HOTWORX-Tomball, LLC to promote and develop a new or expanded business enterprise, to be located at 1417 Graham Dr., Suite 300, Tomball, Texas 77375.

Section 3. In the event any clause, phrase, provision, sentence, or part of this Resolution or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or

invalidate this Resolution as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

PASSED AND APPROVED on first reading this _____ day of _____, 202__.

PASSED, APPROVED, AND RESOLVED on second and final reading this _____ day of _____, 202__.

_____
Lori Klein Quinn, Mayor

ATTEST:

_____
City Secretary

Regular City Council
Agenda Item
Data Sheet

Meeting Date: September 2, 2025

Topic:

Approve, on First Reading, Resolution No. 2025-41-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Performance Agreement by and between the Corporation and Lunsford Enterprises, LLC, to make direct incentives to, or expenditures for, rental assistance for new or expanded business enterprise to be located at 823 East Main Street, Tomball, Texas 77375. The estimated amount of expenditures for such Project is an amount not to exceed $10,000.00.

Background:

On August 19, 2025, the Tomball Economic Development Corporation (TEDC) Board of Directors unanimously approved, as a Project of the Corporation, an economic development performance agreement with Lunsford Enterprises, LLC for rental assistance for new or expanded business enterprise. The Tomball City Council has final approval authority over all programs and expenditures of the Corporation.

Origination: Tomball Economic Development Corporation Board of Directors

Recommendation: Approval of Resolution No. 2025-41-TEDC

Party(ies) responsible for placing this item on agenda: Kelly Violette

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: _____ If yes, specify Account Number: #Project Grants

If no, funds will be transferred from account # _____ To account # _____

Signed _____ Approved by _____

Staff Member-TEDC Date Executive Director-TEDC Date



TOMBALL
ECONOMIC DEVELOPMENT CORP.

TO: Honorable Mayor and City Council

FROM: Kelly Violette
Executive Director

MEETING DATE: September 2, 2025

SUBJECT: Lunsford Enterprises, LLC

ITEM TYPE: Action

The Tomball Economic Development Corporation has received a request from Eric Lunsford, President, of Lunsford Enterprises, LLC, dba Worthley's Home Appliance for funding assistance through the TEDC's Rental Incentive Program.

Worthley's Appliance has proudly served Tomball since 1982 and has currently outgrown their space at 1404 W. Main Street. Mr. Lunsford plans to relocate his business into an approximately 6,000 square feet building located at 823 Main Street, Tomball, TX 77375. The new location will have more showroom space and parking, allowing them to better serve their customers.

The goal of the TEDC's Rental Incentive Program is to assist in the establishment of new businesses in existing vacant spaces and to stimulate commercial investment in the City of Tomball. In accordance with the Rental Incentive Program Policy, the proposed performance agreement is for 25% of the base monthly rent for the first year of operation only, not to exceed $10,000.00.

The lease agreement that was submitted in conjunction with the request letter shows a five-year lease commitment with a monthly rent amount of $7,200.00 for the first 12 months. The proposed grant amount of $10,000.00 will be payable after the first year of operation based on landlord verification of rents paid and meeting the performance agreement criteria.

Although this project does not create primary jobs, it does promote the development and expansion of business enterprise, which is considered a permissible project as outlined in Texas Economic Development Legislation. If this project is approved, it will go to the Tomball City Council for final approval by resolution at two separate readings.

Eric Lunsford
Owner, Worthley's Home Appliance
eric@worthleys.com
281-352-5660

Tiffani Wooten, CEcD
Assistant Director
Tomball Economic Development Corporation

Dear Tiffani,

Worthley's Appliance has proudly served Tomball since 1982. As one of the oldest continuously operating retail businesses in town, we have outgrown our current location at 1404 West Main Street. We were excited to find a space available at 823 East Main that is large enough to accommodate our growing business operations.

At our new address we will have more showroom space and available parking, allowing us to better serve our customers and provide an improved shopping experience. Of course, our trademark customer service will not change!

We are requesting the Rental Incentive Grant to offset the cost of moving our operations. The incentive will help us to have the funds to make necessary improvements and cover the cost of rental deposits required.

We appreciate the Tomball Economic Development Corporation's commitment to the community that has helped our business grow and thrive. I have often said that a small business like ours would not be as successful in a community that offers this kind of support. We look forward to serving Tomball for years to come in our new location.

Respectfully,

Eric Lunsford

TOMBALL
ECONOMIC DEVELOPMENT CORP.

NEW BUSINESS RENTAL INCENTIVE PROGRAM

PART A –BUSINESS OWNER APPLICATION

The New Business Rental Incentive Program seeks to reduce area vacancies and facilitate the establishment of new businesses in previously underutilized areas of the City. The intent of the program is to facilitate business growth and expansion by assisting businesses in leasing space. All grant award decisions of the Tomball Economic Development Corporation (TEDC) Board of Directors are discretionary and final. Through the Program, the TEDC will provide up to 25% of the base monthly rent for the first year of operation only, not to exceed $10,000 per business.

Business Owner Applicant Information

Name of Business: Lunsford Enterprises Dba Wothley's Appliance

Current Business Physical Address: 1404 West Main Street

City, State & Zip Tomball, Texas 77375

Mailing Address: 1404 West Main Street

City, State & Zip Tomball, Texas 77375

Business Phone: 281-351-5166

Business Website: www.worthleys.com

Business Owner Name: Eric Lunsford

Applicant's Name (if different): _____

Position /Title: President

Phone and Email: 2813525660 Eric@worthleys.com

Nature of Business: Retail Appliance Sales/Service

NAICS Code: _____

Legal Form of Business:

- ☐ Sole Proprietor
- ☐ Partnership Number of Partners _____
- ☐ Corporation
- ☐ Limited Liability Corp
- ☐ Other _____

Business Start/Opening Date 1/1/2005

Days and Hours of Operation

Days Open: m-sat

Hours Open: 8am - 6pm m-f 8am - 4pm sat

Employees

Full Time Employees (40 hours per week): 7

Part Time Employees (less than 40 hours per week): 2

Does the Business Owner Have any Relationship to the Property Owner/Landlord?

No ■ Yes □ (please explain)

Moving and Space Improvement Cost and Funding Information

Investment Data

Tenant Space Improvement (finish)	$ 15000
Landlord Space Improvement (finish)	$
Equipment and Display	$ 20000
Product Stock (for Opening)	$ 250000
Marketing (First Year)	$ 15000

Sources of Funding for Move/Expansion

Funds invested by owner	$ 300000
Funds from other sources*	$
Total estimated cost to move/expand	$ 300000

* Source of Funding and Amounts Cash

New Lease Property Information

Address of space to be leased: 823 E Main St., Tomball, Texas 77375

Total amount of square feet to be leased and occupied: 6000

Term of lease (minimum 3 years): 5 years

Gross rental rate $7200 per month $1.20 per s.f.

Additional lease terms and other monthly charges: Contingent on taxes & insurance rate increase

Indicate any rate increases:

FINANCIAL NEED DEMONSTRATION: Acceptance into the Rental Incentive Program requires an acceptable explanation of financial need. Use the lines below to explain why and how the rent subsidy is an important factor in opening your business.

We are moving to have additional space because we have outgrown our current location

Explain how your business will benefit and enhance the area in which you are locating and how your business will complement other businesses within the area:

Worthley's has operated in Tomball since 1982, providing personal sales & service to the community. Eric Lunsford (owner) has served in the Rotary club of Tomball and currently is a board member on the Greater Tomball Area Chamber of Commerce. We have donated thousands of dollars to area organizations such as TEAM, TOMAGWA and the Rotary Club. We employ 9 local residents and collect sales tax from between 4-5 million in annual sales.

Certification

By signing below, the Business Owner of record (applicant) understands and agrees to the following:

1. All information contained in this application, the attached exhibits and other materials submitted in connection with this application are true and accurate to the best of the business owner's knowledge. Business owner understands and agrees that false or untruthful information may be grounds for the TEDC to stop processing this application or to withdraw any approval previously obtained based in whole or in part on such false or untruthful statements.

2. The TEDC is under no obligation to approve the request contained in the application. No promises of approval are conveyed with the acceptance of this application.

3. All tax obligations to the City of Tomball are current.

4. The business is currently in good standing with the City, and has no pending municipal code violations.

5. The business is not currently occupying the space with or without a lease in place.

6. The APPLICANT hereby certifies that the APPLICANT does not and will not knowingly employ an undocumented worker. An "undocumented worker" shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States; or (b) authorized under the law to be employed in that manner in the United States. APPLICANT understands and agrees that if, after receiving a Grant, APPLICANT is convicted of a violation under 8 U.S.C. Section 1324a(f), the APPLICANT shall be required to reimburse to the TEDC the grant amount received. Payments must be paid in full within thirty (30) days after the date of written notification by the TEDC. The form of such payment shall be a cashier's check or money order, made payable to the Tomball Economic Development Corporation. The TEDC has the right to recover court costs and reasonable attorney's fees as a result of any civil action required to recover such repayment.

Eric Lunsford

Printed Name of Principal Owner

Signature

8/11/2025

Date

Please submit the completed application along with a copy of the Proposed Lease Agreement to:

Kelly Violette

Tomball Economic Development

Corporation 29201 Quinn Road, Suite A

Tomball, TX 77375

For further questions about the Program, please contact Kelly Violette, Executive Director, at 281.401.4086 or kviolette@tomballtxedc.org.

TOMBALL
ECONOMIC DEVELOPMENT CORP.

NEW BUSINESS RENTAL INCENTIVE PROGRAM

PART B – PROPERTY OWNER/LANDLORD APPLICATION

Complete all items carefully and accurately to the best of your knowledge and return with a copy of Proof of Ownership to:

Kelly Violette
Tomball Economic Development
Corporation 29201 Quinn Road, Suite A
Tomball, TX 77375

Property Address: 823 East Main St., Tomball, TX 77375

Property Owner of Record: John Foster
Mailing Address: 22101 E Main
City, State & Zip Tomball, Texas 77377
Phone: 281-541-7194 Email: action.foster@yahoo.com
Name(s) of Authorized Signatories: Johnny Foster

Name of Management Company: _____
Name of Representative/Contact Person: _____
Management Company Address: _____
City, State & Zip _____
Phone: _____ Email: _____

Name of proposed business at site:

Worthley's Appliance

Name of business owner:

Eric Lunsford

DOES THE BUSINESS OWNER OR THE BUSINESS HAVE ANY RELATIONSHIP TO THE PROPERTY OWNER/LANDLORD? NO ■ YES □ Please explain

_____

_____

_____

SITE & LEASE INFORMATION

Total amount of square feet to be leased and occupied by business: 6000

Term of lease: 5 years

Gross rental rate $7200 per month $- per s.f.

Additional lease terms and other monthly charges: N/A

Indicate any rate increases:

Is the subject space currently vacant? Yes □ No ■

If yes, how long has the space been vacant? 1 months

Name of previous tenant: Liduidestates

Previous Rental Rate: $7200 Per Month $ - Per Square Foot

CERTIFICATIONS

Are all real estate and personal property taxes due the City of Tomball paid in full?

Subject Property: YES ■ NO □ (Please explain on supplemental sheet)

Other Properties: YES ■ NO □ N/A □

Are all City of Tomball water and sewer bills due paid in full?

Subject Property: YES ■ NO □ (Please explain on supplemental sheet)

Other Properties: YES ■ NO □ N/A □

Have you been cited for any existing zoning, building or property maintenance code violations that remain uncorrected?

Subject Property: YES □ NO ■ (Please explain on supplemental sheet)

Other Properties: YES □ NO ■ N/A □

Are you involved in any litigation with the City of Tomball?

□ YES (Please explain on supplemental sheet)

■ NO

By signing below, the Landlord/Property Owner of record understands and agrees to the following:

1. All information contained in this application, the attached exhibits and other materials submitted in connection with this application are true and accurate to the best of the land owner's knowledge. Landowner understands and agrees that false or untruthful information may be grounds for the TEDC to stop processing this application or to withdraw any approval previously obtained based in whole or in part on such false or untruthful statements.
2. The TEDC is under no obligation to approve the request contained in the application. No promises of approval are conveyed with the acceptance of this application.
3. All tax obligations to the City of Tomball are current.
4. The property is currently in good standing with the City, and has no pending municipal code violations.
5. The business is not currently occupying the space with or without a lease in place.

Johnny Foster

Printed Name of Property Owner/Landlord

Signature

8-11-25

Date

By signing below, the Landlord/Property Owner of record understands and agrees to the following:

1. All information contained in this application, the attached exhibits and other materials submitted in connection with this application are true and accurate to the best of the land owner's knowledge. Land-owner understands and agrees that false or untruthful information may be grounds for the TEDC to stop processing this application or to withdraw any approval previously obtained based in whole or in part on such false or untruthful statements.
2. The TEDC is under no obligation to approve the request contained in the application. No promises of approval are conveyed with the acceptance of this application.
3. All tax obligations to the City of Tomball are current.
4. The property is currently in good standing with the City, and has no pending municipal code violations.
5. The business is not currently occupying the space with or without a lease in place.

_____ _____

Printed Name of Property Owner/Landlord Signature

_____

Date

TEXAS REALTORS

COMMERCIAL LEASE

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS®, INC. IS NOT AUTHORIZED.
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CONCERNING THE LEASED PREMISES AT _____
between JOHNNY C. FOSTER (Landlord)
and LUNSFORD ENTERPRISES, LLC, , a TX Limited Liability Company (Tenant).

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ADDENDA & EXHIBITS *(check all that apply)*

- [X] Exhibit "A", (the "Property")
- [X] Exhibit "B" (the "Leased Premises")
- [ ] Exhibit _____
- [ ] Commercial Property Condition Statement (TXR-1408)
- [ ] Commercial Lease Addendum for Broker's Fee (TXR-2102)
- [ ] Commercial Lease Addendum for Option to Extend Term (TXR-2104)
- [ ] Commercial Lease Addendum for Tenant's Right of First Refusal (TXR-2105)
- [ ] Commercial Lease Addendum for Percentage Rent (TXR-2106)
- [ ] Commercial Lease Addendum for Parking (TXR-2107)
- [ ] Commercial Landlord's Rules and Regulations (TXR-2108)
- [ ] Commercial Lease Guaranty (TXR-2109)
- [ ] Commercial Lease Addendum for Tenant's Option for Additional Space (TXR-2110)
- [ ] Commercial Lease Construction Addendum (TXR-2111) or (TXR-2112)
- [ ] Commercial Lease Addendum for Contingencies (TXR-2119)
- [ ] Information About Brokerage Services (TXR-2501)
- [X] Addendum to Commercial Lease
- [ ] _____
- [ ] _____
- [ ] _____

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1. PARTIES: The parties to this lease are:

Landlord: JOHNNY C. FOSTER ; and

Tenant: LUNSFORD ENTERPRISES, LLC, a Texas Limited Liability Company .

2. LEASED PREMISES:

A. Landlord leases to Tenant the following described real property, known as the "leased premises," along with all its improvements ~~*(Check only one box):*~~

☐ ~~(1) Multiple-Tenant Property: Suite or Unit Number _____ containing approximately _____ square feet of rentable area ("rsf") in _____ *(project name)* at _____ *(address)* in _____ *(city)*, _____ *(county)*, Texas, which is legally described on attached Exhibit _____ or as follows:~~

_____

_____

_____.

☒ ~~(2) Single-Tenant Property: The real property containing approximately _____ square feet of rentable area ("rsf") at: _____ *(address)* in _____ *(city)*, _____ *(county)*, Texas, which is legally described on attached Exhibit _____ or as follows:~~

SEE PARAGRAPH A OF THE ADDENDUM TO COMMERCIAL LEASE ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES.

_____.

~~B. If Paragraph 2A(1) applies:~~

~~(1) "Property" means the building or complex in which the leased premises are located, inclusive of any common areas, drives, parking areas, and walks; and~~

~~(2) the parties agree that the rentable area of the leased premises may not equal the actual or useable area within the leased premises and may include an allocation of common areas in the Property. The rentable area ☐ will ☐ will not be adjusted if re-measured.~~

3. TERM:

A. Term: The term of this lease is 60 months and _____ days, commencing on: August 1, 2025 (Commencement Date) and ending on July 31, 2030 (Expiration Date).

B. ~~Delay of Occupancy: If Tenant is unable to occupy the leased premises on the Commencement Date because of construction on the leased premises to be completed by Landlord that is not substantially complete or a prior tenant's holding over of the leased premises, Landlord will not be liable to Tenant~~

~~for such delay and this lease will remain enforceable. In the event of such a delay, the Commencement Date will automatically be extended to the date Tenant is able to occupy the Property~~ and the ~~Expiration Date will also be extended by a like number of days, so that the length of this lease remains unchanged. If Tenant is unable to occupy the leased premises after~~ the _____ ~~day after the Commencement Date because of construction on the leased premises to be completed by Landlord that is not substantially complete or a prior tenant's holding over of the leased premises, Tenant may terminate this lease by giving written notice to Landlord before the leased premises become available to be occupied by Tenant and Landlord will refund to Tenant any amounts paid to Landlord by Tenant. This Paragraph 3B does not apply to any delay in occupancy caused by cleaning or repairs.~~

C. Certificate of Occupancy: Unless the parties agree otherwise, Tenant is responsible for obtaining a certificate of occupancy for the leased premises if required by a governmental body.

4. RENT AND EXPENSES:

A. Base Monthly Rent: On or before the first day of each month during this lease, Tenant will pay Landlord base monthly rent as described on attached Exhibit _____ or as follows:

Dates		Rate per rentable square foot *(optional)*		Base Monthly Rent $
From	To	$ Monthly Rate	$ Annual Rate	
08/01/2025	07/31/2030	/ rsf / month	/ rsf / year	7,200.00
		/ rsf / month	/ rsf / year	
		/ rsf / month	/ rsf / year	
		/ rsf / month	/ rsf / year	
		/ rsf / month	/ rsf / year	
		/ rsf / month	/ rsf / year	

B. Additional Rent: In addition to the base monthly rent, Tenant will pay Landlord the expense reimbursement ~~detailed in Paragraph 4J (if applicable)~~ and all other amounts, as provided by the attached *(Check all that apply.)*:

☐ (1) Commercial Lease Addendum for Percentage Rent (TXR-2106)
☐ (2) Commercial Lease Addendum for Parking (TXR-2107)
☒ (3) **SEE PARAGRAPH B OF THE ADDENDUM TO LEASE ATTACHED FOR ALL PURPOSES**
All amounts payable under the applicable addenda are deemed to be "rent" for the purposes of this lease.

C. First Full Month's Rent: The first full monthly rent is due on or before **August 1, 2025** .

D. Prorated Rent: If the Commencement Date is on a day other than the first day of a month, Tenant will pay Landlord as prorated rent, an amount equal to the base monthly rent multiplied by the following fraction: the number of days from the Commencement Date to the first day of the following month divided by the number of days in the month in which this lease commences. The prorated rent is due on or before the Commencement Date.

E. Place of Payment: Tenant will remit all amounts due to Landlord under this lease to the following person at the place stated or to such other person or place as Landlord may later designate in writing:

Name: **JOHNNY C. FOSTER**
Address: **22102 E. ROSELAKE**
TOMBALL, TEXAS 77377

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F. Method of Payment: Tenant must pay all rent timely without demand, deduction, or offset, except as permitted by law or this lease. If Tenant fails to timely pay any amounts due under this lease or if any check of Tenant is returned to Landlord by the institution on which it was drawn, Landlord after providing written notice to Tenant may require Tenant to pay subsequent amounts that become due under this lease in certified funds. This paragraph does not limit Landlord from seeking other remedies under this lease for Tenant's failure to make timely payments with good funds.

G. Late Charges: If Landlord does not actually receive a rent payment at the designated place of payment within 5 days after the date it is due, Tenant will pay Landlord a late charge equal to 10% of the amount due. In this paragraph, the mailbox is not the agent for receipt for Landlord. The late charge is a cost associated with the collection of rent and Landlord's acceptance of a late charge does not waive Landlord's right to exercise remedies under Paragraph 20.

H. Returned Checks: Tenant will pay $ **50.00** for each check Tenant tenders to Landlord which is returned by the institution on which it is drawn for any reason, plus any late charges until Landlord receives payment.

I. Application of Funds: Regardless of any notation on a payment, Landlord may apply funds received from Tenant first to any non-rent obligations of Tenant, including but not limited to: late charges and returned check charges, repairs, brokerage fees, periodic utilities and thereafter to rent.

(Check box only if Tenant reimburses Landlord for some or all expenses. Do not check for "gross" leases.)

☒ J. Expense Reimbursement. In addition to base monthly rent stated in Paragraph 4A, Tenant will pay Landlord the expense reimbursement described in this Paragraph 4J. Tenant will pay the expense reimbursement as additional rent each month at the time the base-monthly rent is due. All amounts payable under this Paragraph 4J are deemed to be "rent" for the purposes of this lease.

☐ (1) Reimbursable Periods. Additional rent under this Paragraph 4J is due for all months listed in the chart in Paragraph 4A, even if the base monthly rent is zero.

(2) Definitions:

(a) *"Tenant's pro rata share"* is **100.000** %.

(b) ~~*"CAM"* means all of Landlord's expenses reasonably incurred to maintain, repair, operate, manage, and secure the Property (for example, security, lighting, painting, cleaning, decorations, utilities, trash removal, pest control, promotional expenses, and other expenses reasonably related the Property's operations), including all expenses incurred by Landlord under Paragraph 15, but not including expenses for structural components and roof replacement; CAM does not include capital expenditures, interest, depreciation, tenant improvements, insurance, taxes, or brokers' leasing fees. Notwithstanding the foregoing, CAM does include the amortized costs incurred by Landlord in making capital improvements or other modifications to the Property to the extent such improvements or modifications reduce CAM overall. These costs will be amortized over the useful life of the improvement or modification on a straight-line basis; however, in no event will the charge for such amortization included in CAM exceed the actual reduction in CAM achieved by the improvements and modifications.~~

(c) *"Insurance"* means Landlord's costs to insure the leased premises and the Property including but not limited to insurance for casualty loss, general liability, and reasonable rent loss.

(d) *"Taxes"* means the real property ad valorem taxes assessed against the leased premises and Property inclusive of all general and special assessments and surcharges.

(e) *"Structural"* means all of Landlord's expenses reasonably incurred to maintain, repair, and replace the roof, foundation, exterior walls, load bearing walls and other structural components of the Property.

(f) *"Roof"* means all roofing components including, but not limited to decking, flashing, membrane, and skylights.

(3) Method: The additional rent under this Paragraph 4J will be computed under the following method *(Check only one box): Note: "CAM" does not include taxes and insurance costs.*

[X] (a) Base-year expenses: ~~Each month~~ Tenant will pay Tenant's pro rata share of the projected monthly expenses for the Property that exceed the amount of the monthly base-year expenses for the calendar year **2025** for: [X] taxes; [X] insurance; [ ] CAM; [ ] structural; and [X] **SEE PARAGRAPH B OF THE ADDENDUM TO LEASE ATTACHED HERETO.**.

[ ] (b) ~~Expense-stop: Each month Tenant will pay Tenant's pro rata share of the projected monthly expenses for the Property that exceed $_____ per square foot per year for: [ ] taxes; [ ] insurance; [ ] CAM; [ ] structural; [ ] roof replacement; and [ ] _____~~ _____.

[ ] (c) ~~Net: Each month Tenant will pay Tenant's pro rata share of the projected monthly expenses for the Property for: [ ] taxes; [ ] insurance; [ ] CAM; [ ] structural; [ ] roof replacement; and [ ] _____~~ .

(4) Projected Monthly Expenses: On or about December 31 of each calendar year, Landlord will project the applicable monthly expenses (those that Tenant is to pay under this lease) for the following calendar year and will notify Tenant of the projected expenses. The projected expenses are based on Landlord's estimates of such expenses. The actual expenses may vary.

~~Notice: The applicable projected expenses at the time the lease commences are shown in the table below. The total area of the Property presently used by Landlord for calculating~~ expense ~~reimbursements is _____ rentable square feet (including any add on factor for common areas)~~.

Projected Expenses	
$ Monthly Rate	$ Annual Rate
/ rsf / month	/ rsf / year

(5) ~~Reconciliation: Within 120 days after the end of each calendar year, Landlord will notify Tenant of the actual costs of the applicable expenses (those that Tenant is to pay under this lease) for the previous year. If the actual costs of the applicable expenses exceed the amounts paid or owed by Tenant for the previous year, Tenant must pay the deficient amount to Landlord within 30 days after Landlord notifies Tenant of the deficient amount. If the actual costs of the applicable expenses are less than the amounts paid by Tenant for the previous year, Landlord will refund the excess to Tenant or will credit the excess to Tenant's next rent payment(s). Tenant may audit or examine those items in Landlord's records that relate to Tenant's obligations under this Paragraph 4J. Landlord will promptly refund to Tenant any overpayment revealed by an audit or examination. If the audit or examination reveals an error of more than 5% over the amounts Landlord collected in a calendar year from Tenant under this lease, Landlord will pay the reasonable cost of the audit or examination. Landlord may not seek a deficiency from Tenant under this paragraph if Landlord fails to timely provide the required notice.~~

5. SECURITY DEPOSIT:

A. Upon execution of this lease, Tenant will pay $ 10,000.00 to Landlord as a security deposit.

B. Landlord may apply the security deposit to any amounts owed by Tenant under this lease. If Landlord applies any part of the security deposit during any time this lease is in effect to amounts owed by Tenant, Tenant must, within 10 days after receipt of notice from Landlord, restore the security deposit to the amount stated.

C. Within 60 days after Tenant surrenders the leased premises and provides Landlord written notice of Tenant's forwarding address, Landlord will refund the security deposit less any amounts applied toward amounts owed by Tenant or other charges authorized by this lease.

6. TAXES: Unless otherwise agreed by the parties, Landlord will pay all real property ad valorem taxes assessed against the leased premises. Tenant waives all rights to protest the appraised value of the leased premises and the Property, or appeal the same and all rights to receive notices of reappraisal set forth in sections 41.413 and 42.015 of the Texas Tax Code.

7. UTILITIES:

A. The party designated below will pay for the following utility charges to the leased premises and any connection charges for the utilities. *(Check all that apply.)*

	N/A	Landlord	Tenant
(1) Water	☐	☐	X
(2) Sewer	☐	☐	X
(3) Electric	☐	☐	X
(4) Gas	☐	☐	X
(5) Telephone	☐	☐	X
(6) Internet	☐	☐	X
(7) Cable	☐	☐	X
(8) Trash	☐	☐	X
(9) _____	☐	☐	☐
(10)All other utilities	☐	☐	X

B. The party responsible for the charges under Paragraph 7A will pay the charges directly to the utility service provider. The responsible party may select the utility service provider, except that if Tenant selects the provider, any access or alterations to the Property or leased premises necessary for the utilities may be made only with Landlord's prior consent, which Landlord will not unreasonably withhold. If Landlord incurs any liability for utility or connection charges for which Tenant is responsible to pay and Landlord pays such amount, Tenant will immediately upon written notice from Landlord reimburse Landlord such amount.

C. **Notice: Tenant should determine if all necessary utilities are available to the leased premises and are adequate for Tenant's intended use.**

D. After-Hours HVAC Charges: "HVAC services" means heating, ventilating, and air conditioning of the leased premises. *(Check one box only.)*

☐ (1) ~~Landlord is obligated to provide the HVAC services to the leased premises only~~ during the ~~Property's operating hours specified under Paragraph 9C~~.

☐ (2) ~~Landlord will provide the HVAC services to the leased premises during the operating~~ hours ~~specified under Paragraph 9C for no additional charge and will, at Tenant's request, provide HVAC services to the leased premises during other hours for an additional charge of $~~ _____ ~~per hour. Tenant will pay Landlord the charges under this paragraph immediately upon receipt~~ of ~~Landlord's invoice. Hourly charges are charged on a half-hour basis. Any partial hour~~ will be ~~rounded up to the next half hour. Tenant will comply with Landlord's procedures to make a request to provide the additional HVAC services under this paragraph.~~

☒ (3) Tenant will pay for the HVAC services under this lease.

8. INSURANCE:

A. During all times this lease is in effect, Tenant must, at Tenant's expense, maintain in full force and effect from an insurer authorized to operate in Texas:
(1) commercial general liability insurance naming Landlord as an additional insured with policy limits on an occurrence basis in a minimum amount of: *(check only (a) or (b) below)*
☐ (a) $1,000,000; or
☒ (b) $2,000,000.
If neither box is checked the minimum amount will be $1,000,000.
(2) personal property damage insurance for the business operations being conducted in the leased premises and contents in the leased premises in an amount sufficient to replace such contents after a casualty loss; and
☒ (3) business interruption insurance sufficient to pay 12 months of rent payments.

B. Before the Commencement Date, Tenant must provide Landlord with a copy of insurance certificates evidencing the required coverage. If the insurance coverage is renewed or changes in any manner or degree at any time this lease is in effect, Tenant must, not later than 10 days after the renewal or change, provide Landlord a copy of an insurance certificate evidencing the renewal or change.

C. If Tenant fails to maintain the required insurance in full force and effect at all times this lease is in effect, Landlord may:
(1) purchase insurance that will provide Landlord the same coverage as the required insurance and Tenant must immediately reimburse Landlord for such expense; or
(2) exercise Landlord's remedies under Paragraph 20.

D. Unless the parties agree otherwise, Landlord will maintain in full force and effect insurance for: (1) fire and extended coverage in an amount to cover the reasonable replacement cost of the improvements of the Property; and (2) any commercial general liability insurance in an amount that Landlord determines reasonable and appropriate.

E. If there is an increase in Landlord's insurance premiums for the leased premises or Property or its contents that is caused by Tenant, Tenant's use of the leased premises, or any improvements made by or for Tenant, Tenant will, for each year this lease is in effect, pay Landlord the increase immediately after Landlord notifies Tenant of the increase. Any charge to Tenant under this Paragraph 8E will be equal to the actual amount of the increase in Landlord's insurance premium.

9. USE AND HOURS:

A. Tenant may use the leased premises for the following purpose and no other: _____
OFFICE AND WAREHOUSE
_____
_____.

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B. Unless otherwise specified in this lease, Tenant will operate and conduct its business in the leased premises during business hours that are typical of the industry in which Tenant represents it operates.

C. ~~The Property maintains operating hours of *(specify hours, days of week, and if inclusive or exclusive of weekends and holidays):*~~ _____
_____
_____.

10. LEGAL COMPLIANCE:

A. Tenant may not use or permit any part of the leased premises or the Property to be used for:
(1) any activity which is a nuisance or is offensive, noisy, or dangerous;
(2) any activity that interferes with any other tenant's normal business operations or Landlord's management of the Property;
(3) any activity that violates any applicable law, regulation, zoning ordinance, restrictive covenant, governmental order, owners' association rules, tenants' association rules, Landlord's rules or regulations, or this lease;
(4) any hazardous activity that would require any insurance premium on the Property or leased premises to increase or that would void any such insurance;
(5) any activity that violates any applicable federal, state, or local law, including but not limited to those laws related to air quality, water quality, hazardous materials, wastewater, waste disposal, air emissions, or other environmental matters;
(6) the permanent or temporary storage of any hazardous material; or
(7) _____
_____.

B. "Hazardous material" means any pollutant, toxic substance, hazardous waste, hazardous material, hazardous substance, solvent, or oil as defined by any federal, state, or local environmental law, regulation, ordinance, or rule existing as of the date of this lease or later enacted.

C. Landlord does not represent or warrant that the leased premises or Property conform to applicable restrictions, zoning ordinances, setback lines, parking requirements, impervious ground cover ratio requirements, and other matters that may relate to Tenant's intended use. Tenant must satisfy itself that the leased premises may be used as Tenant intends by independently investigating all matters related to the use of the leased premises or Property. Tenant agrees that it is not relying on any warranty or representation made by Landlord, Landlord's agent, or any broker concerning the use of the leased premises or Property.

11. SIGNS:

A. Tenant may not post or paint any signs or place any decoration outside the leased premises or on the Property without Landlord's written consent. Landlord may remove any unauthorized sign or decorations, and Tenant will promptly reimburse Landlord for its cost to remove any unauthorized sign or decorations.

B. Any authorized sign must comply with all laws, restrictions, zoning ordinances, and any governmental order relating to signs on the leased premises or Property. Landlord may temporarily remove any authorized sign to complete repairs or alterations to the leased premises or the Property.

C. By providing written notice to Tenant before this lease ends, Landlord may require Tenant, upon move-out and at Tenant's expense, to remove, without damage to the Property or leased premises, any or all signs or decorations that were placed on the Property or leased premises by or at the request of Tenant. Any signs or decorations that Landlord does not require Tenant to remove and that are fixtures, become the property of the Landlord and must be surrendered to Landlord at the time this lease ends.

12. ACCESS BY LANDLORD:

A. During Tenant's normal business hours Landlord may enter the leased premises for any reasonable purpose, including but not limited to purposes for repairs, maintenance, alterations, and showing the leased premises to prospective tenants or purchasers. Landlord may access the leased premises after Tenant's normal business hours if: (1) entry is made with Tenant's permission; or (2) entry is necessary to complete emergency repairs. Landlord will not unreasonably interfere with Tenant's business operations when accessing the leased premises.

B. During the last **60** days of this lease, Landlord may place a "For Lease" or similarly worded sign on the leased premises.

13. MOVE-IN CONDITION: Tenant has inspected the leased premises and accepts it in its present (as-is) condition unless expressly noted otherwise in this lease or in an addendum. Landlord and any agent have made no express or implied warranties as to the condition or permitted use of the leased premises or Property.

14. MOVE-OUT CONDITION AND FORFEITURE OF TENANT'S PERSONAL PROPERTY:

A. At the time this lease ends, Tenant will surrender the leased premises in the same condition as when received, except for normal wear and tear. Tenant will leave the leased premises in a clean condition free of all trash, debris, personal property, hazardous materials, and environmental contaminants.

B. If Tenant leaves any personal property in the leased premises after Tenant surrenders possession of the leased premises, Landlord may: (1) require Tenant, at Tenant's expense, to remove the personal property by providing written notice to Tenant; or (2) retain such personal property as forfeited property to Landlord.

C. "Surrender" means vacating the leased premises and returning all keys and access devices to Landlord. "Normal wear and tear" means deterioration that occurs without negligence, carelessness, accident, or abuse.

D. By providing written notice to Tenant before this lease ends, Landlord may require Tenant, upon move-out and at Tenant's expense, to remove, without damage to the Property or leased premises, any or all fixtures that were placed on the Property or leased premises by or at the request of Tenant. Any fixtures that Landlord does not require Tenant to remove become the property of the Landlord and must be surrendered to Landlord at the time this lease ends.

15. MAINTENANCE AND REPAIRS:

A. Cleaning: Tenant must keep the leased premises clean and sanitary and promptly dispose of all garbage in appropriate receptacles. ☐ Landlord ☐ Tenant will provide, at its expense, janitorial services to the leased premises that are customary and ordinary for the property type. Tenant will maintain any grease trap on the Property which Tenant uses, including but not limited to periodic emptying and cleaning, as well as making any modification to the grease trap that may be necessary to comply with any applicable law.

B. Repairs of Conditions Caused by a Party: Each party must promptly repair a condition in need of repair that is caused, either intentionally or negligently, by that party or that party's guests, patrons, invitees, contractors or permitted subtenants.

C. Repair and Maintenance Responsibility: Except as otherwise provided by this Paragraph 15, the party designated below, at its expense, is responsible to maintain and repair the following specified items in the leased premises (if any). The specified items must be maintained in clean and good operable

condition. If a governmental regulation or order requires a modification to any of the specified items, the party designated to maintain the item must complete and pay the expense of the modification. The specified items include and relate only to real property in the leased premises. Tenant is responsible for the repair and maintenance of its personal property. *(Check all that apply.)*

	N/A	Landlord	Tenant
(1) Foundation, exterior walls and other structural components	☐	☒	☐
(2) Roof replacement	☐	☒	☐
(3) Roof repair	☐	☐	☒
(4) Glass and windows	☐	☐	☒
(5) Fire protection equipment	☐	☐	☒
(6) Fire sprinkler systems	☐	☐	☒
(7) Exterior and overhead doors, including closure devices, molding, locks, and hardware	☐	☐	☒
(8) Grounds maintenance, including landscaping and irrigation systems	☐	☐	☒
(9) Interior doors, including closure devices, frames, molding, locks, and hardware	☐	☐	☒
(10) Parking areas and walks	☐	☐	☒
(11) Plumbing systems, drainage systems and sump pumps	☐	☐	☒
(12) Electrical systems, mechanical systems	☐	☐	☒
(13) Ballast and lamp replacement	☐	☐	☒
(14) Heating, Ventilation and Air Conditioning (HVAC) systems	☐	☐	☒
(15) HVAC system replacement	☐	☐	☒
(16) Signs and lighting:			
(a) Pylon	☐	☐	☐
(b) Fascia	☐	☐	☐
(c) Monument	☐	☐	☐
(d) Door/Suite	☐	☐	☐
(e) Directional	☐	☐	☐
(f) Other: _____	☐	☐	☐
(17) Extermination and pest control, excluding wood-destroying insects.	☐	☐	☒
(18) Fences and Gates	☐	☐	☒
(19) Storage yards and storage buildings	☐	☐	☒
(20) Wood-destroying insect treatment and repairs	☐	☐	☒
(21) Cranes and related systems	☐	☐	☐
(22) _____		☐	☐
(23) _____		☐	☐
(24) All other items and systems.		☐	☒

D. Repair Persons: Repairs must be completed by trained, qualified, and insured repair persons.

E. HVAC Service Contract: If Tenant maintains the HVAC system under Paragraph 15C(14), Tenant ☒ is ☐ is not required to maintain, at its expense, a regularly scheduled maintenance and service contract for the HVAC system. The maintenance and service contract must be purchased from a HVAC maintenance company that regularly provides such contracts to similar properties. If Tenant fails to maintain a required HVAC maintenance and service contract in effect at all times during this lease, Landlord may do so and Tenant will reimburse Landlord for the expense of such maintenance and service contract or Landlord may exercise Landlord's remedies under Paragraph 20.

F. ~~Common Areas: Landlord will maintain any common areas in the Property in a manner as Landlord determines to be in the best interest of the Property. Landlord will maintain any elevator and signs~~ in ~~the common area. Landlord may change the size, dimension, and location of any common~~ areas, ~~or allocate areas for short term or reserved parking for specific tenants, provided that such change does not materially impair Tenant's use and access to the leased premises.~~ Tenant has the ~~non-exclusive license to use the common areas in compliance with Landlord's rules and regulations. Tenant may not solicit any business in the common areas or interfere with any other person's right~~ to ~~use the common areas. This paragraph does not apply if Paragraph 2A(2) applies~~.

G. Notice of Repairs: Tenant must promptly notify Landlord of any item that is in need of repair and that is Landlord's responsibility to repair. All requests for repairs to Landlord must be in writing.

H. Failure to Repair: Landlord must make a repair for which Landlord is responsible within a reasonable period of time after Tenant provides Landlord written notice of the needed repair. If Tenant fails to repair or maintain an item for which Tenant is responsible within 10 days after Landlord provides Tenant written notice of the needed repair or maintenance, Landlord may: (1) repair or maintain the item, without liability for any damage or loss to Tenant, and Tenant must immediately reimburse Landlord for the cost to repair or maintain; or (2) exercise Landlord's remedies under Paragraph 20.

16. ALTERATIONS:

A. Tenant may not alter (including making any penetrations to the roof, exterior walls or foundation), improve, or add to the Property or the leased premises without Landlord's written consent. Landlord will not unreasonably withhold consent for the Tenant to make reasonable non-structural alterations, modifications, or improvements to the leased premises.

B. Tenant may not alter any locks or any security devices on the Property or the leased premises without Landlord's consent. If Landlord authorizes the changing, addition, or rekeying of any locks or other security devices, Tenant must immediately deliver the new keys and access devices to Landlord.

C. If a governmental order requires alteration or modification to the leased premises, the party obligated to maintain and repair the item to be modified or altered as designated in Paragraph 15 will, at its expense, modify or alter the item in compliance with the order and in compliance with Paragraphs 16A and 17.

D. Any alterations, improvements, fixtures or additions to the Property or leased premises installed by either party during the term of this lease will become Landlord's property and must be surrendered to Landlord at the time this lease ends, except for those fixtures Landlord requires Tenant to remove under Paragraph 11 or 14 or if the parties agree otherwise in writing.

17. LIENS: Tenant may not do anything that will cause the title of the Property or leased premises to be encumbered in any way. If Tenant causes a lien to be filed against the Property or leased premises, Tenant will within 20 days after receipt of Landlord's demand: (1) pay the lien and have the lien released of record; or (2) take action to discharge the lien. Tenant will provide Landlord a copy of any release Tenant obtains pursuant to this paragraph.

18. LIABILITY: To the extent permitted by law, Landlord is NOT responsible to Tenant or Tenant's employees, patrons, guests, or invitees for any damages, injuries, or losses to person or property caused by:

A. an act, omission, or neglect of: Tenant; Tenant's agent; Tenant's guest; Tenant's employees; Tenant's patrons; Tenant's invitees; or any other tenant on the Property;

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B. fire, flood, water leaks, ice, snow, hail, winds, explosion, smoke, riot, strike, interruption of utilities, theft, burglary, robbery, assault, terrorism, vandalism, other persons, environmental contaminants, or other occurrences or casualty losses.

19. INDEMNITY: Each party will indemnify, defend, and hold the other party harmless from any property damage, personal injury, suits, actions, liabilities, damages, cost of repairs or service to the leased premises or Property, or any other loss caused, negligently or otherwise, by that party or that party's employees, patrons, guests, or invitees.

20. DEFAULT:

A. If Landlord fails to comply with this lease within 30 days after Tenant notifies Landlord of Landlord's failure to comply, Landlord will be in default and Tenant may seek any remedy provided by law. If, however, Landlord's non-compliance reasonably requires more than 30 days to cure, Landlord will not be in default if the cure is commenced within the 30-day period and is diligently pursued.

B. If Landlord does not actually receive at the place designated for payment any rent due under this lease within 5 days after it is due, Tenant will be in default. If Tenant fails to comply with this lease for any other reason within 20 days after Landlord notifies Tenant of its failure to comply, Tenant will be in default.

C. If Tenant is in default, Landlord may, with at least 3 days written notice to Tenant: (i) terminate this lease, or (ii) terminate Tenant's right to occupy the leased premises without terminating this lease and may accelerate all rents which are payable during the remainder of this lease or any renewal period. Landlord will attempt to mitigate any damage or loss caused by Tenant's breach by using commercially reasonable means. If Tenant is in default, Tenant will be liable for:
(1) any lost rent;
(2) Landlord's cost of reletting the leased premises, including brokerage fees, advertising fees, and other fees necessary to relet the leased premises;
(3) repairs to the leased premises for use beyond normal wear and tear;
(4) all Landlord's costs associated with eviction of Tenant, such as attorney's fees, court costs, and prejudgment interest;
(5) all Landlord's costs associated with collection of rent such as collection fees, late charges, and returned check charges;
(6) cost of removing any of Tenant's equipment or fixtures left on the leased premises or Property;
(7) cost to remove any trash, debris, personal property, hazardous materials, or environmental contaminants left by Tenant or Tenant's employees, patrons, guests, or invitees in the leased premises or Property;
(8) cost to replace any unreturned keys or access devices to the leased premises, parking areas, or Property; and
(9) any other recovery to which Landlord may be entitled under this lease or under law.

21. ABANDONMENT, INTERRUPTION OF UTILITIES, REMOVAL OF PROPERTY, AND LOCKOUT: Chapter 93 of the Texas Property Code governs the rights and obligations of the parties with regard to: (a) abandonment of the leased premises; (b) interruption of utilities; (c) removal of Tenant's property; and (d) "lock-out" of Tenant.

22. HOLDOVER: If Tenant fails to vacate the leased premises at the time this lease ends, Tenant will become a tenant-at-will and must vacate the leased premises immediately upon receipt of demand from Landlord. No holding over by Tenant, with or without the consent of Landlord, will extend this lease. Tenant will indemnify Landlord and any prospective tenants for any and all damages caused by the holdover. Rent for

any holdover period will be 150% of the base monthly rent plus any additional rent calculated on a daily basis and will be immediately due and payable daily without notice or demand.

23. LANDLORD'S LIEN AND SECURITY INTEREST: To secure Tenant's performance under this lease, Tenant grants to Landlord a lien and security interest against all of Tenant's nonexempt personal property that is in the leased premises or on the Property. This lease is a security agreement for the purposes of the Uniform Commercial Code. Landlord may file a financing statement to perfect Landlord's security interest under the Uniform Commercial Code.

24. ASSIGNMENT AND SUBLETTING: Landlord may assign this lease to any subsequent owner of the Property. Tenant may not assign this lease or sublet any part of the leased premises without Landlord's written consent. An assignment of this lease or subletting of the leased premises without Landlord's written consent is voidable by Landlord. If Tenant assigns this lease or sublets any part of the leased premises, Tenant will remain liable for all of Tenant's obligations under this lease regardless if the assignment or sublease is made with or without the consent of Landlord.

25. RELOCATION:

☐ A. By providing Tenant with not less than 90 days advanced written notice, Landlord may require Tenant to relocate to another location in the Property, provided that the other location is equal in size or larger than the leased premises then occupied by Tenant and contains similar leasehold improvements. Landlord will pay Tenant's reasonable out-of-pocket moving expenses for moving to the other location. "Moving expenses" means reasonable expenses incurred by Tenant payable to professional movers, utility companies for connection and disconnection fees, wiring companies for connecting and disconnecting Tenant's office equipment required by the relocation, and printing companies for reprinting Tenant's stationary, business cards, and marketing materials containing Tenant's address. A relocation of Tenant will not change or affect any other provision of this lease that is then in effect, including rent and reimbursement amounts, except that the description of the suite or unit number will automatically be amended.

☒ B. Landlord may not require Tenant to relocate to another location in the Property without Tenant's prior consent.

26. SUBORDINATION:

A. This lease and Tenant's leasehold interest are and will be subject, subordinate, and inferior to:
(1) any lien, encumbrance, or ground lease now or hereafter placed on the leased premises or the Property that Landlord authorizes;
(2) all advances made under any such lien, encumbrance, or ground lease;
(3) the interest payable on any such lien or encumbrance;
(4) any and all renewals and extensions of any such lien, encumbrance, or ground lease;
(5) any restrictive covenant affecting the leased premises or the Property; and
(6) the rights of any owners' association affecting the leased premises or Property.

B. Tenant must, on demand, execute a subordination, attornment, and non-disturbance agreement that Landlord may request that Tenant execute, provided that such agreement is made on the condition that this lease and Tenant's rights under this lease are recognized by the lien-holder.

27. ESTOPPEL CERTIFICATES AND FINANCIAL INFORMATION:

A. Within 10 days after receipt of a written request from Landlord, Tenant will execute and deliver to Landlord an estoppel certificate that identifies the terms and conditions of this lease.

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B. Within 30 days after receipt of a written request from Landlord, Tenant will provide to Landlord Tenant's current financial information (balance sheet and income statement). Landlord may request the financial information no more frequently than once every 12 months.

28. CASUALTY LOSS:

A. Tenant must immediately notify Landlord of any casualty loss in the leased premises. Within 20 days after receipt of Tenant's notice of a casualty loss, Landlord will notify Tenant if the leased premises are less than or more than 50% unusable, on a per square foot basis, and if Landlord can substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty loss.

B. If the leased premises are less than 50% unusable and Landlord can substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty, Landlord will restore the leased premises to substantially the same condition as before the casualty. If Landlord fails to substantially restore within the time required, Tenant may terminate this lease.

C. If the leased premises are more than 50% unusable and Landlord can substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty, Landlord may: (1) terminate this lease; or (2) restore the leased premises to substantially the same condition as before the casualty. If Landlord chooses to restore and does not substantially restore the leased premises within the time required, Tenant may terminate this lease.

D. If Landlord notifies Tenant that Landlord cannot substantially restore the leased premises within 120 days after Tenant notifies Landlord of the casualty loss, Landlord may: (1) choose not to restore and terminate this lease; or (2) choose to restore, notify Tenant of the estimated time to restore, and give Tenant the option to terminate this lease by notifying Landlord within 10 days.

E. If this lease does not terminate because of a casualty loss, rent will be reduced from the date Tenant notifies Landlord of the casualty loss to the date the leased premises are substantially restored by an amount proportionate to the extent the leased premises are unusable.

29. CONDEMNATION: If after a condemnation or purchase in lieu of condemnation the leased premises are totally unusable for the purposes stated in this lease, this lease will terminate. If after a condemnation or purchase in lieu of condemnation the leased premises or Property are partially unusable for the purposes of this lease, this lease will continue and rent will be reduced in an amount proportionate to the extent the leased premises are unusable. Any condemnation award or proceeds in lieu of condemnation are the property of Landlord and Tenant has no claim to such proceeds or award. Tenant may seek compensation from the condemning authority for its moving expenses and damages to Tenant's personal property.

30. ATTORNEY'S FEES: Any person who is a prevailing party in any legal proceeding brought under or related to the transaction described in this lease is entitled to recover prejudgment interest, reasonable attorney's fees, and all other costs of litigation from the nonprevailing party.

31. REPRESENTATIONS:

A. Tenant's statements in this lease and any application for rental are material representations relied upon by Landlord. Each party signing this lease represents that he or she is of legal age to enter into a binding contract and is authorized to sign this lease. If Tenant makes any misrepresentation in this lease or in any application for rental, Tenant is in default.

B. Landlord is not aware of any material defect on the Property that would affect the health and safety of an ordinary person or any environmental hazard on or affecting the Property that would affect the health or safety of an ordinary person, except: _____
_____.

C. Each party and each signatory to this lease represents that: (1) it is not a person named as a Specially Designated National and Blocked Person as defined in Presidential Executive Order 13224; (2) it is not acting, directly or indirectly, for or on behalf of a Specially Designated and Blocked Person; and (3) is not arranging or facilitating this lease or any transaction related to this lease for a Specially Designated and Blocked Person. Any party or any signatory to this lease who is a Specially Designated and Blocked person will indemnify and hold harmless any other person who relies on this representation and who suffers any claim, damage, loss, liability or expense as a result of this representation.

32. ~~BROKERS:~~

~~A. The brokers to this lease are:~~

~~Principal Broker:~~ NA	~~Cooperating Broker:~~ NA
~~Agent:~~	~~Agent:~~
~~Address:~~	~~Address:~~
~~Phone & Fax:~~	~~Phone & Fax:~~
~~E-mail:~~	~~E-mail:~~
~~License No.:~~	~~License No.:~~

~~Principal Broker: *(Check only one box)*~~
- ☐ ~~represents Landlord only.~~
- ☐ ~~represents Tenant only.~~
- ☐ ~~is an intermediary between Landlord and Tenant.~~

~~Cooperating Broker represents Tenant.~~

~~B. Fees:~~

☐ ~~(1) Principal Broker's fee will be paid according to: *(Check only one box).*~~
- ☐ ~~(a) a separate written commission agreement between Principal Broker and:~~ ☐ ~~Landlord~~ ☐ ~~Tenant.~~
- ☐ ~~(b) the attached Commercial Lease Addendum for Broker's Fee (TXR-2102).~~

☐ ~~(2) Cooperating Broker's fee will be paid according to: *(Check only one box).*~~
- ☐ ~~(a) a separate written commission agreement between Cooperating Broker and:~~ ☐ ~~Principal Broker~~ ☐ ~~Landlord~~ ☐ ~~Tenant.~~
- ☐ ~~(b) the attached Commercial Lease Addendum for Broker's Fee (TXR-2102).~~

33. ADDENDA: Incorporated into this lease are the addenda, exhibits and other information marked in the Addenda and Exhibit section of the Table of Contents. If Landlord's Rules and Regulations are made part of this lease, Tenant agrees to comply with the Rules and Regulations as Landlord may, at its discretion, amend from time to time.

34. NOTICES: All notices under this lease must be in writing and are effective when hand-delivered, mailed by certified mail return receipt requested, sent by a national or regional overnight delivery service that provides a delivery receipt, or sent by confirmed facsimile transmission to:

Landlord at: JOHNNY C. FOSTER
Address: 22102 E. ROSELAKE, TOMBALL TEXAS 77377
Attention: _____
Fax: _____

and a copy to: H. WAYNE WHITE
Address: 206A SOUTH LOOP 336 WEST, NO. 165, CONROE, TEXAS 77304
Attention: _____
Fax: _____

[X] Landlord also consents to receive notices by e-mail at: LINDAFOSTER1@YAHOO.COM

Tenant at the leased premises,

and to: LUNSFORD ENTERPRISES, LLC
Address: 27649 FAIRHOPE MEADOW LANE, KINGWOD, TEXAS 77339
Attention: ERIC LUNSFORD, Manager
Fax: _____

and a copy to: _____
Address: _____
Attention: _____
Fax: _____

[X] Tenant also consents to receive notices by e-mail at: eric@worthleys.com

35. SPECIAL PROVISIONS: The following special provisions apply and will control in the event of a conflict with other provisions of this lease. (If special provisions are contained in an addendum, identify the applicable addendum on the cover page of this lease.)

SEE THE ADDENDUM TO LEASE ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES.

36. AGREEMENT OF PARTIES:

A. Entire Agreement: This lease contains the entire agreement between Landlord and Tenant and may not be changed except by written agreement.

B. Binding Effect: This lease is binding upon and inures to the benefit of the parties and their respective heirs, executors, administrators, successors, and permitted assigns.

C. Joint and Several: All Tenants are jointly and severally liable for all provisions of this lease. Any act or notice to, or refund to, or signature of, any one or more of the Tenants regarding any term of this lease, its renewal, or its termination is binding on all Tenants.

D. Controlling Law: The laws of the State of Texas govern the interpretation, performance, and enforcement of this lease.

E. Severable Clauses: If any clause in this lease is found invalid or unenforceable by a court of law, the remainder of this lease will not be affected and all other provisions of this lease will remain valid and enforceable.

F. Waiver: Landlord's delay, waiver, or non-enforcement of acceleration, contractual or statutory lien, rental due date, or any other right will not be deemed a waiver of any other or subsequent breach by Tenant or any other term in this lease.

G. Quiet Enjoyment: Provided that Tenant is not in default of this lease, Landlord covenants that Tenant will enjoy possession and use of the leased premises free from material interference.

H. Force Majeure: If the performance of any party to this lease is delayed by strike, lock-out, shortage of material, governmental restriction, riot, war, epidemic, pandemic, quarantine, or by other cause, without fault and beyond the control of the party obligated (financial inability excepted), performance of such act will be abated for the period of the delay; provided, however, nothing in this paragraph excuses Tenant from the prompt payment of rent or other charge, nor will Tenant's inability to obtain governmental approval for its intended use of the leased premises excuse any of Tenant's obligations hereunder.

I. Time: Time is of the essence. The parties require strict compliance with the times for performance.

J. Counterparts: If this lease is executed in a number of identical counterparts, each counterpart is an original and all counterparts, collectively, constitute one agreement.

37. EFFECTIVE DATE: The effective date of this lease is the date the last party executes this lease and initials any changes.

38. LICENSE HOLDER DISCLOSURE: Texas law requires a real estate license holder who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the license holder owns more than 10%, or a trust for which the license holder acts as a trustee or of which the license holder or the license holder's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale or rental agreement. Disclose if applicable: **NA**
_____.

Brokers are not qualified to render legal advice, property inspections, surveys, engineering studies, environmental assessments, tax advice, or compliance inspections. The parties should seek experts to render such services. READ THIS LEASE CAREFULLY. If you do not understand the effect of this Lease, consult your attorney BEFORE signing.

Landlord: JOHNNY C. FOSTER

By: _____

By (signature): _____
Printed Name: JOHNNY C. FOSTER
Title: _____ Date: _____

By: _____

By (signature): _____
Printed Name: _____
Title: _____ Date: _____

Tenant: LUNSFORD ENTERPRISES, LLC, a Texas Limited Liability Company

By: _____

By (signature): _____
Printed Name: ERIC B. LUNSFORD
Title: Manager Date: _____

By: _____

By (signature): _____
Printed Name: _____
Title: _____ Date: _____

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AGREEMENT

THE STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

This Agreement (the "Agreement") is made and entered into by and between the **Tomball Economic Development Corporation**, an industrial development corporation created pursuant to Tex. Rev. Civ. Stat. Ann. Art. 5190.6, Section 4B, located in Harris County, Texas (the "TEDC"), and **Lunsford Enterprises, LLC** (the "Company"), 1404 West Main Street, Tomball, TX 77375.

W I T N E S S E T H :

WHEREAS, it is the established policy of the TEDC to adopt such reasonable measures from time-to-time as are permitted by law to promote local economic development and stimulate business and commercial activity within the City of Tomball (the "City"); and

WHEREAS, the Company proposes to lease a 6,000 square foot existing commercial space located at 823 Main Street, Tomball, Texas 77375 (the "Property"), and more particularly described in Exhibit "A," attached hereto and made a part hereof; and

WHEREAS, the Company proposes to relocate their home appliance store at the Property; and

WHEREAS, the Company proposes to retain Seven (7) full-time employees and Two (2) part-time employees in Tomball in conjunction with the new location; and

WHEREAS, the TEDC agrees to provide to the Company an amount equal to twenty-five percent (25%) of the base monthly rent for the first 12 consecutive months of operation not to exceed Ten Thousand Dollars ($10,000.00), in accordance with an established Rental Assistance Incentive; and

DRAFT

WHEREAS, the Company has agreed, in exchange and as consideration for the funding, to satisfy and comply with certain terms and conditions; and

NOW, THEREFORE, in consideration of the premises and the mutual benefits and obligations set forth herein, including the recitals set forth above, the TEDC and the Company agree as follows:

1.

Except as provided by paragraph 3, the Company covenants and agrees that it will operate and maintain the proposed business for a term of at least three (3) years within the City of Tomball.

2.

The Company also covenants and agrees that construction of the Improvements, the retention of at least Seven (7) employees, and obtaining all necessary occupancy permits from the City shall occur within eighteen (18) months from the Effective Date of this Agreement. Extensions of these deadlines, due to any extenuating circumstance or uncontrollable delay, may be granted at the sole discretion of the Board of Directors of the TEDC.

3.

The Company further covenants and agrees that it does not and will not knowingly employ an undocumented worker. An "undocumented worker" shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States, or (b) authorized by law to be employed in that manner in the United States.

4.

DRAFT

In consideration of the Company's representations, promises, and covenants, TEDC agrees to grant to the Company an amount equal to twenty-five percent (25%) of the base monthly rent for the first 12 consecutive months of operation not to exceed Ten Thousand Dollars ($10,000.00). The TEDC agrees to distribute such funds to the Company within thirty (30) days of receipt of a letter from the Company requesting such payment, which letter shall also include: (a) a copy of the City's occupancy permit for the Property; (b) proof that the Company has added the number of employees indicated above to its business operations on the Property, as evidenced by copies of Texas Workforce Commission form C-3 or Internal Revenue Service Form 941; and, (c) an affidavit from the landlord of the Property stating that all rents have been paid in accordance with the terms of the lease agreement for the first twelve consecutive months of operation.

5.

It is understood and agreed by the parties that, in the event of a default by the Company on any of its obligations under this Agreement, the Company shall reimburse the TEDC the full amount paid to the Company by the TEDC, with interest at the rate equal to the 90-day Treasury Bill plus ½% per annum, within thirty (30) days after the TEDC notifies the Company of the default. It is further understood and agreed by the parties that if the Company is convicted of a violation under 8 U.S.C. Section 1324a(f), the Company will reimburse the TEDC the full amount paid to the Company, with interest at the rate equal to the 90-day Treasury Bill plus ½% per annum, within thirty (30) days after the TEDC notifies the Company of the violation.

The Company shall also reimburse the TEDC for any and all reasonable attorney's fees and costs incurred by the TEDC as a result of any action required to obtain reimbursement of such funds.

DRAFT

6.

This Agreement shall inure to the benefit of and be binding upon the TEDC and the Company, and upon the Company's successors and assigns, affiliates, and subsidiaries, and shall remain in force whether the Company sells, assigns, or in any other manner disposes of, either voluntarily or by operation of law, all or any part of the Property and the agreements herein contained shall be held to be covenants running with the Property for so long as this Agreement, or any extension thereof, remains in effect.

7.

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by (i) depositing the same in the United States mail, addressed to the party to be notified, postage prepaid, registered or certified mail, return receipt requested; or (ii) by delivering the same in person to such party; or (iii) by overnight or messenger delivery service that retains regular records of delivery and receipt; or (iv) by facsimile; provided a copy of such notice is sent within one (1) day thereafter by another method provided above. The initial addresses of the parties for the purpose of notice under this Agreement shall be as follows:

If to City: Tomball Economic Development Corporation
401 W. Market Street
Tomball, Texas 77375
Attn: President, Board of Directors

If to Company: Lunsford Enterprises, LLC
1404 West Main Street
Tomball, TX 77375
Attn: Eric Lunsford, President

8.

This Agreement shall be performable and enforceable in Harris County, Texas, and shall be construed in accordance with the laws of the State of Texas.

DRAFT

9.

Except as otherwise provided in this Agreement, this Agreement shall be subject to change, amendment or modification only in writing, and by the signatures and mutual consent of the parties hereto.

10.

The failure of any party to insist in any one or more instances on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant, or condition, or right with respect to further performance. This Agreement shall bind and benefit the respective Parties and their legal successors and shall not be assignable, in whole or in part, by any party without first obtaining written consent of the other party.

11.

In the event any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporation, or circumstance, shall be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be deemed to be independent of and severable from the remainder of this Agreement, and the validity of the remaining parts of this Agreement shall not be affected thereby.

DRAFT

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the parties on this _____ day of _____ 2025 (the "Effective Date").

LUNSFORD ENTERPRISES, LLC

By: _____

Name: Eric Lunsford

Title: President

ATTEST:

By: _____

Name: _____

Title: _____

TOMBALL ECONOMIC DEVELOPMENT CORPORATION

By: _____

Name: Lisa Covington

Title: President, Board of Directors

ATTEST:

By: _____

Name: Bill Sumner Jr.

Title: Secretary, Board of Directors

DRAFT

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the __ day of ____ 2025, by Eric Lunsford, President of Lunsford Enterprises, LLC, for and on behalf of said company.

_____
Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 19th day of August 2025, by Lisa Covington, President of the Board of Directors of the Tomball Economic Development Corporation, for and on behalf of said Corporation.

_____
Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

DRAFT

Exhibit "A"

Legal Description of Property

Property Address: 823 E. Main Street, Tomball, TX 77375

DRAFT

RESOLUTION NO. 2025-41-TEDC

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, AUTHORIZING AND APPROVING THE TOMBALL ECONOMIC DEVELOPMENT CORPORATION'S PROJECT TO EXPEND FUNDS IN ACCORDANCE WITH AN ECONOMIC DEVELOPMENT AGREEMENT BY AND BETWEEN THE CORPORATION AND LUNSFORD ENTERPRISES, LLC TO PROMOTE AND DEVELOP A NEW OR EXPANDED BUSINESS ENTERPRISE; CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT; AND PROVIDING FOR SEVERABILITY.

* * * * *

WHEREAS, the Tomball Economic Development Corporation (the "TEDC"), created pursuant to the Development Corporation Act, now Chapter 501 of the Texas Local Government Code, as amended (the "Act"), desires to adopt projects and provide incentives for economic development within the City; and

WHEREAS, the Board of Directors of the TEDC had adopted as a specific project the expenditure of the estimated amount of Ten Thousand Dollars ($10,000.00), found by the Board to be required or suitable to promote a new business development by Lunsford Enterprises, LLC; and

WHEREAS, pursuant to the Act, the TEDC may not undertake such project without the approval of Tomball City Council; and

WHEREAS, City Council finds and determines that such project promotes new or expanded business development and is in the best interests of the citizenry; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS:

Section 1. The facts and matters set forth in the preamble of this Resolution are hereby found to be true and correct.

Section 2. The City Council hereby authorizes and approves the adoption, by the Board of Directors of the Tomball Economic Development Corporation, as a specific project for the economic development of the City, an expenditure of the estimated amount of Ten Thousand Dollars ($10,000.00), to Lunsford Enterprises, LLC, in accordance with an economic development agreement by and between the TEDC and Lunsford Enterprises, LLC to promote and develop a new or expanded business enterprise, to be located at 823 East Main Street, Tomball, Texas 77375.

Section 3. In the event any clause, phrase, provision, sentence, or part of this Resolution or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or

invalidate this Resolution as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

PASSED AND APPROVED on first reading this _____ day of _____, 202__.

PASSED, APPROVED, AND RESOLVED on second and final reading this _____ day of _____, 202__.

_____
Lori Klein Quinn, Mayor

ATTEST:

_____
City Secretary

City Council Meeting
Agenda Item
Data Sheet

Meeting Date: September 2, 2025

Topic:

Consideration of and Action on an appointment to the Tomball Regional Health Foundation (TRHF) Board of Directors for a two-year term beginning September 1, 2025.

Background:

The Tomball Regional Health Foundation Board promotes wellness and improves health status for all residents in the Tomball community through programs that enhance access to health care, preventative care and health education.

The TRHF Board of Directors is one of Tomball's city-appointed boards, with up to six members nominated and approved by the City Council for a two-year term.

TRHF Member	**Term Ends**
Sharon Frank	09/1/2025

Ms. Frank has been contacted and would like to be reappointed.

Additionally, we received interest and an application from Earl Detwiler to serve on the Board.

Origination: Mayor Lori Klein Quinn

Recommendation: City Council appointment one member to the TRHF for two-year term beginning September 1, 2025.

Party(ies) responsible for placing this item on agenda: Thomas Harris III, City Secretary

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: #_____

If no, funds will be transferred from account #_____ To account #_____

Signed _____ Approved by _____

Staff Member Date City Manager Date

CITY OF TOMBALL

APPLICATION FOR CITY BOARDS/COMMISSIONS/COMMITTEES

As an Applicant for a City Board, Commission, or Committee, your application will be public information. You will be contacted before any appointments are considered to confirm your continued interest in serving. All appointments are made by the Tomball City Council. Incumbents whose terms expire may be automatically considered for reappointment unless they indicate non-interest or have been appointed to two (2) consecutive terms. A member who is absent for more than 25% of called meetings in any twelve consecutive months or absent from more than two consecutive meetings, for other than medical reasons, will be automatically removed from service. Applicant must be a citizen of the United States and must reside within the city limits of Tomball unless otherwise stated in the position announcement. Applications will be kept on file for two years and will expire at the end of two years; for instance, an application dated in 2023 will expire in 2025.

Please Type or Print Clearly:

Date: 6/20/25

Name: Sharon V Frank

Phone: [redacted]

Address: [redacted]

Phone: n/a (Home)

City/State/Zip [redacted]

Cell: [redacted] (Work)

Email: [redacted]

I have lived in Tomball 32 years.

I am x am not ___ a U.S. Citizen

Occupation: I work for FAA Medical Examiner.com, I am the Coordinator for Pilot/ATC Services. I have work in the medical field as coder/biller since 2006, I worked at Tomball Reginal Internal Medicine from 2006-2019. Prior to going to back to school to obtain by degree in accounting I was a Hairstylist at Young Hair Salon from 1983-2006. I also hold an Associates Degree in Medical Administration and am a certified Medical auditor.

Professional and/or Community Activities: I have been a member of the Rosehill Social Club since 1998, I help along with other members to organize fundraisers, the main fundraiser is held in May at Tomball VFW. Rosehill Social Club has been able to donate 2.8 million dollars to families in need around Tomball, Magnolia, Waller, Cypress, and immediate area.

I was appointed by the Tomball City Counsel in 2023 to the Tomball Reginal Health Foundation Board of Directors, I will say this has by far been the most rewarding

Additional Pertinent Information/References: I have worked closely with Dr. Johnson during 2020-2023 running Covid testing sites in rural areas of Texas, also Elpaso, San Antonio, Corpus Christi, Sugarland, and Tomball. I continue to work with Dr. Ewan Johnson for FAA Medical Examiner.com, I coordinate services for Pilots (Commercial, Private, & military), Air Traffic Controllers, as well as other federal employees to get their medical certificates in order to fly safely in our skies. As stated above I have been on the Board of Directors for TRHF since 2023, I believe that anyone on the board would agree that I have become very much a part of the organization

Please attach a short biography to this application.

Briefly tell us why you would like to be considered for appointment to a City of Tomball Board/Commission.

I believe that I can continue to offer/provide a positive input to the TRHF. Being a part of such a huge organization has become such an important part of me and I hope to continue on as part of this. I want to promote the wellness of all of Tomball as well as the other zip codes that we provide partnership to. Being part of the planning process of the new TRHF Adminstrative and Learning Center as been amazing. This buiilding with be there for the city of Tomball for years to come and I have no doubt that it will used by so many of partners and the people of out great City of Tomball

Please complete the attached Conflict of Interest Questionnaire (CIQ), Conflict of Interest Statement (CIS), Board Member Election on Disclosure, and Appendix D (page 33) *Acknowledgment of Receipt and Understanding* from the Boards, Commissions, and Committees Handbook.

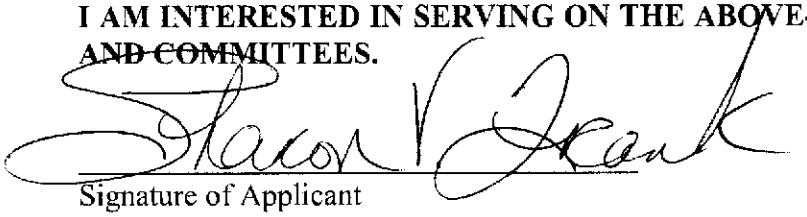
Applications for the following Council-appointed Boards, Commissions, and Committees will be kept on file in the City Secretary's office for two years.

If you are interested in serving on more than one board, please indicate your preference by numbering in order of preference (i.e., 1, 2, 3, etc.)

Decision-Making Boards and Commissions	Meeting Information
( ) Planning & Zoning Commission	Second Monday each month, 6 p.m.
( ) Board of Adjustments	To Be Announced; Evenings
Separate Legal Entities	Meeting Information
( ) Tomball Economic Development Corporation	Six (6) regular scheduled meetings, usually on the second Tuesday of the Month, 5:30 p.m.; the annual meeting is in May (special meetings may be called)
(XX) Tomball Regional Health Foundation	Fourth Wednesday each month, 4 p.m.
Ad Hoc/Advisory Committees	Meeting Information
( ) Downtown Tomball Advisory Committee DTAC does not require Tomball residency	As called
Non-profit Corporation Boards	Meeting Information
( ) Tomball Legacy Fund, Inc. Position 7, Tomball Legacy Fund, does not require Tomball residency	As called

****

I AM INTERESTED IN SERVING ON THE ABOVE-INDICATED BOARDS, COMMISSIONS, AND COMMITTEES.



Signature of Applicant
(Must be signed/signature typed in)

Please return this application to:

City Secretary
City of Tomball
401 Market Street
Tomball, TX 77375
cso@tomballtx.gov
office: 281-290-1002
fax: 281-351-6256

Attachments: Conflict of Interest Questionnaire
Conflict of Interest Statement
Election on Disclosure
Acknowledgment of Receipt and Understanding (Page 33, Handbook)

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. *See* Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 **Name of vendor who has a business relationship with local governmental entity.**

n/a

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 **Name of local government officer about whom the information is being disclosed.**

_____

Name of Officer

4 ***Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.***

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes ☐ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes ☐ No

5 **Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.**

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

_____ _____

Signature of vendor doing business with the governmental entity Date

CONFLICT OF INTEREST QUESTIONNAIRE
For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

(A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;

(B) a transaction conducted at a price and subject to terms available to the public; or

(C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

***

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds $2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than $100 in the 12-month period preceding the date the officer becomes aware that:

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT

FORM CIS

(Instructions for completing and filing this form are provided on the next page.)

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This is the notice to the appropriate local governmental entity that the following local government officer has become aware of facts that require the officer to file this statement in accordance with Chapter 176, Local Government Code.

OFFICE USE ONLY

Date Received

1 **Name of Local Government Officer**
N/A

2 **Office Held**
N/A

3 **Name of vendor described by Sections 176.001(7) and 176.003(a), Local Government Code**
N/A

4 **Description of the nature and extent of each employment or other business relationship and each family relationship with vendor named in item 3.**

5 **List gifts accepted by the local government officer and any family member, if aggregate value of the gifts accepted from vendor named in item 3 exceeds $100 during the 12-month period described by Section 176.003(a)(2)(B).**

Date Gift Accepted _____ Description of Gift _____

Date Gift Accepted _____ Description of Gift _____

Date Gift Accepted _____ Description of Gift _____

(attach additional forms as necessary)

6 **SIGNATURE** I swear under penalty of perjury that the above statement is true and correct. I acknowledge that the disclosure applies to each family member (as defined by Section 176.001(2), Local Government Code) of this local government officer. I also acknowledge that this statement covers the 12-month period described by Section 176.003(a)(2)(B), Local Government Code.

Signature of Local Government Officer

Please complete either option below:

(1) Affidavit

NOTARY STAMP/SEAL

Sworn to and subscribed before me by _____, this the _____ day of _____, 20_____, to certify which, witness my hand and seal of office.

Signature of officer administering oath | Printed name of officer administering oath | Title of officer administering oath

OR

(2) Unsworn Declaration

My name is _____, and my date of birth is _____.

My address is _____ (street) _____ (city) _____ (state) _____ (zip code) _____ (country).

Executed in _____ County, State of _____, on the _____ day of _____ (month) _____, 20_____ (year).

_____

Signature of Local Government Officer (Declarant)

LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT

Section 176.003 of the Local Government Code requires certain local government officers to file this form. A "local government officer" is defined as a member of the governing body of a local governmental entity; a director, superintendent, administrator, president, or other person designated as the executive officer of a local governmental entity; or an agent of a local governmental entity who exercises discretion in the planning, recommending, selecting, or contracting of a vendor. This form is required to be filed with the records administrator of the local governmental entity not later than 5 p.m. on the seventh business day after the date on which the officer becomes aware of the facts that require the filing of this statement.

A local government officer commits an offense if the officer knowingly violates Section 176.003, Local Government Code. An offense under this section is a misdemeanor.

Refer to chapter 176 of the Local Government Code for detailed information regarding the requirement to file this form.

INSTRUCTIONS FOR COMPLETING THIS FORM

The following numbers correspond to the numbered boxes on the other side.

1. Name of Local Government Officer. Enter the name of the local government officer filing this statement.

2. Office Held. Enter the name of the office held by the local government officer filing this statement.

3. Name of vendor described by Sections 176.001(7) and 176.003(a), Local Government Code. Enter the name of the vendor described by Section 176.001(7), Local Government Code, if the vendor: a) has an employment or other business relationship with the local government officer or a family member of the officer as described by Section 176.003(a)(2)(A), Local Government Code; b) has given to the local government officer or a family member of the officer one or more gifts as described by Section 176.003(a)(2)(B), Local Government Code; or c) has a family relationship with the local government officer as defined by Section 176.001(2-a), Local Government Code.

4. Description of the nature and extent of each employment or other business relationship and each family relationship with vendor named in item 3. Describe the nature and extent of the employment or other business relationship the vendor has with the local government officer or a family member of the officer as described by Section 176.003(a)(2)(A), Local Government Code, and each family relationship the vendor has with the local government officer as defined by Section 176.001(2-a), Local Government Code.

5. List gifts accepted, if the aggregate value of the gifts accepted from vendor named in item 3 exceeds $100. List gifts accepted during the 12-month period (described by Section 176.003(a)(2)(B), Local Government Code) by the local government officer or family member of the officer from the vendor named in item 3 that in the aggregate exceed $100 in value.

6. Signature. Signature of local government officer. Complete this section after you finish the rest of this report. You have the option to either: (1) take the completed form to a notary public where you will sign above the first line that says "Signature of Local Government Officer" (an electronic signature is not acceptable) and your signature will be notarized, or (2) sign above both lines that say "Signature of Local Government Officer (Declarant)" (an electronic signature is not acceptable), and fill out the unsworn declaration section.

Local Government Code § 176.001(2-a): "Family relationship" means a relationship between a person and another person within the third degree by consanguinity or the second degree by affinity, as those terms are defined by Subchapter B, Chapter 573, Government Code.

Local Government Code § 176.003(a)(2)(A):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

***

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds $2,500 during the 12-month period preceding the date that the officer becomes aware that:

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor.

Board Member Election on Disclosure

An appointed Board Member may choose whether or not to allow public access to the information in the custody of the City relating to the Board Member's home address, home telephone number, cellular and pager numbers (if not paid for by City), emergency contact information, personal email address, and information that reveals whether the person has family members.

Each Board Member shall state his/her choice in writing to the City Secretary's Office. If a Board Member elects not to allow public access to this information, the information is protected by Sections 552.024 and 552.117 of the Public Information Act and rulings of the Texas Attorney General. If a Board Member fails to report his/her choice, the information may be subject to public access.

If during the course of their term a Board Member wishes to close or open public access to the information, the individual may request in writing to the City Secretary's Office to close or open access as the case may be. A Board Member may request to close or open public access to the information by submitting a written request to the City Secretary's Office. Only the City Secretary's Office is allowed to disclose the information listed above.

(Please strike through any information that you do not wish to be made accessible to the public)

Please complete the information below and return
to the City Secretary's Office within fourteen days of receipt.

[ ] I **DO** elect public access to my: (please indicate items you would like available, if any)

___ home address

___ home telephone number

___ personal email address

___ cell or pager numbers not paid for by the City

___ emergency contact information

___ information that reveals whether I have family members.

[x] I **DO NOT** elect public access to my home address, home telephone number, cell or pager numbers, emergency contact information, or any information that reveals whether I have family members.

Sharon V. Frank

Board Member's Signature

20 June 2025

Date

Sharon V. Frank

Board Member's Printed Name

CITY OF TOMBALL

APPLICATION FOR CITY BOARDS/COMMISSIONS/COMMITTEES

As an Applicant for a City Board, Commission, or Committee, your application will be public information. You will be contacted before any appointments are considered to confirm your continued interest in serving. All appointments are made by the Tomball City Council. Incumbents whose terms expire may be automatically considered for reappointment unless they indicate non-interest or have been appointed to two (2) consecutive terms. A member who is absent for more than 25% of called meetings in any twelve consecutive months or absent from more than two consecutive meetings, for other than medical reasons, will be automatically removed from service. Applicant must be a citizen of the United States and must reside within the city limits of Tomball unless otherwise stated in the position announcement. Applications will be kept on file for two years and will expire at the end of two years; for instance, an application dated in 2023 will expire in 2025.

Please Type or Print Clearly:

Date: 05/08/2025

Name: Earl Detwiler

Phone: [redacted]

Address: [redacted]

Phone: (Home)

City/State/Zip [redacted]

Cell: (Work)

Email:

I have lived in Tomball 12 years.

I am X am not ___ a U.S. Citizen

Occupation: Electronics Technicians,

Professional and/or Community Activities: Chaplain Member Tomball Art League ordained minister sheriff chaplain assistant, Associate Instruction for emaus Bible School Associate Family Counciling, painting, By way of still art.

Additional Pertinent Information/References:

MR Paul Moffet 832-914 8323
MR David Grech 832-818-5826
MR Jerry Vanhoy 717-309-0198

Please attach a short biography to this application.

Briefly tell us why you would like to be considered for appointment to a City of Tomball Board/Commission.

Like The direction in which Tomball is going, my people skills with public speaking and Record Keeping, Book Keeping Marketing Taxes and orderly Time in matters that pertain To Accountability is my post, and Listening To Other people ideas, generate A logical decision making. willing To give Time and Interest To group ideas

Please complete the attached Conflict of Interest Questionnaire (CIQ), Conflict of Interest Statement (CIS), Board Member Election on Disclosure, and Appendix D (page 33) *Acknowledgment of Receipt and Understanding* from the Boards, Commissions, and Committees Handbook.

Applications for the following Council-appointed Boards, Commissions, and Committees will be kept on file in the City Secretary's office for two years.

If you are interested in serving on more than one board, please indicate your preference by numbering in order of preference (i.e., 1, 2, 3, etc.)

	Decision-Making Boards and Commissions	Meeting Information
2	( ) Planning & Zoning Commission	Second Monday each month, 6 p.m.
	( ) Board of Adjustments	To Be Announced; Evenings
	Separate Legal Entities	Meeting Information
1	( ) Tomball Economic Development Corporation	Six (6) regular scheduled meetings, usually on the second Tuesday of the Month, 5:30 p.m.; the annual meeting is in May (special meetings may be called)
3	( ) Tomball Regional Health Foundation	Fourth Wednesday each month, 4 p.m.
	Ad Hoc/Advisory Committees	Meeting Information
4	( ) Downtown Tomball Advisory Committee DTAC does not require Tomball residency	As called
	Non-profit Corporation Boards	Meeting Information
5	( ) Tomball Legacy Fund, Inc. Position 7, Tomball Legacy Fund, does not require Tomball residency	As called

****

I AM INTERESTED IN SERVING ON THE ABOVE-INDICATED BOARDS, COMMISSIONS, AND COMMITTEES.

Signature of Applicant
(Must be signed/signature typed in)

Please return this application to:

City Secretary
City of Tomball
401 Market Street
Tomball, TX 77375
cso@tomballtx.gov
office: 281-290-1002
fax: 281-351-6256

Attachments: Conflict of Interest Questionnaire
Conflict of Interest Statement
Election on Disclosure
Acknowledgment of Receipt and Understanding (Page 33, Handbook)

NA

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a), with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. *See* Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 **Name of vendor who has a business relationship with local governmental entity.**

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 **Name of local government officer about whom the information is being disclosed**

_____

Name of Officer

4 **Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.**

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes ☐ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes ☐ No

5 **Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.**

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

_____ _____

Signature of vendor doing business with the governmental entity Date

CONFLICT OF INTEREST QUESTIONNAIRE
For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

(A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;

(B) a transaction conducted at a price and subject to terms available to the public; or

(C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

***

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds $2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than $100 in the 12-month period preceding the date the officer becomes aware that:

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

NA

LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT

FORM CIS

(Instructions for completing and filing this form are provided on the next page.)

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This is the notice to the appropriate local governmental entity that the following local government officer has become aware of facts that require the officer to file this statement in accordance with Chapter 176, Local Government Code.

OFFICE USE ONLY

Date Received

1 **Name of Local Government Officer**

2 **Office Held**

3 **Name of vendor described by Sections 176.001(7) and 176.003(a), Local Government Code**

4 **Description of the nature and extent of each employment or other business relationship and each family relationship with vendor named in item 3.**

5 **List gifts accepted by the local government officer and any family member if aggregate value of the gifts accepted from vendor named in item 3 exceeds $100 during the 12-month period described by Section 176.003(a)(2)(B).**

Date Gift Accepted _____ Description of Gift _____

Date Gift Accepted _____ Description of Gift _____

Date Gift Accepted _____ Description of Gift _____

(attach additional forms as necessary)

6 **SIGNATURE** I swear, under penalty of perjury, that the above statement is true and correct. I acknowledge that the disclosure applies to each family member (as defined by Section 176.001(2), Local Government Code) of this local government officer. I also acknowledge that this statement covers the 12-month period described by Section 176.003(a-2)(B), Local Government Code.

_____

Signature of Local Government Officer

Please complete either option below:

(1) Affidavit

NOTARY STAMP/SEAL

Sworn to and subscribed before me by _____, this the _____ day of _____, 20_____, to certify which, witness my hand and seal of office.

_____

Signature of officer administering oath | Printed name of officer administering oath | Title of officer administering oath

OR

(2) Unsworn Declaration

My name is _____, and my date of birth is _____.

My address is _____

(street) (city) (state) (ZIP code) (country)

Executed in _____ County, State of _____, on the _____ day of _____ (month), 20_____ (year).

_____

Signature of Local Government Officer (Declarant)

LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT

Section 176.003 of the Local Government Code requires certain local government officers to file this form. A "local government officer" is defined as a member of the governing body of a local governmental entity; a director, superintendent, administrator, president, or other person designated as the executive officer of a local governmental entity; or an agent of a local governmental entity who exercises discretion in the planning, recommending, selecting, or contracting of a vendor. This form is required to be filed with the records administrator of the local governmental entity not later than 5 p.m. on the seventh business day after the date on which the officer becomes aware of the facts that require the filing of this statement.

A local government officer commits an offense if the officer knowingly violates Section 176.003, Local Government Code. An offense under this section is a misdemeanor.

Refer to chapter 176 of the Local Government Code for detailed information regarding the requirement to file this form.

INSTRUCTIONS FOR COMPLETING THIS FORM

The following numbers correspond to the numbered boxes on the other side.

1. Name of Local Government Officer. Enter the name of the local government officer filing this statement.

2. Office Held. Enter the name of the office held by the local government officer filing this statement.

3. Name of vendor described by Sections 176.001(7) and 176.003(a), Local Government Code. Enter the name of the vendor described by Section 176.001(7), Local Government Code, if the vendor: a) has an employment or other business relationship with the local government officer or a family member of the officer as described by Section 176.003(a)(2)(A), Local Government Code; b) has given to the local government officer or a family member of the officer one or more gifts as described by Section 176.003(a)(2)(B), Local Government Code; or c) has a family relationship with the local government officer as defined by Section 176.001(2-a), Local Government Code.

4. Description of the nature and extent of each employment or other business relationship and each family relationship with vendor named in item 3. Describe the nature and extent of the employment or other business relationship the vendor has with the local government officer or a family member of the officer as described by Section 176.003(a)(2)(A), Local Government Code, and each family relationship the vendor has with the local government officer as defined by Section 176.001(2-a), Local Government Code.

5. List gifts accepted, if the aggregate value of the gifts accepted from vendor named in item 3 exceeds $100. List gifts accepted during the 12-month period (described by Section 176.003(a)(2)(B), Local Government Code) by the local government officer or family member of the officer from the vendor named in item 3 that in the aggregate exceed $100 in value.

6. Signature. Signature of local government officer. Complete this section after you finish the rest of this report. You have the option to either: (1) take the completed form to a notary public where you will sign above the first line that says "Signature of Local Government Officer" (an electronic signature is not acceptable) and your signature will be notarized, or (2) sign above both lines that say "Signature of Local Government Officer (Declarant)" (an electronic signature is not acceptable), and fill out the unsworn declaration section.

Local Government Code § 176.001(2-a): "Family relationship" means a relationship between a person and another person within the third degree by consanguinity or the second degree by affinity, as those terms are defined by Subchapter B, Chapter 573, Government Code.

Local Government Code § 176.003(a)(2)(A):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

***

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds $2,500 during the 12-month period preceding the date that the officer becomes aware that:

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor.

Board Member Election on Disclosure

An appointed Board Member may choose whether or not to allow public access to the information in the custody of the City relating to the Board Member's home address, home telephone number, cellular and pager numbers (if not paid for by City), emergency contact information, personal email address, and information that reveals whether the person has family members.

Each Board Member shall state his/her choice in writing to the City Secretary's Office. If a Board Member elects not to allow public access to this information, the information is protected by Sections 552.024 and 552.117 of the Public Information Act and rulings of the Texas Attorney General. If a Board Member fails to report his/her choice, the information may be subject to public access.

If during the course of their term a Board Member wishes to close or open public access to the information, the individual may request in writing to the City Secretary's Office to close or open access as the case may be. A Board Member may request to close or open public access to the information by submitting a written request to the City Secretary's Office. Only the City Secretary's Office is allowed to disclose the information listed above.

(Please strike through any information that you do not wish to be made accessible to the public)

Please complete the information below and return
to the City Secretary's Office within fourteen days of receipt.

[X] I **DO** elect public access to my: (please indicate items you would like available, if any)

___ home address

___ home telephone number

~~X~~ personal email address

___ cell or pager numbers not paid for by the City

___ emergency contact information

___ information that reveals whether I have family members.

[ ] I **DO NOT** elect public access to my home address, home telephone number, cell or pager numbers, emergency contact information, or any information that reveals whether I have family members.

Earl Detwiler
Board Member's Signature

05/08/2025
Date

Earl Detwiler
Board Member's Printed Name

City Council Meeting
Agenda Item
Data Sheet

Meeting Date: September 2, 2025

Topic:

Approve a professional services agreement with AIG Technical Services, LLC for engineering services related to the U.S. Department of Housing and Urban Development – Community Project Fund (CPF) grant related to the N. Cherry Street Storm Sewer Improvements for an amount not-to-exceed $1,908,249, approve the expenditure of funds therefor, and authorize the City Manager to execute any and all documents related to the services. These expenditures are to be paid from grant funds received from the U.S. Department of Housing and Urban Development – Community Project Fund.

Background:
In accordance with the terms and conditions of the Community Project Fund grant and 2 CFR 200 regulations, staff advertised a Request for Qualifications for engineering services for the design of the storm sewer improvements for N. Cherry Street (HUD Award B-24-CP-TX-2141).

Staff received eight (8) sealed responses from qualified firms. Scoring was completed by a committee to determine the most qualified firm to complete the work. Following scoring, interviews were conducted with top three scoring firms. Staff entered into contract negotiations with AIG Technical Services, LLC (AIG) to complete the design for the identified project.

Staff is recommending awarding a professional services agreement to AIG for professional engineering services related to the CPF grant – N. Cherry Street Street Storm Sewer Improvements for an amount not-to-exceed $1,915,190. Fees for engineering services will be paid from grant funds. A breakdown of the project cost is reflected in the table below.

Community Project Fund (CPF) Grant North Cherry Street Storm Sewer Improvements (B-24-CP-TX-2141)		
Element	**Contract Amount**	**Remaining Contract**
Grant Administration – GrantWorks	$84,200	$84,200
Professional Engineering – AIG	$1,908,249	N/A
Project Budget $2,000,000	**Total Contracts $1,992,449**	**Remaining Funding $7,551**

Origination: Project Management

Recommendation:

Staff recommends approving a professional services agreement with AIG Technical Services, LLC for professional engineering services related to the Community Project Fund (CPF) grant for N. Cherry Street Storm Sewer Improvements for an amount not-to-exceed $1,908,249.

Party(ies) responsible for placing this item on agenda: Meagan Mageo

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: _____ If yes, specify Account Number: #400-154-6409

If no, funds will be transferred from account: #_____ To Account: #

Signed: Meagan Mageo **Approved by:** _____

Staff Member Date City Manager Date

PROFESSIONAL SERVICES AGREEMENT
FOR
ENGINEERING SERVICES
RELATED TO
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
CPF GRANT NUMBER B-24-CP-TX-2141
ENGINEERING & PLANNING PROJECT NO. 2025-10007
CITY OF TOMBALL
NORTH CHERRY STREET ROAD AND DRAINAGE IMPROVEMENTS

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

THIS AGREEMENT is made, entered into, and executed by and between the CITY OF TOMBALL, TEXAS (the "City"), a municipal corporation of the State of Texas, and AIG Technical Services ("Engineer").

WITNESSETH:

WHEREAS, the City desires to construct roadway and drainage improvements along North Cherry Street from F.M. 2920 to W. Hufsmith Road (the “Project”); and

WHEREAS, the services of a professional engineering firm are necessary to project planning, engineering, and preparation of construction documents, and

WHEREAS, the Engineer represents that it is fully capable and qualified to provide professional services to the City related to professional engineering, land surveying, and landscape architecture;

NOW, THEREFORE, the City and Engineer, in consideration of the mutual covenants and agreements herein contained, do mutually agree as follows:

SECTION I.
SCOPE OF AGREEMENT

Engineer agrees to perform certain professional services as outlined and defined in the Proposal attached hereto as Exhibit A, and made a part hereof for all purposes, hereinafter sometimes referred to as “Scope of Work,” and for having rendered such services, the City agrees to pay Engineer compensation as stated in the Section VII.

SECTION II.
CHARACTER AND EXTENT OF SERVICES

Engineer shall do all things necessary to render the engineering services and perform the Scope of Work in a manner consistent with the professional skill and care ordinarily provided by competent engineering practicing in the same or similar locality and under the same or similar circumstances and professional license. It is expressly understood and agreed that Engineer is an Independent Contractor in the performance of the services agreed to herein. It is further understood and agreed that Engineer shall not have the authority to obligate or bind the City, or make representations or commitments on behalf of the City or its officers or employees without the express prior approval of the City. The City shall be under no obligation to pay for services rendered not identified in Exhibit "A" without prior written authorization from the City.

SECTION III.
OWNERSHIP OF WORK PRODUCT

Engineer agrees that the City shall have the right to use all exhibits, maps, reports, analyses and other documents prepared or compiled by Engineer pursuant to this Agreement. The City shall be the absolute and unqualified owner of all studies, exhibits, maps, reports, analyses, determinations, recommendations, computer files, and other documents prepared or acquired pursuant to this Agreement with the same force and effect as if the City had prepared or acquired the same. It is further understood and agreed that ownership and usage rights associated with the above referenced documents and analyses, hereinafter referred to as instruments, are contingent upon Engineer's completion of the services which will result in the production of such instruments and Engineer's receipt of payment, in full, for said services. Additionally, City understands and agrees that the rights described and provided hereunder shall not preclude or prevent Engineer from continuing to use those processes, analyses and data.

SECTION IV.
TIME FOR PERFORMANCE

The time for performance is an estimated 365 calendar day duration beginning from the execution date of this Agreement. Upon written request of the Engineer, the City may grant time extensions to the extent of any delays caused by the City or other agencies with which the work must be coordinated and over which Engineer has no control.

SECTION V.
COMPLIANCE AND STANDARDS

Engineer agrees to perform the work hereunder in accordance with generally accepted standards applicable thereto and shall use that degree of care and skill commensurate with the applicable profession to comply with all applicable state, federal, and local laws, ordinances, rules, and regulations relating to the work to be performed hereunder and Engineer's performance.

SECTION VI.
INDEMNIFICATION

To the fullest extent permitted by Texas Local Government Code Section 271.904, Engineer shall and does hereby agree to indemnify, hold harmless and defend the City, its officers, agents, and employees against liability for damage caused by or resulting from an act of negligence, intentional tort, intellectual property infringement, or failure to pay a subcontractor or supplier committed by the Engineer, the Engineer's agent, consultant under contract, or another entity over which the Engineer exercises control.

SECTION VII.
ENGINEER'S COMPENSATION

For and in consideration of the services rendered by Consultant pursuant to this Agreement, the City shall pay Engineer only for the actual work performed under the Scope of Work, on the basis set forth in Exhibit "A," up to an amount not to exceed $1,908,249.00, including reimbursable expenses as identified in Exhibit "A".

SECTION VIII.
INSURANCE

Engineer shall procure and maintain insurance for protection from workers' compensation claims, claims for damages because of bodily injury, including personal injury, sickness, disease, or death, claims or damages because of injury to or destruction of property, including loss of use resulting therefrom, and claims of errors and omissions.

SECTION IX.
TERMINATION

The City may terminate this Agreement at any time by giving seven (7) days prior written notice to Engineer. Upon receipt of such notice, Engineer shall discontinue all services in connection with the performance of this Agreement and shall proceed to promptly cancel all existing orders and contracts insofar as such orders or contracts are chargeable to the Agreement. As soon as practicable after receipt of notice of termination, Engineer shall submit a statement, showing in detail the services performed under this Agreement to the date of termination. The City shall then pay Engineer that proportion of the prescribed charges which the services actually performed under this Agreement bear to the total services called for under this Agreement, less such payments on account of the charges as have been previously made. Copies of all completed or partially completed maps, studies, reports, documents and other work product prepared under this Agreement shall be delivered to

the City when and if this Agreement is terminated.

SECTION X.
ADDRESSES, NOTICES AND COMMUNICATIONS

All notices and communications under this Agreement shall be mailed by certified mail, return receipt requested, to Consultant at the following address:

AIG Technical Services, LLC
Attn: Kyle A. Bertrand, P.E.
11740 Katy Freeway, St. 1100
Houston, TX 77079

All notices and communications under this Agreement shall be mailed by certified mail, return receipt requested, to the City at the following address:

City of Tomball
Attn: Project Manager
501 James Street
Tomball, Texas 77375

SECTION XI.
LIMIT OF APPROPRIATION

Prior to the execution of this Agreement, Engineer has been advised by the City and Engineer clearly understands and agrees, such understanding and agreement being of the absolute essence to this Agreement, that the City shall have available only those sums as expressly provided for under this Agreement to discharge any and all liabilities which may be incurred by the City and that the total compensation that Engineer may become entitled to hereunder and the total sum that the City shall become liable to pay to Engineer hereunder shall not under any conditions, circumstances, or interpretations hereof exceed the amounts as provided for in this Agreement.

SECTION XII.
SUCCESSORS AND ASSIGNS

The City and Engineer bind themselves and their successors, executors, administrators, and assigns to the other party of this Agreement and to the successors, executors, administrators and assigns of such other party, in respect to all covenants of this Agreement. Neither the City nor Engineer shall assign, sublet, or transfer its interest in this Agreement without the written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of any public body which may be a party hereto.

SECTION XIII.
DISCLOSURE OF INFORMATION

Engineer shall under no circumstances release any material or information developed in the performance of its services hereunder without the express written permission of the City.

SECTION XIV.
MODIFICATIONS

This instrument, including Exhibits A and B, contains the entire Agreement between the parties relating to the rights herein granted and the obligations herein assumed. Any oral or written representations or modifications concerning this instrument shall be of no force and effect excepting a subsequent modification in writing signed by both parties hereto.

SECTION XV.
ADDITIONAL SERVICES OF ENGINEER

If authorized in writing by the City, Engineer shall furnish, or obtain from others, Additional Services that may be required because of significant changes in the scope, extent or character of the portions of the Project designed or specified by the Engineer, as defined in Exhibit "A". These Additional Services, plus reimbursable expenses, will be paid for by the Owner on the basis set forth in Exhibit "A," up to the amount authorized in writing by the City.

SECTION XVI.
CONFLICTS OF INTEREST

Pursuant to the requirements of the Chapter 176 of the Texas Local Government Code, Consultant shall fully complete and file with the City Secretary a Conflict of Interest Questionnaire.

SECTION XVII.
PAYMENT TO ENGINEER FOR SERVICES AND REIMBURSABLE EXPENSES

Invoices for Basic and Additional Services and reimbursable expenses will be prepared in accordance with Engineer's standard invoicing practices and will be submitted to the City by Engineer at least monthly. Invoices are due and payable thirty (30) days after receipt by the City.

XVIII.
MISCELLANEOUS PROVISIONS

A. This Agreement is subject to the provisions of the Texas Prompt Payment Act, Chapter 2250 of the Texas Government Code. The approval or payment of any invoice

shall not be considered to be evidence or performance by Engineer or of the receipt of or acceptance by the City of the work covered by such invoice.

B. Venue for any legal actions arising out of this Agreement shall lie exclusively in the federal and state courts of Harris County, Texas.

C. This Agreement is for sole benefit of the City and Engineer, and no provision of this Agreement shall be interpreted to grant or convey to any other person any benefits or rights.

D. Engineer further covenants and agrees that it does not and will not knowingly employ an undocumented worker. An “undocumented worker” shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States, or (b) authorized by law to be employed in that manner in the United States.

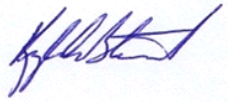
E. In accordance with Chapter 2270, Texas Government Code, a government entity may not enter into a contract with a company for goods or services unless the Engineer covenants and agrees that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. Furthermore, the Engineer is prohibited from engaging in business with Iran, Sudan or Foreign Terrorist Organizations.

F. In accordance with Chapter 2274 of the Texas Government Code, Engineer covenants that it: (1) does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association, and (2) will not discriminate during the term of this contract against a firearm entity or firearm trade associations.

IN WITNESS WHEREOF, the City of Tomball, Texas, has lawfully caused this Agreement to be executed by its Mayor; and Engineer, acting by its duly authorized officer/representative does now sign, execute and deliver this instrument.

EXECUTED on this___day of_____, _____.

AIG Technical Services, LLC



Name: Kyle A. Bertrand, P.E.
Title: Associate Vice President

CITY OF TOMBALL, TEXAS

David Esquivel, P.E., City Manager

ATTEST:

Thomas Harris, City Secretary

Exhibit A - Scope of Services
A1 – Landscape Architectural, Irrigation, Tree Protection Services (Bruno Land Design, LLC)
A2 – Geotechnical Investigation (Geotest Engineering, Inc.)
A3 – Survey Scope Exhibit
A4 - Survey and SUE Services (Rods, Inc.)
A5 – Environmental Studies (Wild Associates, LLC)
A6 – Structural Design (H2B Engineering)
Exhibit B – HUD 2 CFR 200 Engineer Contract Requirements
Exhibit C – Insurance
Exhibit D – Form 1295

EXHIBIT A

SCOPE OF SERVICES
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
CPF GRANT NUMBER B-24-CP-TX-2141
ENGINEERING & PLANNING PROJECT NO. 2025-10007
NORTH CHERRY STREET ROAD AND DRAINAGE IMPROVEMENTS

PART A – SCOPE OF SERVICES

DESCRIPTION OF PROJECT

The City of Tomball, Texas was awarded Congressionally Directed Spending through a Fiscal Year 2024 Community Project Funding (CPF) grant administered by the U.S. Department of Housing and Urban Development (HUD). to improve streets and drainage infrastructure along North Cherry Street. The primary purpose of the project is to mitigate flooding and enhance roadway conditions, thereby reducing the risk of damage to residential and commercial properties and creating safer travel conditions for both vehicles and pedestrians.

The section of Cherry Street extending north from FM 2920, is currently an open ditch section roadway. During storm events, North Cherry Street can become a bottle neck for stormwater, leading to backups that impact significant portions of Old Town Tomball, particularly the commercial areas. The proposed project involves the installation of a storm sewer system beginning at FM 2920 extending north to Boggs Gulley, Harris County Flood Control District Unit No. J131-00-00. Lateral storm sewers will connect to the main trunk line along North Cherry Street, helping to mitigate repetitive flood losses experienced by residential and commercial properties in the northern portion of Old Town Tomball.

The storm sewer will be constructed within the existing Cherry Street right-of-way and will include the expansion of the roadway to accommodate the improvements. Additionally, a detention basin will be constructed as part of the project to provide flood mitigation for downstream properties. The project is located entirely within the city limits of Tomball, Texas, along a roadway owned and maintained by Harris County. The City will collaborate with Harris County to ensure the project is completed in compliance with all applicable City and County regulations.

The general scope of consultant services required for the project include providing professional engineering services for the production of construction documents suitable for public bidding and construction of the proposed improvements. It is assumed for the purpose of this scope of service that all work included herein shall be included in a single bid package for construction.

REFERENCE STANDARDS AND CRITERIA

- City of Tomball Minimum Standards for Stormwater Drainage Design", hereinafter referred to as "City Drainage Manual", latest edition
- Americans with Disability Act (ADA) and Texas Accessibility Standards (TAS) requirements for pedestrian facilities
- Harris County Design Guidelines, Standard Details, and Specifications for all work within the applicable right-of-way
- Regulations of Harris County, Texas for the Approval and Acceptance of Infrastructure 2023 (or latest edition)
- Harris County Flood Control District Policy Criteria & Procedure Manual 2019 (or latest edition), Standard Details, and Specifications for all work within the applicable right-of-way

- Policy on Geometric Design of Highways and Streets, published by the American Association of State Highway and Transportation Officials' (AASHTO);
- Texas Manual on Uniform Traffic Control Devices (TMUTCD), published by TxDOT
- Harris County Engineering Department and Harris County Flood Control District Geotechnical Guidelines

TASK 1 – GENERAL SERVICES & PROJECT ADMINISTRATION (AIG TECH)

The Engineer shall reference the City's Project Title and City's Project File Numbers on all correspondence and submittals.

The Engineer shall manage the efforts of the project team members and subconsultants, assign manpower, delegate responsibilities, review work progress, monitor conformance to the scope regarding the budget and schedule, and otherwise direct the progress of the work.

The Engineer shall prepare for and attend periodic meetings necessary to review the progress of the engineering effort, or to address other issues which may arise. The City's Project manager shall initiate meetings that include the Engineer and their subconsultants, and if necessary, other applicable parties. The Engineer shall prepare and deliver meeting record memorandum of decisions and action items to the City within 3 working days after each meeting.

The Engineer shall notify the City's Project Manager immediately of any deviation from the Scope of Engineering Services and Fee agreed to in this Scope of Services. The Engineer shall not perform services outside of the Contract scope without an Amendment to this Contract.

The Engineer shall prepare a project work schedule, using the latest version of Microsoft Project software or another scheduling program approved by the City in writing. The schedules shall indicate tasks, subtasks, critical dates, milestones, deliverables, and review requirements in a format that depicts the interdependence of the various items. The work schedule must incorporate an allocation of time for stage reviews of the design schematic, the environmental documents, and the final construction documents by personnel. The Engineer shall present the work schedule to the City for review and acceptance and provide assistance in interpreting the proposed work schedule. The Engineer shall provide advance written notice to the City if the Engineer is not able to meet the scheduled milestone review date.

<u>Agency Coordination and Public Involvement</u>

The Engineer shall conduct meetings with various agencies to discuss and review the engineering and design of the proposed roadway and drainage improvements. The Engineer shall document all meeting minutes and provide discussion notes to the City within 3 working days after each meeting.

Public involvement, including but not limited to meetings with property owners, stakeholders, preparation of public notice, or attend/present to boards/councils are **EXCLUDED** from this scope of service. The Engineer shall prepare exhibits related to the engineering and design of the proposed improvements.

The Engineer shall submit invoices on City's standard form, if provided, to document and present the current status of each milestone noted to record activities and deliverables completed within the month, and to note activities planned for next month. Once the project has been completed and accepted by the City, the Engineer shall deliver all electronic files to the City within 30 calendar days of City's written request.

Final payment is contingent upon the City's receipt and confirmation by the City's Project Manager that the electronic files can be opened and are usable utilizing the current version of the software in use by the City and all the review comments have been addressed.

The Engineer shall prepare a letter of transmittal to accompany each document submittal to the City. At a minimum, the letter of transmittal must include the City project number, the street name, county, project limits, HUD Grant project identification, and the City of Tomball PO number.

Upon request, the Engineer shall provide the City with a copy of the AIG Technical Services, LLC Quality Control/Quality Assurance (QC/QA) Plan and provide documentation of plan conformance through the project duration.

TASK 2 – ENGINEERING DESIGN BASIC SERVICES

The Engineer shall prepare necessary engineering plans, specifications and engineer's opinion of probable construction costs, necessary for bidding and construction of the Proposed Roadway and Drainage Improvements described above. Plans and specifications prepared by the Engineer shall be in general conformance with applicable City of Tomball and Harris County guidelines, standard details, documentation, and procedures for public infrastructure.

If required, the Engineer shall assist City with required signatures from other governmental agencies, public utilities, and private utilities necessary for approval and construction permitting of the proposed project.

The following is intended to provide a general guideline of expected deliverables and milestones for accomplishing the project goal as well as assessing project schedule and completeness.

30% Milestone – Preliminary Design

The Engineer shall meet with Texas Department of Transportation, Harris County Precinct 3, Harris County Flood Control District, BNSF Railroad, and other Authorities having jurisdiction as needed to coordinate adjacent roadway and drainage improvement projects.

The Engineer shall meet with the City following completion of 30% design for the project. The design shall include schematic plan views of the proposed roadway and drainage improvements described above. A full list of deliverables for definition of milestone for payment is included below. It is anticipated the City and Grant Administrator will review and provide comments prior to proceeding to the next design stage of the project.

- Environmental Assessment Reports
- Geotechnical Investigation and Report
- Design Survey (Topographical Survey and Survey Control Map)
- Subsurface Utility Engineering
- Drainage Impact Analysis
- TSWA and Traffic Operational Analysis
- Preliminary Construction Sequence
- Project Implementation Plan
- Schematic Design base maps (typical sections, layout, ROW/parcel map exhibit)
- Utility Conflict Matrix
- Engineer's Opinion of Construction Cost

- Engineering Summary Report summarizing the project reflecting design criteria, traffic analysis, preliminary cost estimate and basis of estimate, construction sequence description, utility conflict issues, and environmental constraints

60% Milestone – Design (Drawings)

At the 60% milestone, the Engineer shall submit one (1) PDF electronic copy of preliminary construction plans. The preliminary design will include a summary of anticipated issues, constraints, and estimates of probable construction cost for the plans provided. The Engineer shall meet with the City following completion of 60% design for the project. A full list of deliverables for definition of milestone for payment is included below. It is anticipated the City and Grant Administrator will review and provide comments prior to proceeding to the next design stage of the project.

- Cover Sheet, Index of Sheets, and General Notes
- Overall Layout Plan
- Survey Control Map
- Existing/Proposed Typical Sections
- Roadway & Drainage Plan and Profile of existing condition, existing utilities, and proposed improvements
- Cross Street Plan and Profiles
- Overall Drainage Area Map and Contributing Drainage Area Maps
- Storm Sewer Hydrologic and Hydraulic Computation Sheets
- Detention Pond Plan, Cross Section and Outfall Plan & Profile
- Signage and Pavement Marking Plans
- Traffic Signal Plans
- Utility Relocation Plans of public utilities (if required), including water, sanitary sewer, or natural gas lines owner by City of Tomball as equal sizing or as directed by the City's Project Manager
- Traffic Control Plans, Detours, and Sequence of Construction
- Storm Water Pollution Prevention Plans
- Storm Water Quality Plan
- Landscape Planting, Irrigation and Tree Preservation Plans
- Structural Engineering Plans/Details
- Standard Details
- Constructability Review
- Updated ROW/Parcel Map Exhibit
- List of Technical Specification (standard specifications incorporated by reference and all supplemental and non-standard technical specifications identified)
- Engineer's Opinion of Construction Cost

90% Milestone – Final Design (Drawings)

At the 90% milestone, the Engineer shall submit three (3) full size paper sets and one (1) PDF electronic copy of the following:

- Construction Drawings included all necessary plans sheets and details
- Final ROW/parcel map exhibit
- Draft Project Manual including as a minimum:
    - Table of Contents
    - Bid Form (00410, Parts A&B)
    - Summary of Work
    - Technical Specifications (standard specifications incorporated by reference and all supplemental and non-standard technical specifications identified)
- Detailed estimate of probable construction cost
- SWQMP
- Submission of Plans to RAS for TDLR compliance review

Final Drawings and Specifications (100% Construction Documents)

After receiving reviewing, and addressing comments on the 90% Milestone submission, the Engineer shall submit three (3) full size paper copies and one (1) PDF electronic copy of the documents and supporting paperwork upon conformation of readiness by the City. The final Construction Document submission will include:

- Construction documents, all review comments resolved, with applicable documents signed and sealed by a licensed engineer and/or surveyor.
- Sheet-by-sheet quantity take off and documentation
- Proof of TDLR Comment review and responses
- Completed project manual
- Land Acquisition documents (as proposed under the Additional Services within the Scope of Service)
- Documentation and/or permits confirming other agencies' approvals and eligibility for final construction permits. Acquisition of ROW or parcels for construction may limit the ability to obtain all necessary permits for construction.

Bidding and Award – Not Included in this Scope of Services

TASK 3 – STORM WATER POLLUTION PREVENTION PLAN

Prepare erosion control plan showing suggested best management practices for filtering of stormwater runoff, plan controls and standard details in accordance with TCEQ requirements, and City's standard details and specifications. The Engineer shall develop storm water pollution prevention plans in conformance with the Traffic Control Plans (TCP). The storm water pollution prevention plan shall include any required permanent erosion control measures.

TASK 4 – TRAFFIC CONTROL PLANS

The Engineer shall prepare Traffic Control Plans (TCP), including TCP typical sections, for the project. A detailed TCP shall be in accordance with general traffic engineering principles and practices governing traffic control during construction as prescribed by the guidelines of the "Texas Manual on Uniform Traffic Control Devices" (TMUTCD), City of Tomball and/or Harris County Engineer Department requirements.

The Engineer shall provide a written narrative of the construction sequencing and work activities per phase and determine the existing and proposed traffic control devices (regulatory signs, warning signs, guide signs, route markers, construction pavement markings, barricade, flag personnel, temporary traffic signals, etc.) to be used to handle traffic during each construction sequence. The Engineer shall show proposed traffic control devices at grade intersections during each construction phase (stop signs, flag person, signals, etc.). The Engineer shall show temporary roadways, ramps, structures and detours required to maintain lane continuity throughout the construction phasing. If temporary shoring is required, prepare layouts and show the limits on the applicable TCP. Design of temporary shoring will be the responsibility of the Contractor.

The Engineer shall assist the City in coordination mitigation of impacts to adjacent schools, emergency vehicles, pedestrians, bicyclists, neighborhoods, and planned City events. The Engineer shall maintain continuous access to abutting properties during all phases of the TCP. The Engineer shall develop a list of each abutting property along its alignment.

TASK 5 – LANDSCAPE ARCHITECTURAL, IRRIGATION, TREE PROTECTION SERVICES (BRUNO LAND DESIGN, LLC)

Services are proposed to address the improvements associated with roadway reconstruction and drainage improvements. Landscaping, irrigation, and tree protection shall be designed in accordance with applicable City of Tomball ordinances and standards, or as directed by the City's Project Manager.

The subconsultant proposal is included in *Exhibit A1*.

TASK 6 – GEOTECHNICAL INVESTIGATION (GEOTEST ENGINEERING, INC.)

Perform the geotechnical investigation and reporting in general accordance with the Harris County Engineering Department and Harris County Flood Control District Design Manual(s). The purpose of the investigation is to evaluate the soil and ground water conditions within the project alignment and provide geotechnical recommendations for the proposed storm sewer, paving improvements, and dry-bottom detention facility.

The scope of the study will include the following:

- Call Texas811 One Call and Coordinate with utility locators to obtain utility clearance
- Perform pavement coring and record the existing pavement section
- Drill and intermittently sample 14 total borings to a depth of 25 feet (8 for roadway, 6 for pond)
- Install two (2) piezometers within the drilled boreholes to record long term water level readings
- Perform desktop fault study to identify the documented faults (if any)
- Perform appropriate laboratory tests on selected representative samples to develop the engineering properties of the soil
- Perform engineering analysis to develop geotechnical recommendations

- Open cut excavation recommendation for proposed storm sewer including groundwater control and construction considerations
- Pavement recommendations (asphalt and concrete) including subgrade stabilization recommendations per Harris County criteria
- Safe side slope recommendations for the proposed detention pond including outfall recommendations at Boggs Gully per HCFCD criteria

- Prepare a geotechnical investigation report containing a plan showing the locations of boreholes and recommendations

The subconsultant proposal is included in *Exhibit A2*.

TASK 7 – TOPOGRAPHICAL SURVEY AND BOUNDARY SURVEY (RODS, INC.)

A registered professional land surveyor shall conduct the following design and boundary surveys suitable for design within the anticipated limits of work, illustrated in *Exhibit A3*.

- Existing ROW Maps (TSPS Category 1B, Condition 3) - Deed research for existing right-of-way (ROW) throughout the project route. Prepare ROW map of existing ROW. Deed research and ROW mapping excludes the proposed detention pond parcel tract and along N Cherry Street from W Hufsmith Road to Epps Street
- Boundary Lines – Establish boundary lines for the proposed detention pond tract and along N. Cherry Street from W. Hufsmith Road to Epps Street. The interior/individual parcel lines will not be surveyed or shown due to known issues affect the parcels and right-of-way.
- Topographic Survey (TSPS Category 6, Condition 1) – Perform topographic survey for approximately 9,855 linear feet with all intersections along this route. Surveyed cross sections at 50' intervals to include 20 feet outside of the ROW, including visible utilities and Texas811 OneCall markings/signed, and drainage features with invert data.
- Control – Recover Horizontal and Vertical control points. Project datum shall be Horizontal NAD 83 (2011 Adj. Epoch 2010.00) Vertical NAVD 88. Control points to be set with 5/8-inch iron rods. Set three (3) temporary benchmarks.
- Proposed ROW Maps (TSPS Category 1A, Condition 3) – Perform land title survey of up to four (4) parcels previously surveyed in existing TSPS Category 1B, Condition 3 boundary survey. Research and recover sufficient boundary/ROW information necessary to create metes and bounds descriptions and parcel maps. Provide appropriate monumentation at all new or missing parcel corners. Provide third-party abstracting services with abstractors certificate for each parcel acquisition.
- Provide survey data on geotechnical boring locations with corresponding identification labels

Deliverables shall be submitted no later than when 30% drawings are submitted for review. Deliverables for topographic survey services to the City include the following:

- Survey Control Index Sheet and Horizontal and Vertical Control Sheets
- Existing Boundary Maps
- 2D CADD file, 3D DTM, TIN, and ASCII data file
- Up to four (4) Category 1A Exhibit Surveys and metes in bounds in PDF and word format

The subconsultant proposal is included in *Exhibit A4*.

TASK 8 – REGISTERED ACCESSIBILITY SPECIALIST

Registered Accessibility Specialist (RAS) Services proposed for the project would be associated with the pedestrian route elements, including site walks, ramps, and street right-of-way crossings determined to be impacted by the project improvements. The RAS Services would include plan review and construction inspections for compliance with the Texas Architectural Act, Chapter 469 of the Texas Government Code. A budgetary number has been assumed for the cost associated with the plan project registrations, reviews, and inspections in accordance to and published under the Architectural Barriers Administrative Rule 68.80. Actual final cost will be based on the final construction estimate at the time of registration.

TASK 9 – ENVIRONMENTAL STUDIES (WILD ASSOCIATES, LLC)

The scope described herein is consistent with prior scopes executed for HUD-funded projects and administered through the General Land Office (GLO). The roadway and drainage improvements are situated within or near the Tomball Oil Field. The area indicates the possibility of historical oil and/or gas wells, pipelines, mud pits, workover pits, tank farms, valves station, and the like. Below is a list of tasks identified that are further defined in the subconsultant proposal included as *Appendix E*.

- Wetlands and Water Bodies Delineation
- Ordinary High Water Mark Determination
- Threatened and Endangered Species Survey
- Historical and Cultural Resources Desktop Survey
- Pre-Permit Application USACE Consultation
- Section 404 Nationwide Permit
- Phase I Environmental Site Assessment
- Phase II Environmental Site Assessment

The subconsultant proposal is included in *Exhibit A5*.

TASK 10 – DRAINAGE IMPACT ANALYSIS

Utilizing the recently adopted City of Tomball Drainage Master Plan (DMP), prepare a drainage impact analysis for the proposed roadway and drainage improvements. The proposed improvements consist of implementing three projects from the DMP within the J131 Basin (or Boggs Gully sub-watershed), specifically subbasin J131_A5. The purpose of the improvements is to relieve portions within Old Town Tomball north of FM 2920 from historic flooding through increased conveyance systems and mitigation within the proposed detention facility. The three projects identified in the DMP are listed below:

- J131_CIP 1 – A sub-regional, dry-bottom detention facility identified as J531-01
- J131_CIP 2 – A storm sewer trunk system along N. Cherry Street
- J131_CIP 3 – A storm sewer lateral system along Commerce Street extending from N. Pine Street to N. Elm Street

The J531-01 detention facility is intended to mitigate impacts from N. Cherry Street storm sewer improvements and W. Hufsmith Road improvements (from J131-00-00 to BNSF Railroad). In addition, J531-01 may potentially provide additional storage capacity for adjacent subarea J131_B1_S1 and/or storage capacity for future development within the subbasin.

As part of the drainage impact analysis, data collection will gather and review available data from public resources (FEMA, HCED, and HCFCD) and obtain final models and reports from City of Tomball related to the DMP.

A hydrologic study of the project area will include the following:

- Delineation of drainage boundaries for contributing and programmed areas for pre-development and post-development conditions
- Determination of peak flows using the Rational Method for the following design frequencies: 2-year (50 % AEP), 10-year (10% AEP), 25-year (4% AEP) and 100-year (1% AEP) storm events
- Development of peak flow hydrographs in conformance with City and HCFCD criteria

The hydraulic analysis and evaluation will include the development of an unsteady state 1D-2D models utilizing XPSWMM utilizing surface terrain data and topographical survey. A pre-construction model, representing existing conditions, will be developed, calibrated and validated. The post-construction modelling effort will include the following improvements:

- N. Cherry Street reconstruction and storm sewer improvements
- W. Hufsmith Road reconstruction and storm sewer improvements
- Implementation of J531-01 subregional detention facility, or portion of to serve the proposed project

All modelling will include provisions, if any, for computations of resulting floodplain fill volumes and respective mitigation cut volume within limits of disturbance. Hydraulic design will be performed in accordance with HCED and COT drainage design criteria.

A drainage impact analysis report will be prepared detailing project scope, hydrologic and hydraulic methodologies utilized, alternative analysis and recommendations suitable for permit approval by agencies having jurisdiction.

TASK 11 – TRAFFIC STUDIES / TSWA

The Engineer shall prepare up to one (1) traffic signal warrant analysis for N. Cherry Street intersection with W. Hufsmith Road. The TSWA for N. Cherry Street and FM 2920 (Main Street) is anticipated to be completed by the TxDOT design consultant. The following data will be collected and reviewed as part of the TSWA at the identified intersection:

- 13-hour Turning Movement Counts (TMC)
- Historical crash data for 5 full calendar years (January 1st to December 31st)
- Perform field work that includes taking measurements, locating utilities and ROW, identifying existing conditions, observing intersection sight distances, observing traffic characteristics, and taking digital photos (minimum of one photograph per approach)

The Engineer shall conduct traffic signal warrant analysis for the study intersection for use in authorizing traffic signals and other recommendations for improving traffic operations. The Engineer shall utilize the Texas Manual of Uniform Traffic Control Devices (TMUTCD) and other applicable guidelines for the analysis:

- Prepare a collision diagram showing crash types and their location
- Prepare an existing condition diagram showing details from the field work

- Prepare a site map of the study intersection. Information on the site map must include existing control devices at the intersection
- Prepare an Intersection Sight Distance diagram showing the sight triangles for the intersection approaches
- Prepare a signal warrant analysis report, which summarizes the findings of the traffic and pedestrian counts, field inventories of the location, and the warrant study

The Engineer shall conduct capacity analysis for the study intersection for Existing conditions (AM and PM peak hours) and make recommendations for improving traffic flow. The Engineer shall perform this study using the TRB Highway Capacity Manual to analyze and make appropriate recommendations. The Engineer will prepare a Traffic Signal Warrant Analysis Memorandum.

TASK 12 – IMPLEMENTATION PHASING AND CONSTRUCTABILITY REVIEW

The Engineer shall develop an implementation plan for prioritizing improvements along the corridor and identify a sequence of improvements to manage future traffic operations and available funding. The implementation plan must consider traffic operation, the ultimate preferred alternative, and potential funding levels and sources to identify a timeline for short and mid-term improvements that accommodate corridor growth while minimizing future throwaway construction. The Engineer shall provide the recommendations for the implementation plan in a project implementation report deliverable and incorporate the recommendations into the engineering summary report.

TASK 13 – TRAFFIC AND OPERATIONAL ANALYSIS

The Engineer conduct traffic operations analysis along the N. Cherry Street corridor from FM 2920 (Main Street) to W. Hufsmith Road, including the following intersections along N Cherry Street to make recommendations for improving traffic flow patterns, and transit and traffic operations:

- FM 2920 (Main Street)
- Commerce Street
- Houston Street
- Oxford Street
- Epps Street
- W. Hufsmith Road

The following data will be collected as part of the Traffic and Operational Analysis:

- From previous studies: AM and PM peak period Turning Movement Counts (TMC) at the intersections of N Cherry St with FM 2920, Commerce St, Houston St, Oxford St and Epps St
- Historical crash data for 5 full calendar years (January 1st to December 31st)
- Perform field work that includes taking measurements, locating utilities and ROW, identifying existing conditions, observing intersection sight distances, observing traffic characteristics, and taking digital photos (minimum of one photograph per approach)

The Engineer shall perform this study using the TRB Highway Capacity Manual:

- Traffic volume projections using an annual growth rate
- Capacity analysis for No Build conditions (AM and PM peak hours)
- Capacity analysis for Build conditions (AM and PM peak hours)

- Prepare a traffic operations analysis report, which summarizes the findings and recommended improvements (if appropriate)

The Engineer shall conduct historical crash analysis along N Cherry St from FM 2920 to Hufsmith Rd to make recommendations for enhancing safety. The Engineer shall use AASHTO HSM and TxDOT Roadway Design Manual to make appropriate safety recommendations:

- Review crash characteristics such as severity, crash types, frequency, rates, patterns, clusters, and their relationship to crash contributing factors.

The Engineer shall prepare a traffic operations analysis report, which summarizes the findings and recommended improvements (if appropriate) based on the traffic operations analysis and historical crash analysis.

TASK 14 – STORM WATER QUALITY MANAGEMENT PLAN

The Engineer shall prepare a Storm Water Quality Management Plan (SWQMP) in accordance with Harris County Flood Control District and Harris County Engineering Department guidance manuals for projects discharging into MS4 operator-maintain facilities.

TASK 15 – CONSTRUCTION PHASING PLAN

The construction of the Project should be scheduled or sequenced to minimize the down time for the contractor and to maximize the utilization of space for the travel ways. Sequencing is accomplished by partitioning the Project into construction phases, which may be further segmented into steps. A "phase" is a major portion of the construction, scheduled in a logical progression toward Project completion. A "step" is a minor portion of the construction, subordinate to a particular phase.

The Engineer shall prepare construction sequence layouts in conjunction with the geometric design schematic depicting the phasing and traffic detours anticipated to safely convey traffic. The layout(s) must demonstrate that adequate horizontal and vertical alignments are maintained, sufficient lane widths and should widths or barrier offsets are feasible, and construction zones are adequate for constructability of all proposed features. The layout(s) must indicate how existing pedestrian and bicycle facilities are accommodated for in each phase.

TASK 16 – TRAFFIC SIGNAL DESIGN

Assuming the Traffic Signal Warrant Analysis (TSWA) under D-10 confirms that a signal is warranted, the Engineer shall proceed with the preparation of Plans, Specifications, and Estimates (PS&E) for the design of traffic signals at the intersection of N Cherry Street and W Hufsmith Road. Design shall be conducted according to TMUTCD. The Engineer shall include the County's Approved Signal Equipment List after request from the Program Manager.

Perform field work that includes taking measurements, locating utilities, locating ROW, identifying existing conditions, and taking digital photos. The signal design shall accommodate ultimate corridor alignments and layout of both N Cherry Street and W Hufsmith Road.

Prepare traffic signal plans, specifications and opinion of probable construction cost estimates in concurrence with roadway and drainage PS&E deliverables.

TASK 17 – STRUCTURAL DESIGN (H2B ENGINEERING)

Services are proposed to provide structural engineering and design services related to the proposed roadway and drainage improvements. These items may include, but are not limited to, special storm sewer junction boxes, non-standard headwall structures, and overflow weir design. Further scope definition will be required upon completion of schematic design.

The subconsultant proposal is included in *Exhibit A6*.

TASK 18 – SUBSURFACE UTILITY ENGINEERING (RODS, INC.)

Utility engineering investigations include utility investigation subsurface and above ground prepared in accordance with ASCE/CI Standard 38-22 and Utility Quality Levels. All utility locates will contact Texas811 One-Call agency for locates and prior to any excavation activities.

- Quality Level D - Existing Records: Utilities are plotted from review of available records.
- Quality Level C - Surface Visible Feature Survey: Quality Level "D" information from existing records is correlated with surveyed surface-visible features.
- Quality Level B - Designate: Two-dimensional horizontal mapping. This information is obtained through the application and interpretation of appropriate non-destructive surface geophysical methods. QL B incorporates QL C and QL D information.
- Quality Level A - Locate (Test Hole): Three-dimensional mapping and other characterization data. Test holes will be excavated via non-destructive vacuum excavation. Test holes will be surveyed. Prepare data sheets for up to eleven (11) test holes depicting top, side and plan views, and detailing survey information as well as size, material and depth of utilities found.

Deliverables for QL B data shall be submitted no later than when 30% drawings are submitted for review. QL A test hole location may be determined after schematic development.

- Digital CADD file in Bentley ORD 2D format showing SUE QL B linework and SUE QL A test hole callouts
- Up to eleven (11) Test Hole Data Sheets for excavated locations

The subconsultant proposal is included in *Exhibit A4*.

EXCLUSIONS

1. Environmental Assessment and Permitting including but not limited to:
   - Environmental Assessment under the National Environmental Policy Act (NEPA)
   - HUD's 8-step Floodplain process
   - Archaeological Pedestrian Shovel Test or Trenching Surveys
   - Hydrogeomorphic Modeling to calculate Function Capacity Units for wetland Mitigation
   - Negotiations with wetland banks and development of mitigation and monitoring plans
   - TPWD habitat assessment and USFWS ESA Section 7 consultation studies and mitigation plans
   - Completion of HUD Environmental Review Record Checklist
2. Pipeline Relocation Design or Agreements
3. Street Illumination Design (to be coordinated with CenterPoint Energy upon award of construction funding)
4. Relocation design of private utilities (electrical or telecommunications)
5. Design of stormwater pump stations
6. Public Involvement & Presentations
7. Aesthetic Enhancements not mentioned in the scope of services above

LIST OF SCOPE ATTACHMENTS

Exhibit A1 – Landscape Architectural, Irrigation, Tree Protection Services (Bruno Land Design, LLC)

Exhibit A2 – Geotechnical Investigation (Geotest Engineering, Inc.)

Exhibit A3 – Survey Scope Exhibit

Exhibit A4 - Survey and SUE Services (Rods, Inc.)

Exhibit A5 – Environmental Studies (Wild Associates, LLC)

Exhibit A6 – Structural Design (H2B Engineering)

PART B – BASIS OF COMPENSATION AND REIMBURSABLE EXPENSES

The following represents the estimated maximum compensation for the scope of services documented in Attachment A, Part A of this agreement. If services beyond those specifically identified are determined necessary during the project, Engineer shall not proceed with those services until such time written approval of the scope, and any additional fees are approved by the City of Tomball.

The recommended budget for this scope of services is:

Services to be Provided	Base Cost	Sub-Markup @ 10%	Totals	Basis of Fee
Task 1 - General Services & Project Administration	$ 180,000.00		$ 180,000.00	Lump Sum
Task 2 - Engineering design Basic Services	$ 748,000.00		$ 748,000.00	Lump Sum
Task 3 - Storm Water Pollution Prevention Plan	$ 35,000.00		$ 35,000.00	Lump Sum
Task 4 - Traffic Control Plans	$ 85,000.00		$ 85,000.00	Lump Sum
Task 5 - Landscape, Irrigation, Tree Protection Services (Bruno)	$ 25,000.00	$ 2,500.00	$ 27,500.00	Lump Sum
Task 6 - Geotechnical Investigation (Geotest)	$ 74,930.00	$ 7,493.00	$ 82,423.00	Lump Sum
Task 7 - Topographical Survey and Boundary Survey (Rods)	$ 189,840.00	$ 18,984.00	$ 208,824.00	Lump Sum
Task 8 - Registered Accessibility Specialist	$ 2,000.00	$ 200.00	$ 2,200.00	Lump Sum
Task 9 - Environmental Studies (Wild & Associates)	$ 57,200.00	$ 5,720.00	$ 62,920.00	Lump Sum
Task 10 - Drainage Impact Analysis	$ 116,000.00	$ -	$ 116,000.00	Lump Sum
Task 11 - Traffic Studies / TSWA	$ 30,500.00		$ 30,500.00	Lump Sum
Task 12 - Implementation Phasing and Constructability Review	$ 25,000.00		$ 25,000.00	Lump Sum
Task 13 - Traffic and Operational Analysis	$ 51,500.00		$ 51,500.00	Lump Sum
Task 14 - Storm Water Quality Management Plan	$ 25,000.00		$ 25,000.00	Lump Sum
Task 15 - Construction Phasing Plan	$ 50,000.00		$ 50,000.00	Lump Sum
Task 16 - Traffic Signal Design	$ 38,000.00		$ 38,000.00	Lump Sum
Task 17 - Structural Design (H2B)	$ 35,000.00	$ 3,500.00	$ 38,500.00	Lump Sum
Task 18 - Subsurface Utility Engineering (Rods)	$ 87,620.00	$ 8,762.00	$ 96,382.00	Lump Sum
Reimbursable Expenses	$ 5,000.00	$ 500.00	$ 5,500.00	Lump Sum
	Recommended Total Budget		**$ 1,908,249.00**	

The recommended budget for this scope of services is $1,908,249.00 (Not to Exceed).

Notes: 1. Reimbursable Expenses shall be invoiced and paid based on cost of service provided plus 10% markup. These services include travel, deliveries, postage, graphical reproduction, etc.

EXHIBIT A1

bruno
LAND DESIGN

STANDARD FORM CONTRACT
FOR PROFESSIONAL SERVICES BETWEEN
LANDSCAPE ARCHITECT AND CLIENT

Preliminary Provisions

Date
This Agreement is made as of August 11, 2025, between the Client and Landscape Architect for the Landscape Architectural Services as provided herein.

Client
The Client acknowledges that it is authorized to enter into this Agreement.

AIG Tech
NAME

ENTITY – SELECT ONE
☐CORPORATION ☒LIMITED LIABILITY COMPANY ☐MUNICIPALITY ☐GOVERNMENT ☐INDIVIDUAL/MARRIED COUPLE

1500 S. Dairy Ashford Ste. 445 / Houston / Texas / 77077
ADDRESS / CITY / STATE / ZIP (IF DIFFERENT FROM CLIENT ADDRESS ABOVE)

Patrick Rummel, PE / Project Manager / email: patrick.rummel@aigtechnical.com
POINT OF CONTACT

Landscape Architect

Bruno Land Design, LLC
NAME

ENTITY – SELECT ONE
☐SOLE PROPRIETOR ☐PARTNERSHIP ☐CORPORATION ☒LIMITED LIABILITY COMPANY

10401 Mason Road, Ste.G704, Richmond, Texas 77406
ADDRESS / CITY / STATE / ZIP

Kyle Bruno, RLA / email: kyle@brunolanddesign.com / p: 409-382-0698
CONTACT INFORMATION

Project

Name: COT RFQ #2025-15 (N. Cherry St. Storm Sewer Improvements)

Location: Tomball, Texas

Purpose: Landscape Architecture

Scope of Services

The Scope of Services to be provided by the Landscape Architect under this Agreement are described in *Exhibit "A."*

Compensation

Compensation for Landscape Architectural Services performed under this Agreement shall be the **Lump Sum** of **$25,000.00** plus Reimbursable Expenses as defined in Article 4 and is subject to the provisions of this Agreement.

Exhibits

The following exhibits are incorporated in an made a part of this Agreement:

"A" Client's Program
"B" Scope of Services
"C" Landscape Architect's Hourly Compensation Rates Schedule

II. Fee Breakdown

Schematic Design……..……$5,000.00
Design Drawings…….....$8,000.00
Construction Documents…….....$12,000.00

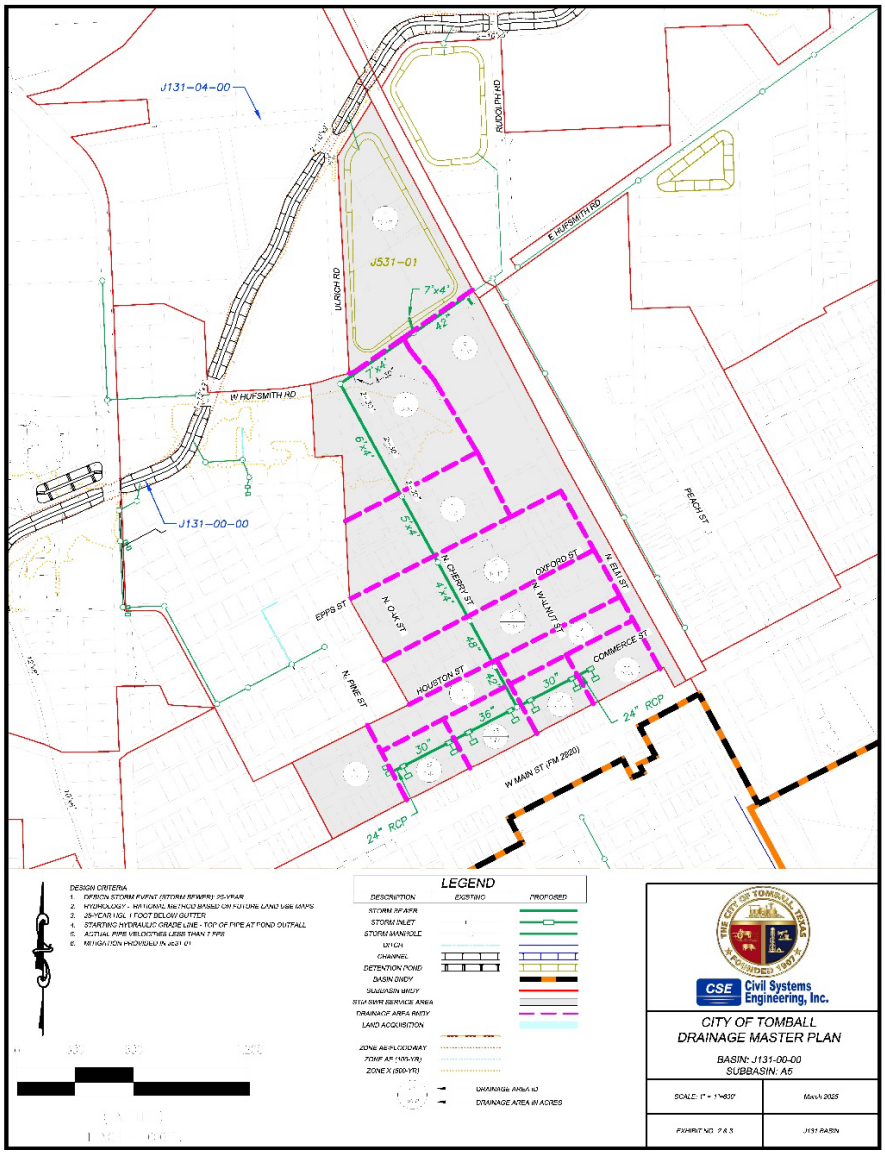
Total Fee…… $25,000.00

_____ 08/11/2025
Landscape Architect Date

_____ _____
Client Date

EXHIBIT "A"

CLIENT'S PROGRAM



1. Provide the following for N. Cherry Storm Sewer Improvements:
    a. Existing Tree Protection Plan (N. Cherry St)
        i. Provide Tree Protection Plan for existing trees along N. Cherry St. that will be proposed "To Remain".
    b. Hardscape Plan (J531-01 Proposed Detention)
        i. Provide sidewalk design for pedestrian connectivity, per City of Tomball Code of Ordinance standards.
    c. Planting Plan (J531-01 Proposed Detention)
        i. Provide planting design, at minimum, to City of Tomball Code of Ordinance standards.
    d. Irrigation Plan (J531-01 Proposed Detention)
        i. Provide design, at minimum, to TCEQ standards.

EXHIBIT "B"

1.1 Scope of Services

1.1.1 Schematic Design Phase

Based on the engineering plans and findings, the Landscape Architect shall explore design options and develop a Schematic Design through the following:

.1 prepare studies and relational diagrams for the organization and placement of proposed Program elements taking into consideration the existing site features and the requirements of other Program elements

.2 prepare drawings illustrating alternative design concepts for the form and configuration of the Program elements on the site (up to 3 alternatives shall be provided under the basic Scope of Services for this Agreement)

.3 evaluate alternative design concepts and, in conjunction with the Client, identify a preferred design concept

.4 based on the preferred design concept, prepare a Schematic Design plan (at an appropriate scale) illustrating the form and configuration of the proposed improvements on the site

.5 preliminarily select key materials or material systems and prepare preliminary designs for key construction details

.6 prepare an opinion of probable construction costs for the proposed improvements, including a recommended contingency

.7 submit the plan(s), details, cost opinion, and other deliverables as appropriate comprising the Schematic Design submittal to the Client for review and approval

1.1.2 Design Development Phase

Based on the Schematic Design approved by the Client, the Landscape Architect shall refine and sufficiently detail the proposed form of the improvements to comprehensively convey the design intent through the following:

.1 plan to define the location of the proposed improvements in relation to both the existing site features and other proposed improvements

.2 prepare design detail drawings illustrating the proposed forms, materials, colors, and textures of the proposed improvements in coordination with other professional services

.3 prepare supplemental drawings as required to illustrate the design intent:

a. Tree Protection Plan
b. Hardscape Plan
c. Planting Plan
d. Irrigation Plan

.4 prepare outline specifications for applicable areas of work

.5 prepare an opinion of probable construction costs for the proposed improvements, including a recommended contingency

.6 submit the plans, details, cost opinion, and other deliverables as appropriate comprising the Design Development submittal to the Client for review and approval

.7 distribute and coordinate all drawings with all design professionals

.8 coordinate and distribute deliverables and schedules

1.1.3 Construction Document Phase

Based on the Design Development phase submission approved by the Client, the Landscape Architect shall prepare Construction Documents suitable for bidding or contract negotiations and for construction of the Project. The Landscape Architect shall:

.1 prepare construction plans including:
   a. Tree Protection Plan
   b. Hardscape Plan
   c. Planting Plan
   d. Irrigation Plan
.2 prepare construction details to describe the materials, spatial relationships, connections, and finishes suitable for constructing the proposed improvements
.3 prepare construction specifications for the proposed improvements
.4 coordinate the drawings and specifications prepared by the Landscape Architect's consultants, and when appropriate, the Client's other consultants.
.5 update the opinion of probable construction costs of the proposed improvements.
.6 prepared document suitable for review for compliance with applicable governmental requirements and assist the Client in the submission to governmental agencies.
.7 address timely and applicable review comments received from agencies and revise the Construction Documents for compliance when required
.8 prepare an opinion of probable construction costs for the proposed improvements, including a recommended contingency
.9 submit electronic copies of the Construction Documents; additional hard copies shall be a Reimbursable Expense as provided an Article 4 of the Agreement

1.2 Exclusions

1.3.1 Geotechnical Surveys/Reports
1.3.2 Civil Engineering Services/Design
1.3.3 Electrical Engineering Services/Design
1.3.4 Structural Engineering Services/Design
1.3.5. Architectural Services/Design
1.3.6. Soils Report

EXHIBIT A2

GEOTEST ENGINEERING, INC.
Geotechnical Engineers & Materials Testing
5600 Bintliff Drive Houston, Texas 77036 Telephone: (713) 266-0588
Fax: (713) 266-2977

Proposal No. 1140732599
August 6, 2025

Mr. Patrick Rummel, PE
Project Manager
AIG Tech
11740 Katy Freeway, Suite 100
Houston, Texas 77079

Re: Proposal for Geotechnical Investigation
North Cherry Street Drainage Improvements
City of Tomball, Harris County, Texas

Dear Mr. Rummel:

In accordance with your request on August 1, 2025, Geotest Engineering, Inc., is pleased to submit this proposal for the referenced project. The project scope includes providing drainage and paving improvements along North Cherry Street between FM 2920 and Boggs Gully (Harris County Flood Control District [HCFCD] Unit J131-00-00) in the City of Tomball, Harris County, Texas.

The subject N Cherry Street is currently a two lane asphalt paved street with roadside ditches, and experiences flooding during storm events. The proposed project involves the installation of a storm sewer system along N Cherry Street and W Hufsmith Rd, including lateral storm sewers connecting to the main trunk line along N Cherry Street, helping to mitigate repetitive flood losses experienced by residential and commercial properties in the northern portion of Old Town Tomball. Based on the available information, the proposed storm sewers will be installed at depths ranging from 8.5 to 10.3 feet and will be constructed by using open cut excavation. The project also includes pavement improvements along the proposed streets and scope includes providing recommendations for both asphalt and concrete pavement sections per Harris County guidelines.

The project also includes construction of a new detention pond along the north end of the project between Ulrich Rd, W Hufsmith Rd, UPRR railroads and Boggs Gully. The proposed pond is about 9.5 acres in area. The depth of the proposed pond ranges from 8.5 to 10.5 feet and will be designed as a dry bottom basin. The storm sewer system as part of the project will outfall

into the pond from along W Hufsmith Rd, and the pond will outfall into Boggs Gully on the north end of the proposed pond.

Purpose and Scope

The purposes of this investigation are to evaluate the soil and ground water conditions within the project alignment and to provide geotechnical recommendations for the storm sewer and paving improvements, and detention pond. Based on the information provided to us on August 1, 2025, the scope of this study will consist of the following:

- Call Texas 811 and coordinate with utility locators to obtain utility clearance for the proposed boreholes.
- Perform pavement coring and record the existing pavement section and provide borehole access.
- Drill and intermittently sample:
  - eight (8) soil borings each to a depth of 25 feet for paving and drainage improvements.
  - Six (6) soil boreholes each to a depth of 25 feet for detention pond.
- Measure water levels 24 hours after completion of drilling in all the borings
- Install two (2) piezometers within the drilled boreholes (one [1] along the roadway and one [1] within the detention pond footprint) to record the long term water level readings.

  The approximate location of the borings is shown on Figure 1, Plan of Borings and the Proposed Boring/Piezometer Program is presented on Attachment No. 1.
- Perform Desktop Fault Study to identify the documented faults (if any) in the area.
- Grout all the drilled boreholes, except piezometer borings and detention pond borings (except the one borehole along W Hufsmith Rd), using non-shrink cement bentonite grout after completion of drilling and water level measurements. The use of cement bentonite grout will eliminate the potential problems and safety hazards associated with surface settlements that might occur if boreholes are backfilled with soil cuttings.
- Perform appropriate laboratory tests on selected representative samples to develop the engineering properties of the soil.

- Perform engineering analyses to develop geotechnical recommendations. The recommendations will include:
  - Open cut excavation recommendations for the proposed storm sewer installation including ground water control and construction considerations.
  - Pavement recommendations (both asphalt and concrete) including subgrade stabilization recommendations per County criteria.
  - Safe side slope recommendations for the proposed detention pond including outfall recommendations at Boggs Gully per HCFCD criteria.
- Prepare a geotechnical investigation report per Harris County Engineering Department (HCED) guidelines containing a plan showing the locations of the boreholes and recommendations as outlined above.

It is assumed that the boreholes will be located and tied-in by you or your surveyors after completion of drilling.

Schedule and Fees

We should be able to start the fieldwork within one (1) week after receiving your written authorization or one (1) week after obtaining the necessary street Right-of-Way (ROW), whichever is the latest. It is estimated that the fieldwork will be completed in about two (2) weeks barring bad weather. The laboratory tests will be completed in about six (6) weeks. The complete geotechnical report, which will include field and laboratory data and geotechnical recommendations, will be submitted in about twelve (12) weeks after completion of the fieldwork. Preliminary information including boring logs and geotechnical recommendations will be provided after completion of field and laboratory work.

Based on the scope of work outlined above, the cost of the field investigation, laboratory testing, engineering analyses and geotechnical report will be a lump sum amount as given below.

Structures	**Cost**
Drainage and Paving Improvements (Attachment No.2)	$35,518.00
Detention Pond (Attachment No. 3)	$33,773.00
Total	**$69,291.00**
SITE CLEARANCE (UP TO 2 DAYS)	*$5,000.00*
GRAND TOTAL	*$74,930.00*

Proposal No. 1140732599
August 6, 2025

The above cost is based on assumption that the boreholes can be accessed with truck/buggy mounted drilling rig and no site clearance is required. Any site clearance efforts will be charged at an additional cost of $2,500 per day.

We appreciate the opportunity to submit this proposal. Formal authorization is required for our services. This may be provided by signing in the space provided below and returning one copy for our files.

Sincerely,
GEOTEST ENGINEERING, INC.

Guruprasad Varma Dommaraju, P.E.
Project Engineer

Naresh Kolli, P.E.
Sr. Project Manager

Enclosures: Figure 1 - Proposed Plan of Borings
Attachment No. 1 – Proposed Boring/Piezometer Program
Attachment No. 2 – Cost Breakdown – Drainage and Paving Improvements
Attachment No. 3 - Cost Breakdown – Detention Pond

NK\GD\ego
Copies Submitted: (1-PDF)
PC61\Geotechnical\Proposals\1140732599.DOC

ACCEPTED BY: _____

PRINTED NAME: _____

TITLE: _____

DATE: _____

Attachment No. 1
PROPOSED BORING/PIEZOMETER PROGRAM

Street	Street Limits		Proposed Storm Sewer Depth (feet)	Proposed Boring			Proposed Piezometers		
	From	To		Number	Depth (feet)	Footage (feet)	Number	Depth (feet)	Footage (feet)
Commerce St	N Pine St	N Elm St	10.3	3	25	75			
N Cherry St	FM 2920	W Hufsmith Rd	8.5 ~ 10.3	5	25	125	1	25	25
Total				**8**		**200**	**1**		**25**

Detention Basin

Street	Street Limits		Proposed Pond Depth (feet)	Proposed Boring			Proposed Piezometers		
	From	To		Number	Depth (feet)	Footage (feet)	Number	Depth (feet)	Footage (feet)
Detention Basin (~9.5 acres)			10.5	6	25	150	1	25	25
Total				**6**		**150**	**1**		**25**

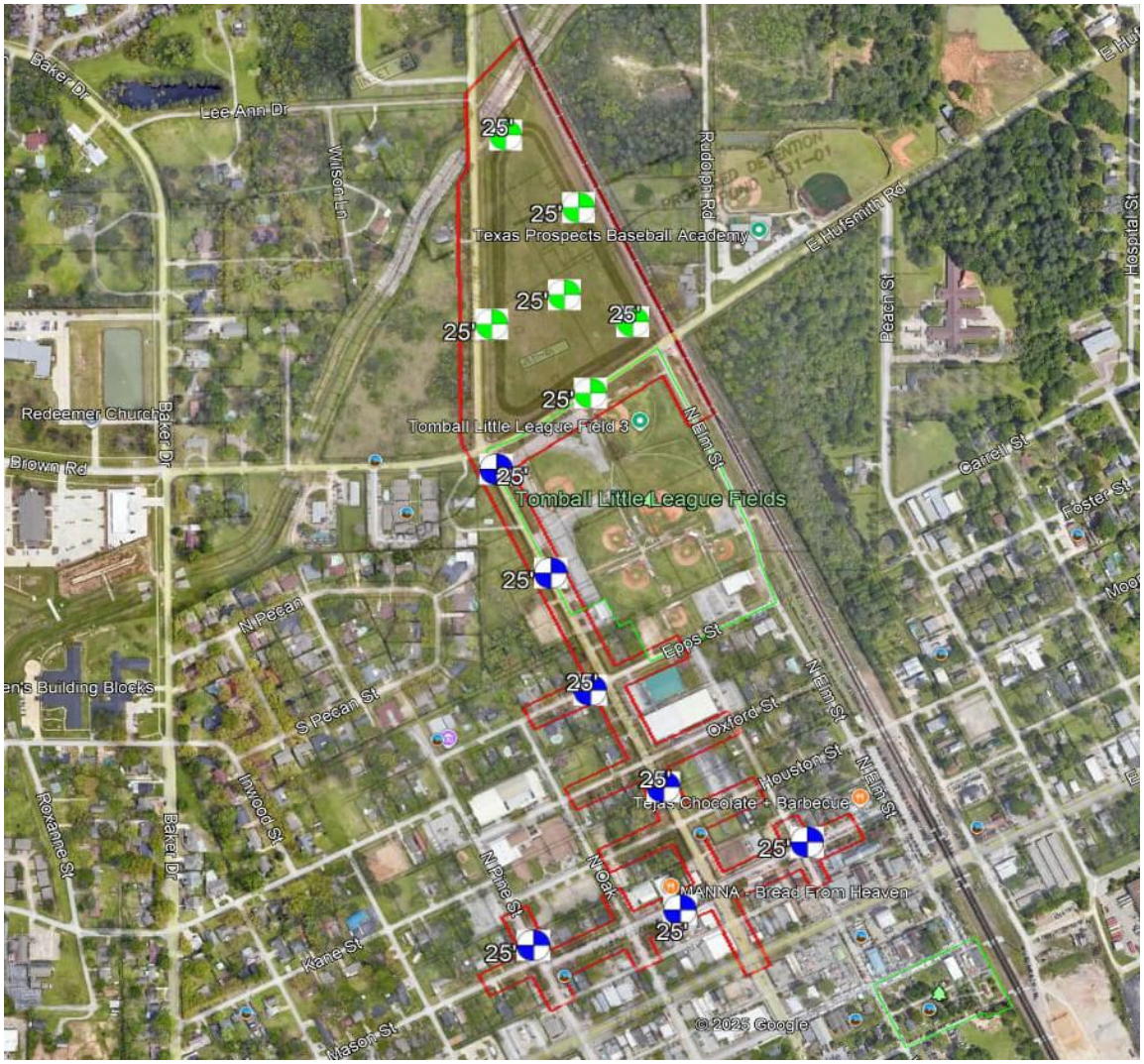
Attachment No. 2
COST BREAKDOWN
DRAINAGE AND PAVING IMPROVEMENTS

	QUANTITY	UNIT RATE	COST
Engineering Services			
Principal	3 hrs.	$266.00	$798.00
Senior Engineer	6 hrs.	$218.00	$1,308.00
Project Engineer	12 hrs.	$176.00	$2,112.00
Staff Engineer	45 hrs.	$122.00	$5,490.00
Support Personnel (Drafting, Word Processing)	6 hrs.	$68.00	$408.00
		Subtotal	**$10,116.00**
Subsurface Field Investigation			
Mobilization/Demobilization of Truck Mounted Drill Rig and Crew	1 ea.	$746.00	$746.00
Mobilization Surcharge for Buggy Mounted Drill Rig	ea.	$250.00	$0.00
Drilling and Continuous Sampling, Truck Mounted Rig, from 0 to 20 feet	160 ft.	$27.00	$4,320.00
Drilling and Intermittent Sampling, Truck Mounted Rig, from 20 to 50 feet	40 ft.	$24.00	$960.00
Grouting of Completed Bore Holes	175 ft.	$13.00	$2,275.00
Surcharge for Buggy Mounted Drilling Rig	ft.	$10.00	$0.00
Utility Coordination and Marking Borings	8 hrs.	$96.00	$768.00
Borehole Logging and field coordination and water level measurements	38 hrs.	$96.00	$3,648.00
Piezometer Installation	25 ft.	$26.00	$650.00
Piezometer Abandonment	25 ft.	$21.00	$525.00
Pavement Coring (4" Diameter and up to 6" Thickness)	8 ea.	$113.00	$904.00
Additional Thickness (6" to 12")	16 in.	$11.00	$176.00
Vehicle Charge	38 hrs.	$13.00	$494.00
Traffic Control	4 day	$1,200.00	$4,800.00
		Subtotal	**$20,266.00**
Laboratory Tests			
Liquid and Plastic Limits (ASTM D 4318)	20 ea.	$76.00	$1,520.00
Percent Passing No. 200 Sieve (ASTM D 1140)	12 ea.	$59.00	$708.00
Moisture Content (ASTM D 2216)	68 ea.	$12.00	$816.00
Mechanical Sieve Analysis, through No. 200 Sieve (ASTM D 422)	8 ea.	$69.00	$552.00
Unconsolidated-Undrained Triaxial Compressive Strength, per Specimen or Stage (ASTM D 2850)	20 ea.	$77.00	$1,540.00
		Subtotal	**$5,136.00**
		Total	**$35,518.00**

Attachment No. 3
COST BREAKDOWN
DETENTION POND

	QUANTITY	UNIT RATE	COST
Engineering Services			
Principal	3 hrs.	$266.00	$798.00
Senior Engineer	9 hrs.	$218.00	$1,962.00
Project Engineer	12 hrs.	$176.00	$2,112.00
Staff Engineer	60 hrs.	$122.00	$7,320.00
Support Personnel (Drafting, Word Processing)	6 hrs.	$68.00	$408.00
		Subtotal	**$12,600.00**
Subsurface Field Investigation			
Mobilization/Demobilization of Truck Mounted Drill Rig and Crew	1 ea.	$746.00	$746.00
ATV Mobilization Surcharge	1 ea.	$250.00	$250.00
Drilling and Continuous Sampling, Truck Mounted Rig, from 0 to 20 feet	120 ft.	$27.00	$3,240.00
Drilling and Intermittent Sampling, Truck Mounted Rig, from 20 to 50 feet	30 ft.	$24.00	$720.00
Grouting of Completed Bore Holes	25 ft.	$13.00	$325.00
ATV Surcharge	125 ft.	$10.00	$1,250.00
Utility Coordination and Marking Borings	5 hrs.	$96.00	$480.00
Borehole Logging and field coordination and water level measurements	23 hrs.	$96.00	$2,208.00
Piezometer Installation	25 ft.	$26.00	$650.00
Piezometer Abandonment	25 ft.	$21.00	$525.00
Pavement Coring (4" Diameter and up to 6" Thickness)	1 ea.	$113.00	$113.00
Additional Thickness (6" to 12")	1 in.	$11.00	$11.00
Vehicle Charge	23 hrs.	$13.00	$299.00
Traffic Control	day	$1,200.00	$0.00
		Subtotal	**$10,817.00**
Laboratory Tests			
Liquid and Plastic Limits (ASTM D 4318)	20 ea.	$76.00	$1,520.00
Percent Passing No. 200 Sieve (ASTM D 1140)	14 ea.	$59.00	$826.00
Moisture Content (ASTM D 2216)	46 ea.	$12.00	$552.00
Mechanical Sieve Analysis, through No. 200 Sieve (ASTM D 422)	6 ea.	$69.00	$414.00
Unconsolidated-Undrained Triaxial Compressive Strength, per Specimen or Stage (ASTM D 2850)	20 ea.	$77.00	$1,540.00
Triaxial CU Test includes Back Pressure Saturation and Pore Pressure Measurements, 3 Specimens (ASTM D 4767)	2 ea.	$2,000.00	$4,000.00
Specific Gravity (ASTM D 854)	2 ea.	$77.00	$154.00
Double Hydrometer (ASTM D4221)	3 ea.	$266.00	$798.00
Crumb Tests (ASTM D 6572)	12 ea.	$46.00	$552.00
		Subtotal	**$10,356.00**
		Total	**$33,773.00**

Proposal No. 1140732599



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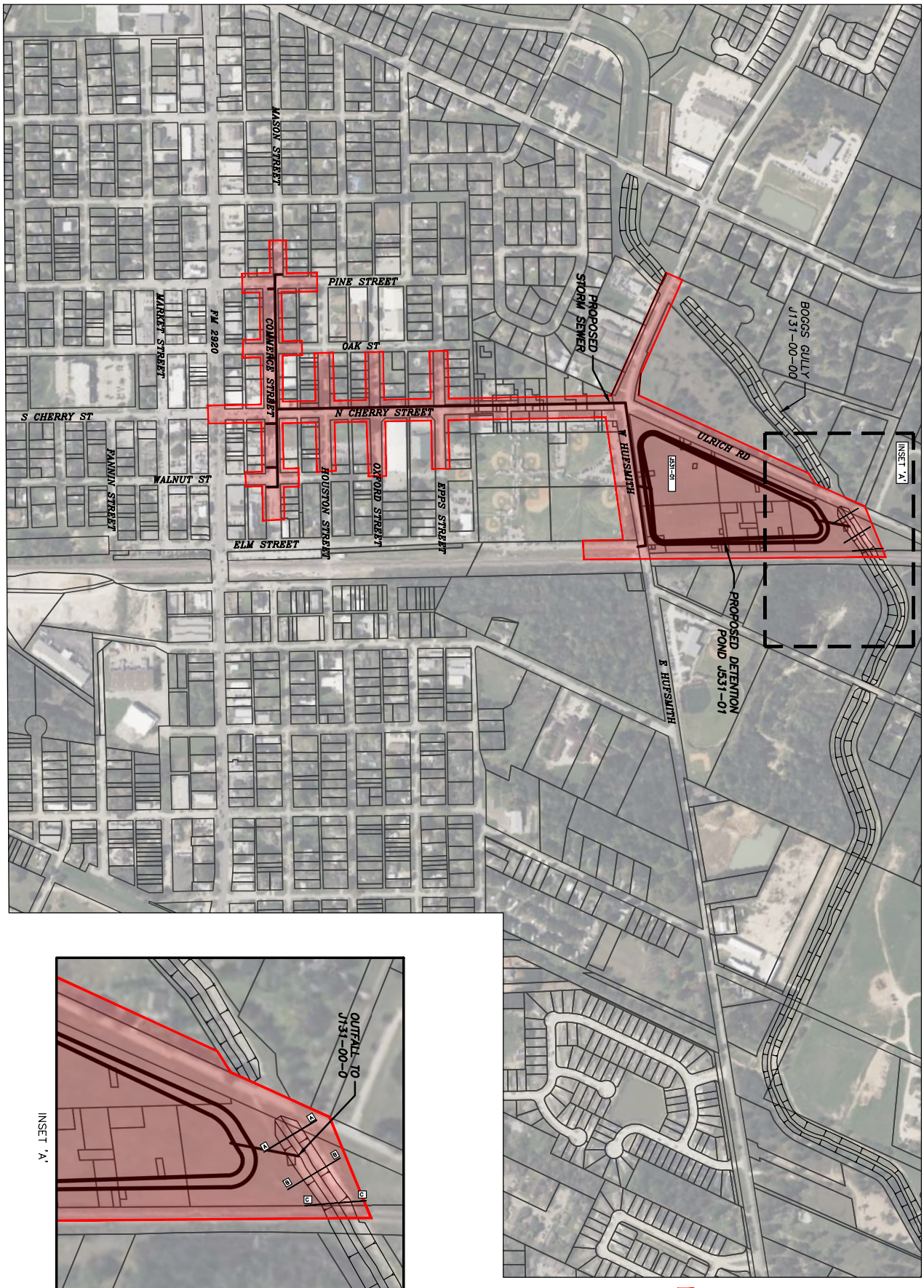
PROPOSED PLAN OF BORINGS

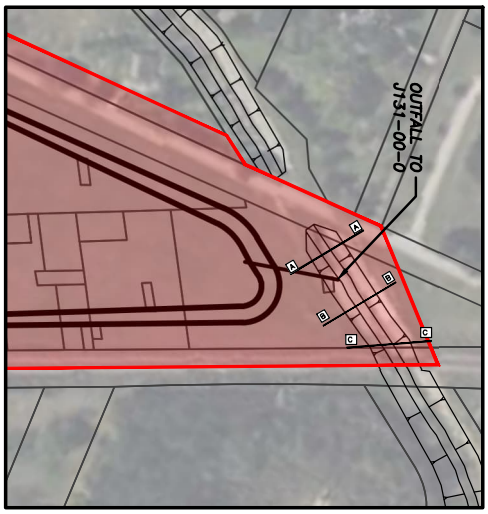
Legend	Geotest Engineering, Inc
ROADWAY BORING DETENTION BORING	North Cherry Street Drainage Improvements City of Tomball, Harris County, Texas

Geotest Engineering, Inc.

FIGURE 1

EXHIBIT A3





INSET 'A'

LEGEND

BOUNDARY SURVEY (SUITABLE FOR ACQUISITION) AND TOPOGRAPHICAL SURVEY

SCALE 1" = 500'

0 500

EXHIBIT A4

RODS
SURVEYING & UTILITIES

August 21, 2025

Patrick Rummel P.E.
AIG Tech
11740 Katy Freeway, Suite 1100
Houston TX 77079
Phone: 404-285-9367
Email: patrick.rummel@aigtechnical.com

RE: Proposal for Quality Levels B & A SUE with Survey Services
City of Tomball Storm Sewer Improvements – N. Cherry Street

Dear Mr. Rummel,

We are pleased to submit the following proposal for the above-referenced project.

Survey Scope

Existing Right-of-Way Maps (Cat. 1B, Cond. 3):

- Provide deed research to determine existing rights-of-ways throughout the project routes (excluding the proposed pond parcel tract and N. Cherry Street from Hufsmith Rd.to Epps Street).
- Tie in property corners and block corners to define the existing rights-of-ways.
- Prepare right-of-way map of the existing right-of-way, (excluding the proposed pond parcel tract and N. Cherry Street from Hufsmith Rd.to Epps Steet), in accordance with TSPS Category 1B, Condition 3 standards.

Boundary Lines

The following areas will not be surveyed under any of the TSPS Categories for a boundary survey and will not be certified as part of this project due to the known issues affecting the parcels and right-of-way. The boundary lines will be shown by graphical representation only.

- For the proposed pond tract the exterior property lines will be shown as ROW from the Railroad, Hufsmith, and Ulrich Rd. The interior parcels will not be surveyed or shown.
- N. Cherry Street between Epps Street and Hufsmith Rd will be shown as either City of Tomball property or property owned by others. Interior and individual parcel lines will not be shown.

Topographic Survey (Cat. 6, Cond. 1):

- Perform topographic survey for 9,855 linear feet with all intersections along this route
- Cross sections at 50' intervals, survey to include 20 feet outside of the right-of-way where possible, including improvements, visible utilities and contact Texas One-Call to request all public utilities to be tone marked, signs, drainage features with invert data.

Control:

- Recover and verify existing Horizontal and Vertical control points.
- Horizontal and Vertical control establishment as needed.
- Horizontal NAD 83 (2011 Adj. Epoch 2010.00) Vertical NAVD 88.
- All control points to be set with 5/8-inch iron rods with plastic cap stamped "RODS Inc.".
- Set three (3) temporary benchmarks.

Proposed ROW Maps (Cat. 1A, Cond. 3) ($4,191.25 per parcel with a minimum of four (4) parcels:

- Perform a Category 1A, Condition 3 Land Title Survey of a parcel that is covered under the CAT.1B surveys listed above. The excluded areas above are not included in this portion of this proposal.
- Research and recover sufficient boundary/right-of-way information necessary to create metes and bounds descriptions and parcel maps for the parcels to be acquired.
- Acquisition parcels will be monumented at all new or missing parcel corners.
- Use a sub-contractor to supply an abstractors certificate for each parcel acquisition.

SUE Scope

We understand the SUE scope of work to consist of providing Quality Levels B & A SUE per ASCE Standard 38-22. This includes:

- **SUE Quality Level B** involves the recording and marking the horizontal location of the existing utility facilities using non-destructive surface geophysical techniques, per APWA color standards. When data is reliable, cover shots indicating top of utility will be included at every 100 feet. Limitations of designation include signal bleed over due to congested utilities or utilities made of non-conductive material such as PVC or concrete. Probing utilizes a metal probe to pierce the ground in attempt to contact the utility and can give an approximate depth of cover, however the utility cannot be visually verified. The designation markings and probed locations will then be surveyed in by ROD Inc, and added to the Quality Levels D & C utility CADD file. Quality Level B incorporates information from Quality Levels C & D. The Utility records research to be performed by AIG Tech and provided to RODS Inc. prior to commencing the QLB designation field work.
- **SUE Quality Level A** Test holes will be excavated via non-destructive vacuum excavation. In order to perform the field work, the following will also be completed: contact Texas One Call agency to notify of digging intent and perform on-site field inspection and designate the desired utility to determine exact location. Air-vacuum excavation will be utilized to determine orientation, size, depth, material and condition of the intended utility. The test holes will then be surveyed in by RODS Inc. Signed and sealed Test Hole Data Sheets will be produced for the excavated locations, depicting top, side and plan views, and detailing survey information as well as size, material and depth of utilities found.

  Note that 11 testholes were estimated for this project due mainly to where the 4 pipelines, shown from the Texas Railroad Commission in Appendix D, could potentially conflict with the proposed detention pond and proposed Cherry Street improvements.

Project Location

The project is located in the general vicinity of N. Cherry Street in Tomball Texas, as shown on the project vicinity map in Attachment C.

Schedule

For the SUE field work, RODS Inc. will submit an 811 One Call upon notice to proceed and then SUE fieldwork will begin 48 hours after the One Call has been submitted, in accordance with 811 policies, and deliverables will be submitted within 7 business days of completed fieldwork and survey. All field work is dependent on the ability of RODS Inc. being able to access the project location. Weather and soil conditions may inhibit our access to the project and cause delays.

Timeline

Surveying and QLC & QLD SUE services will take approximately 45 business days to complete (weather permitting) from NTP to final deliverables.

Notes:

- Right of Entry is not considered in this proposal. If required, the engineer will secure permission to enter private property to perform any surveying or SUE activities outside of right-of-way (ROW).
- Construction staking and/or construction easements are not considered in this proposal.
- Test holes will be invoiced according to the depth actually excavated.
- Test hole unit cost includes excavation, survey, CADD and engineering of test hole data sheet.
- Test holes will be attempted at the top center of the utility.
- Excavation to be performed via non-destructive excavation.
- Utility records research to be performed by AIG and provided to RODS Inc prior to commencing the QLB designation field work.
- Survey of QLB markings & QLA test holes to be performed by RODS Inc is not included in this estimate.
- This scope of work does not include the Utility Conflict Table

Deliverables

Survey:

- Survey Control Index Sheet and a Horizontal and Vertical Control Sheet(s)
- Existing boundary maps
- 2D CADD file, 3D DTM, TIN, and ASCII Data file
- Category 1A Exhibit Survey(s) in PDF format and metes & bounds will be provided in PDF & Word format.

SUE:

- Digital CADD file in Bentley Open Roads Designer 2D format in 1:1 model space suitable for 1-inch = 20-feet drawings showing the SUE QLB linework and the SUE QLA Test hole callouts.
- Signed and sealed Test Hole Data Sheets for excavated locations.

Estimated Cost

This project will be billed on a lump sum basis, not to exceed the total shown below. See Attachments B1, B2 & B3: Estimated Fee Schedules for additional information

Subtotal for Survey Services:	**$**	**173,075.00**
Category 1A Condition 3 Parcel Maps:	**$**	**16,765.00**
Subtotal for SUE Services:	**$**	**87,620.00**
Total:	**$**	**277,460.00**

Should you have any questions or require additional information, please feel free to contact me. We look forward to working with you on this project.

Sincerely,



Jeff Ketchum
Project Manager
RODS Inc

AIG Tech

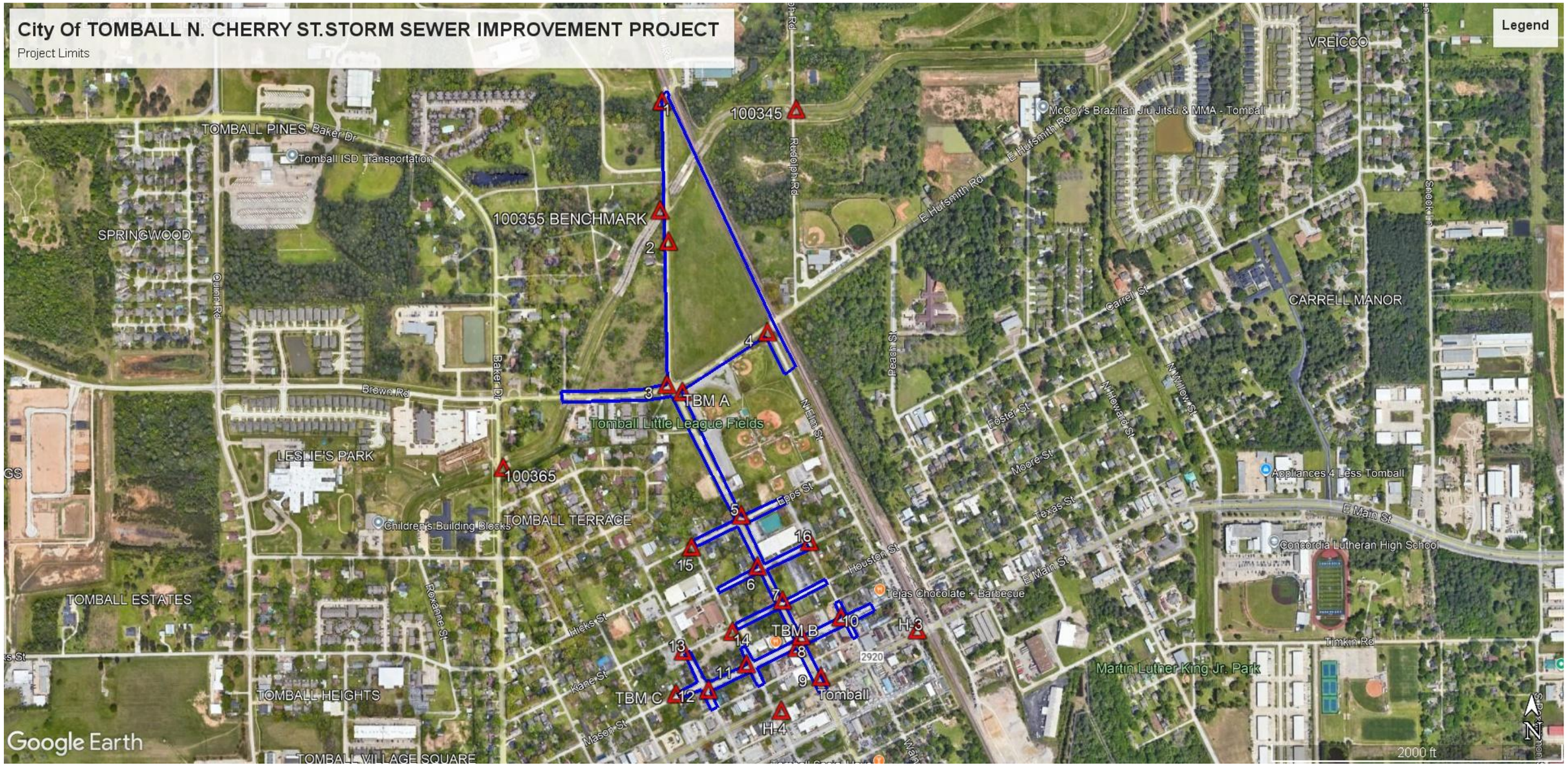
Approved By: _____

Title: _____

Date: _____

Signature _____

ATTACHMENT C – PROJECT VICINITY MAP



ATTACHMENT D – RAILROAD COMMISSION MAP OF PIPELINE

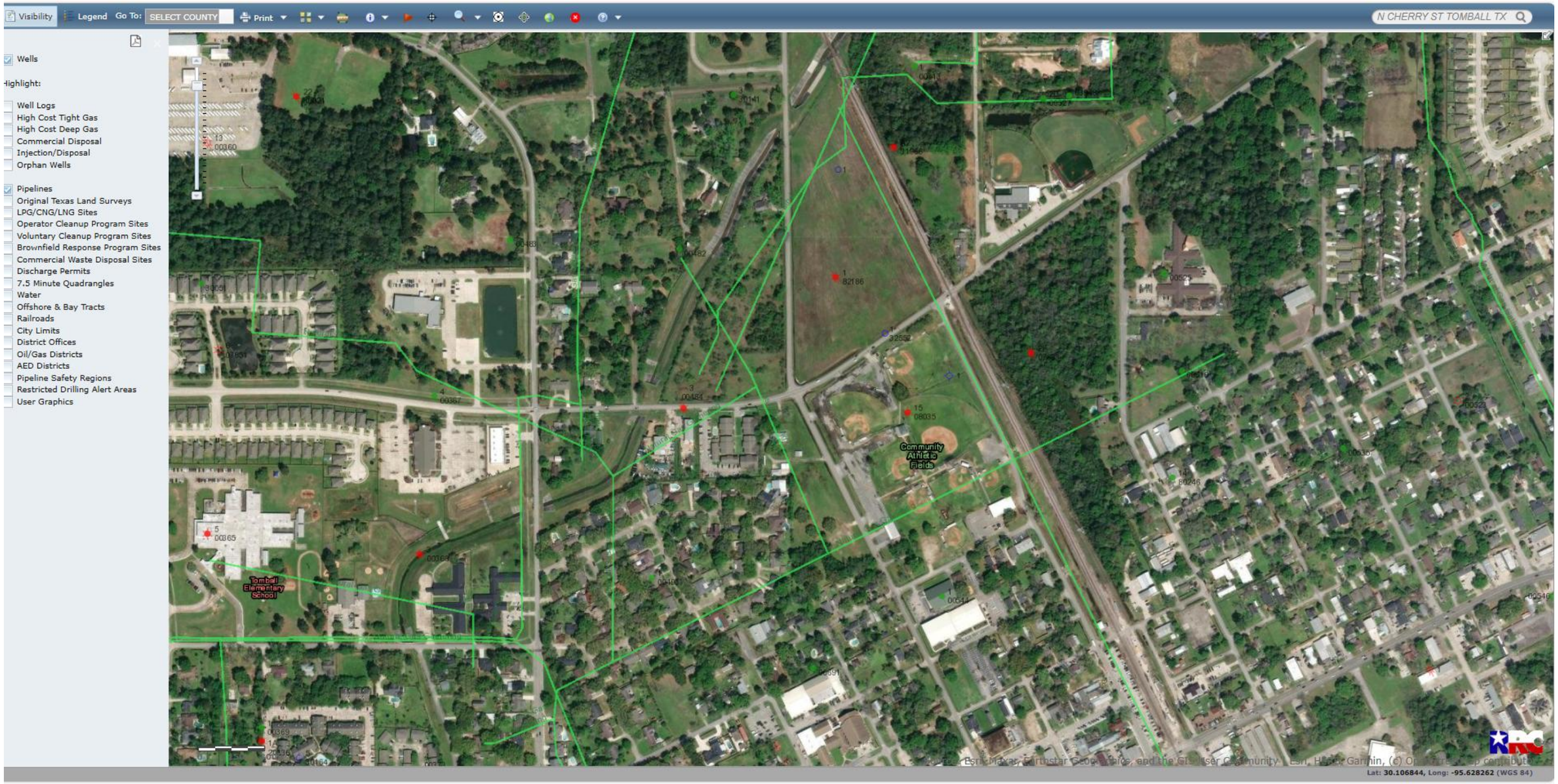


EXHIBIT A5

WILD ASSOCIATES
Environmental Consulting

5514 FM 851, Alto, TX 75925 | 281.844.3747 | info@wildassociates.net | www.wildassociates.net | Texas

Thursday, August 21, 2025
WA Proposal No. P25-019 Rev. 1

Kyle A. Bertrand, PE
Associate Vice President
Cell: 832-444-5918
kyle.bertrand@aigtechnical.com
www.aigtechnical.com
AIG Technical Services
11740 Katy Freeway Suite 1100, Houston, TX 77079

RE: Proposal for Environmental Services
N. Cherry Street Road and Drainage Project
Tomball, Texas

Dear Mr. Bertrand:

Wild Associates LLC (WA) appreciates the opportunity to submit a proposal to AIG for the above-referenced project, located in Tomball, Texas. Project details were discussed during our phone conversations on July 30, August 5, and August 21, 2025.

Background

The project consists of a detention pond with a Corps of Engineer-permitted outfall to Harris County Flood Control District (HCFCD) ditch J131-00-00 and drainage improvements along N. Cherry Street, W. Hufsmith Street, Epps Street, Oxford Street, Oak Street, Houston Street, Commerce Street, Pine Street, and Mason Street. We understand that the roadside drainage improvements will consist of conversion of open ditches to below-grade curb and gutter sewers. The project limits (Site) encompass about 33.5 acres and are situated within or near the Tomball Oil Field. Prior work we have conducted in that area indicates the possibility of historical oil and/or gas wells, pipelines, mud pits, workover pits, tank farms, valve stations, and the like; we understand from AIG that two historical well sites may exist on the Site.

We understand that the project is being funded by Housing and Urban Development (HUD) through a grant to the City of Tomball. We have executed numerous HUD-funded projects administered through the General Land Office (GLO); we do not know if this project is being administered through GLO, but we understand that Grantworks is the subcontract documents and budgeting administrator. Grantworks has indicated to AIG that they will provide environmental assessment and compliance findings, but the exact nature of their work is not known. The scope described herein is consistent with prior scopes WA has executed for GLO-administered projects in the event that GLO is the administering agency. We have not included scoping or budgeting for HUD's 8-Step

Floodplain process or HUD Environmental Review Record checklist, which we understand Grantworks will undertake. The scope stated herein does not reach the level of an Environmental Assessment (EA) under the National Environmental Policy Act (NEPA).

It is not known where laydown areas for construction equipment and placement areas of excavated soils will be located; the Corps requires these areas to be demarcated with a description of how they will be managed post-construction to mitigate environmental impacts. We have made provision to survey the pond footprint and associated roads plus a 50-ft buffer or to the limits of private property to account for deviations from the conceptual design footprints.

We understand that HCFCD may have a report review and approval capacity; thus, the scoping includes report development for wetlands and protected species according to HCFCD guidelines, which typically are more rigorous than those needed for normal Corps permitting efforts. Also, the Corps, GLO, and HCFCD require inclusion of roadside drainage ditches in wetlands and protected species studies, even though they typically are not Corps-jurisdictional waters of the U.S. Specifically with HUD-funded GLO projects, GLO requires all wetlands to be mapped, including in roadside ditches, irrespective of their jurisdictional status with the Corps.

Scope of Work

WA will provide the necessary personnel to successfully complete the tasks presented below.

Task 1 – Wetlands and Water Bodies Delineation. WA will conduct the Wetlands and Water Bodies Delineation in accordance with the *Corps of Engineers Wetlands Delineation Manual* and the *Regional Supplement to the Corps of Engineers Wetland Delineation Manual: Atlantic and Gulf Coastal Plain Region (Version 2.0).* Wetland and water body boundary conditions will be surveyed using a sub-meter horizontal resolution GPS unit. WA will obtain photographic documentation of field conditions and will record field observations on Corps-formatted data sheets that describe the soil, vegetation, and hydrologic conditions within wetlands and adjacent uplands. Corps-prescribed transects will be surveyed perpendicular to the creek. The data will be collated to develop boundary maps. We will need field benchmark locations from the assigned survey firm to correlate to our GPS meter readings.

Upon completion of information gathering and interpretation of the applicable data, WA will prepare a report stating the findings of the wetlands and water bodies delineation. Included in the report will be documents required by the Corps, such as wetland datasheets, wetlands and water bodies boundary conditions, calculated acreages, and GPS coordinate data. WA will furnish AIG electronic files of wetland and water body boundary conditions.

Task 2 – Ordinary High Water Mark Determination. The boundary of the ditch will be determined by evaluating the OHWM; the OHWM is the limit of Corps jurisdiction in water bodies unless fringe wetlands extend beyond the OHWM. We will determine the OHWM using visual indicators such as benching, erosion and undercut lines, changes in soil color, drift deposits, and the like in accordance with Corps procedures stated in *National Ordinary High Water Mark Field Delineation Manual for Rivers and Streams, Final Version,* January 2025. The OHWM will be documented using a 1-meter resolution GPS meter, per Corps procedures.

Task 3 – Threatened and Endangered Species Survey. WA will coordinate with the US Fish and Wildlife Service (USFWS) through the IPaC (Information for Planning and Consultation) program. A request for a Texas Natural Diversity Database (TXNDD) package will be sent to the Wildlife Division of TPWD to obtain information related to rare species near the Site. WA will also conduct a reconnaissance of the Site to look for evidence of protected species and their habitats; the reconnaissance will be conducted concurrently with the wetlands delineation. The reconnaissance will consist of a general overview of habitats but not a detailed assessment of said habitats. We will prepare a report that will include methodologies, findings, and conclusions as to the evidence of or the potential for threatened and endangered species at or near the Site at the time of the survey.

Should additional studies, such as (1) a detailed biological assessment, such as those along the lines of a ESA Section 7 Biological Assessment in coordination with USFWS, and/or (2) a detailed habitat assessment in accordance with TPWD, be required for this project, the costs associated will be addressed under separate proposals; we cannot anticipate at this time what these agencies might require due to lack of Site-specific data. The Corps consults with these agencies and may require execution of additional studies to satisfy their requirements.

Task 4 – Historical and Cultural Resources Desktop Survey. WA will contact the Texas Historical Commission (THC) via a Request for SHPO Consultation Form that describes the location and nature of the proposed project with a request to provide information on known historical and cultural resources in the vicinity of the Site. We will access THC's website to check for listed locations of historical and cultural resources in the vicinity of the Site. We will also conduct a reconnaissance of the Site to check for obvious indications of resources, such as parks, green belts, other public gathering areas, and structures with potential historical significance; the reconnaissance will be conducted concurrently with the wetlands delineation.

THC's 30-day review period begins once the completed form is submitted, which requires photographs of the Site from the reconnaissance. WA will prepare a report for this task that will include methodologies, findings, and conclusions as to the evidence of or the potential for historical and cultural resources at or near the Site at the time of the

investigation. Should the Corps or THC require a detailed archaeological field survey that involves a pedestrian shovel test survey, a geophysical survey, or mechanized excavation, the associated costs will be addressed under a separate proposal.

Task 5A - Pre-Permit Application Corps Consultation. We strongly recommend that this task be conducted before initiating any permitting activities. We will coordinate with the project team to develop a project description and preliminary drawings package to present to the Corps before scheduling a videoconference meeting with them to discuss the project. The purposes of the meeting are to: (1) establish the Corps' position for which permit vehicle (NWP or IP) they intend to use and (2) establish which environmental studies that the Corps or other agencies may require in addition to a wetlands delineation, a threatened and endangered species survey, and a historical/cultural resources survey. We recommend the entire team to have at least one representative attending the meeting.

Task 5B – Section 404 Nationwide Permit. Based on the project description, a Corps NWP 43 – Stormwater Management Facilities may be appropriate, depending on the final engineering solution. WA will develop the Pre-construction Notification (PCN) using plan and profile drawings provided by the design engineering firm. The drawings must show, at a minimum, cut and fill volumes, materials of construction, the OHWM, and overlays of any wetlands that may be impacted. Historical/cultural resources, if present, will also need to be documented. WA will need to coordinate with AIG for development of drawings and PCN language, such as alternatives analyses, methods of construction, project description, and the like. The PCN will include the reports for wetlands delineation, threatened and endangered species, and historical/cultural resources.

Task 6A – Phase I Environmental Site Assessment. We will conduct a Phase I ESA in accordance with the ASTM standard to evaluate the potential presence of recognized environmental conditions (REC), which are current or past features on or near a site that have or had the potential to impact surface and subsurface environmental media (soil, surface water, groundwater) from releases of hazardous materials. The findings of a Phase I ESA can be used to assess the need for a Phase II ESA, which involves invasive sampling procedures to evaluate the presence or absence of hazardous materials related to RECs.

Task 6B – Phase II Environmental Site Assessment. If the findings of the Phase I ESA indicate the need for a Phase II ESA to evaluate the potential for impacts to environmental media from RECs, we will conduct invasive exploration of subsurface soils using either shallow augering techniques or borings with a drilling rig, or a combination of the two. Select soils samples will be analyzed generally for petroleum hydrocarbons. If groundwater is encountered, groundwater samples will be obtained for analysis of petroleum hydrocarbons. The exact number of sampling locations and number of samples cannot be determined at this time, but in general, we have made provision for one day of

field exploration with a drilling rig and groundwater sampling equipment. The specific testing program cannot be stated at this time, but we have made provision to include other hazardous materials constituents if the Phase I ESA indicates other types of RECs beside oil and gas sites (dry cleaners, auto body shops, metal shop degreasing operations, etc.).

Schedule

The schedules for initiation of the tasks will need to be coordinated with AIG and the other team members, since there are overlapping tasks where one firm may need the data from another firm to complete their respective tasks, such that we cannot state a definitive schedule at this time. However, provided below are our estimates of task durations from notice to proceed to delivery of draft reports for AIG review.

Task 1 – Wetlands and Water Bodies Delineation	6 - 8 weeks
Task 2 – Ordinary High Water Mark Determination	concurrent with Task 1
Task 3 – Threatened and Endangered Species Survey	concurrent with Task 1
Task 4 – Historical and Cultural Resources Survey	concurrent with Task 1
Task 5A - Pre-Permit Application Corps Consultation	2 - 3 weeks*
Task 5B – Section 404 Nationwide Permit	4 – 6 weeks**
Task 6A – Phase I Environmental Site Assessment	concurrent with Task 1
Task 6B – Phase II Environmental Site Assessment	6 – 8 weeks
Meetings (3)	TBD

*Assumes time from notification to Corps for meeting request to Corps conducting the meeting

**Accounts for interaction between team members to develop all permit drawings, provide final supporting reports, develop permit language, conduct internal review, etc.

Please note, these estimated schedules do not account for regulatory agency review and response durations, which cannot be accurately predicted at this time.

Supplemental Tasks

AIG should be aware of supplemental tasks that the agencies might require but which cannot be scoped at this time due to lack of site-specific data and final design criteria, combined with others' studies that may alter the final project footprint. Such supplemental tasks could include but are not limited to the following:

- Section 404 Individual Permit

- Archaeological pedestrian shovel test or trenching surveys
- Hydrogeomorphic modeling to calculate Functional Capacity Units for wetlands mitigation
- Negotiations with wetlands banks and development of mitigation and monitoring plans
- TPWD habitat assessments and USFWS ESA Section 7 consultation studies and mitigation plans

Proposed Project Costs

WA proposes to complete the work for lump sum prices shown below. We have included three meetings with AIG and/or the City in the budgeting as a separate task. Additional services required by AIG beyond the scope of work described herein will be charged in accordance with the attached fee schedule. Additional services could be public information and presentation programs; presentations to the City or other third parties; face-to-face meetings with the Corps or other agencies; wetlands mitigation plans; etc.; we cannot anticipate these at this time.

Task 1 – Wetlands and Water Bodies Delineation (HCFCD)	$9,600
Task 2 – Ordinary High Water Mark Determination	$1,500
Task 3 – Threatened and Endangered Species Survey (HCFCD)	$5,500
Task 4 – Historical and Cultural Resources Desktop Survey	$2,500
Task 5A - Pre-Permit Application Corps Consultation	$2,000
Task 5B – Section 404 Nationwide Permit	$5,300
Task 6A – Phase I Environmental Site Assessment	$4,800
Task 6B – Phase II Environmental Site Assessment	$20,000
Meetings, 3 @$2,000/mtg	$6,000

If all tasks are executed as described, the total budget is $57, 200.

Assumptions

This proposal is contingent upon the assumptions that are described in their appropriate sections and as follows:

- WA will have necessary access to the Site from sunup to sundown seven days per week and will be supported by AIG to obtain necessary access permission.

- WA will be provided available drawings, previously completed environmental assessment reports, or other pertinent information regarding the Site.

- Tasks 1 to 4 and 6A field work will be conducted concurrently; tasks will not be assigned by AIG as separate work orders to be conducted at different times.

- Routine phone calls, emails, and postal communication included; in-person meetings would be charged in accordance with Meetings costs presented above

Closing Remarks

An authorized AIG representative may accept this proposal by signing the Proposal Acceptance Block and returning this proposal to WA by pdf to christy.wild@wildassociates.net. Return of the signed proposal will constitute a notice to proceed. Please clearly indicate which tasks and options are being authorized.

If you have any questions or need additional information, please contact me at 832-513-8834 or by e-mail. We greatly appreciate this opportunity and look forward to providing our services to you.

Sincerely,
Wild Associates LLC

Christy Wild
CEO

Paul R. Wild
President

WA PROPOSAL NO. P25-019 Rev. 1
ACCEPTED:
AIG TECHNICAL SERVICES, LLC

AUTHORIZED REPRESENTATIVE: _____

PRINTED NAME: _____

DATE: _____

Attachments: A – Fee Schedule; B - Terms for Professional Services

EXHIBIT A6

ENGINEERING | DESIGN
Texas Board of Professional Engineers Firm Registration Number 8856
1225 North Loop West, Suite 800 Houston, TX 77008 • www.h2bengineers.com • 713.864.2900

August 22, 2025

Patrick Rummel, P.E.
AIG Tech
11740 Katy Freeway, Suite 1100
Houston, TX 77079

Re: Professional Services Proposal for
N. Cherry Storm Sewer Improvements at
Tomball, TX 77375
H2B Proposal Number P-25-149-S_*R1*

Dear Mr. Rummel (Client),

H2B, Inc. (H2B) is pleased to submit this proposal to provide professional services for the subject project. H2B anticipates that this Proposal and Agreement for Professional Services and attachments, when signed, will serve as the entire Agreement unless superseded by another document signed by both parties.

Basis of Proposal
This proposal is based on the Statement of Work (SOW) and associated attachments provided to H2B via email on July 18, 2025 *and August 21, 2025.*

Agreement
H2B proposes a total fee of **$35,000.00** for the services requested. A detailed breakout of this fee is attached. If this proposal is acceptable, please sign and return the attached Proposal and Agreement for Professional Services where indicated. This proposal is valid for 60 days.

We appreciate the opportunity to provide these services to you for this important project and look forward to working with you.

Sincerely,

Tod J. Henning, P.E.
President

PROPOSAL AND AGREEMENT FOR PROFESSIONAL SERVICES – TERMS ATTACHED

Project: **N. Cherry Storm Sewer Improvements**
Client: **AIG Tech**
Client Contact: **Patrick Rummel**
Proposal Date: ***August 22, 2025***
Proposal Number: **P-25-149-S_*R1***

H2B, Inc (H2B) shall provide services to AIG Tech (Client) for the Project as defined below and in accordance with attachments.

I. Project Description

H2B understands the project will consist of the following improvements to the subject property:

1. Structural engineering related to junction boxes, headwalls and overflow weirs. Quantities of each are unknown. Scope will be evaluated after schematic phase is complete.

II. Permitting and Jurisdictional Requirements Summary:

- **Reviewing Jurisdiction:** The Project is located within the jurisdiction of the City of Tomball (AHJ). H2B will design the project in accordance with the AHJ's rules and regulations and incorporate these into the design of the project.
- **Texas Department of Licensing and Regulation (TDLR):** TDLR requires that all projects with construction valued over $50,000 be submitted to a Registered Accessibility Specialist to confirm compliance with TDLR for handicap accessibility.

III. Scope of Services:

Based upon H2B's understanding of the project described in I. Project Description, H2B proposes to complete the following tasks:

1. Provide structural design and limited construction administration services for the project as described in the attached S1.1: Scope of Basic Structural Engineering Services and Exclusions.

IV. Summary of Fees:

A. Fee Breakdown for Basic Scope of Services:

The fee is presented as a preliminary lump sum and may be adjusted based on the finalized scope determined upon completion of the schematic design phase.

Task	Description	Fee
	Structural Construction Documents and Construction Administration	$35,000.00
S1.1	**Subtotal Structural Services:**	**$35,000.00**
	Total Proposed Fee:	**$35,000.00**

V. Additional Supplemental Services:

Any additional supplemental services requested by Client or services (identified as Excluded Services in the provided attachments) provided that are not described as Basic Services or required supplemental services above shall be provided without invalidating this Agreement as Additional Services. Any Additional Supplemental Services shall be compensated in addition to compensation for Basic Services and required Supplemental Services stated above on an agreed lump sum basis.

VI. Required from Client:

In order for H2B to proceed with its services, the following information shall be timely be provided to H2B by Client or Client's consultants:

- Executed copy of this agreement.
- Civil, Architectural, and MEP progress drawings in PDF format.
- Architectural building floor plan and elevations in AutoCAD or Revit format.

- Geotechnical report containing recommendations for foundation and retaining wall construction.

VII. Payment:

H2B shall be paid based upon the following basis and as defined in the attached H2B, Inc. Terms and Conditions.

1. **Lump Sum Fee** – the total fee payable shall be the total sum stated herein, *including* reimbursable expenses, and payments shall be made periodically based upon H2B's percentage complete of the total fee as of the invoice date, or according to the schedule of payments by design phase if such schedule is expressly included herein.

H2B is prepared to start work on this project immediately upon receiving an executed Agreement and required project files. By signing below, you indicate your acceptance of this proposal and responsibility for payment. The Proposal and Agreement for Professional Services, *H2B, Inc. Terms and Conditions,* and attachments constitute the full and complete Agreement.

H2B looks forward to working with you on this important project. Please feel free to call me if you have any questions.

Respectfully,

Tod J. Henning, P.E.
President

Patrick Rummel
AIF Tech

S1.1
SCOPE OF BASIC STRUCTURAL SERVICES AND EXCLUSIONS

I. Scope of Basic Structural Services:

As part of the Scope of Basic Structural Services, H2B will complete the following tasks:

Preparation of Construction Documents:

1. Participate in up to two (4) project meetings during the design phase of the project.
2. Prepare structural design drawings and details for the project.
3. Submit structural drawings as PDF documents to the project Client or Client's Representative for their review and submittal to the AHJ. As part of the design schedule H2B anticipates compiling and submitting drawings at the following design intervals:
    a. Design Development – 65%
    b. Construction Documents – 100% S&S

Construction Administration:

1. Provide construction phase services including responses to contractor requests for information (RFIs) and material submittals for structural engineering related tasks on an hourly basis. H2B has budgeted a maximum of two (2) reviews for each submittal.
2. One (1) site visit during construction are included within our scope and will be completed during structurally relevant activities as coordinated with the Client.

II. Exclusions to Basic Structural Services:

H2B has made the following assumptions when preparing this proposal and specifically excludes the following. If necessary, H2B can provide a proposal for any of the services outlined below.

- H2B has excluded project meetings beyond what is included within the Scope of Basic Services. If requested, additional project meetings will be invoiced on a time and materials basis.
- H2B has excluded additional drawing submittals beyond what is included within the Scope of Basic Services. If requested, an additional services fee can be provided to the Client for approval.
- H2B has assumed that the Client will provide a project specific Geotechnical Engineering Report with foundation recommendations.
- H2B has assumed that the Client or Client's Representative will gather the drawings from all disciplines and submit to the authority having jurisdiction (AHJ) for the issuance of a building permit.
- H2B has excluded production and compiling of written specifications.
- H2B has excluded production of any cost estimates.
- H2B has excluded performing any special inspections.
- H2B has excluded attending regular meetings (weekly, bi-weekly, etc.) during construction.
- H2B has assumed that construction phase services will be completed by H2B to provide a required letter of compliance. No such letter can be provided if site observations were not completed during construction without requiring destructive and/or non-destructive testing of the completed structure.
- H2B has excluded design changes and permit revisions due to unforeseen conditions uncovered during construction.
- H2B has excluded site visits during construction beyond what is included within the Scope of Basic Services. If requested, additional site visits will be invoiced on an hourly basis.
- H2B has excluded reviewing material submittals beyond what is included within the Scope of Basic Services. If required, additional submittal reviews will be invoiced on an hourly basis.
- H2B has excluded providing as-built drawings or surveys.

EXHIBIT "B"

HUD 2 CFR 200 ENGINEER CONTRACT REQUIREMENTS

HUD 2 CFR 200 Engineer Contract Requirements

Required Contract Provisions

1. Termination of Agreement for Cause.

   If the Firm fails to fulfill in a timely and proper manner its obligations under this Agreement, or if the Firm violates any of the covenants, conditions, agreements, or stipulations of this Agreement, the City/County shall have the right to terminate this Agreement by giving written notice to the Firm of such termination and specifying the effective date thereof, which shall be at least five days before the effective date of such termination. In the event of termination for cause, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Firm pursuant to this Agreement shall, at the option of the City/County, be turned over to the City / County and become the property of the City / County. In the event of termination for cause, the Firm shall be entitled to receive reasonable compensation for any necessary services actually and satisfactorily performed prior to the date of termination.

   Notwithstanding the above, the Firm shall not be relieved of liability to the City/County for damages sustained by the City/County by virtue of any breach of the Agreement by the Firm, and the City/County may set-off the damages it incurred as a result of the Firm's breach of the contract from any amounts it might otherwise owe the Firm.

2. Termination for Convenience of the City/County.

   City/County may at any time and for any reason terminate Firm's services and work at City/County's convenience upon providing written notice to the Firm specifying the extent of termination and the effective date. Upon receipt of such notice, Firm shall, unless the notice directs otherwise, immediately discontinue the work and placing of orders for materials, facilities and supplies in connection with the performance of this Agreement.

   Upon such termination, Firm shall be entitled to payment only as follows: (1) the actual cost of the work completed in conformity with this Agreement plus (2) such other costs actually incurred by Firm as are permitted by the prime contract and approved by City/County. There shall be deducted from such sums as provided in this subparagraph the amount of any payments made to Firm prior to the date of the termination of this Agreement. Firm shall not be entitled to any claim or claim of lien against City/County for any additional compensation or damages in the event of such termination and payment.

3. Changes

   The City/County map, from time to time, request changes in the services the Firm will perform under this Agreement. Such changes, including any increase or decrease in the Firm's compensation, must be agreed to by all parties and finalized through a signed, written amendment to this agreement.

4. Resolution of Program Non-Compliance and Disallowed Costs.

In the event of any dispute, claim, question, or disagreement arising from or relating to this Agreement, or the breach thereof, including determination of responsibility for any costs disallowed as a result of non-compliance with federal, state or HUD program requirements, the parties hereto shall use their best efforts to settle the dispute, claim, question or disagreement. To this effect, the parties shall consult and negotiate with each other in good faith within 30 days of receipt of a written notice of the dispute or invitation to negotiate, and attempt to reach a just and equitable solution satisfactory to both parties. If the matter is not resolved by negotiation within 30 days of receipt of written notice or invitation to negotiate, the parties agree first to try in good faith to settle the matter by mediation administered by the American Arbitration Association under its Commercial Mediation Procedures before resorting to arbitration, litigation, or some other dispute resolution procedure. The parties may enter into a written amendment to this Agreement and choose a mediator that is not affiliated with the American Arbitration Association. The parties shall bear the costs of such mediation equally. [*This section may also provide for the qualifications of the mediator(s), the locale of meetings, time limits, or any other item of concern to the parties.*] If the matter is not resolved through such mediation within 60 days of the initiation of that procedure, either party may proceed to file suit.

5. Personnel.

a. The Firm represents that he/she/it has, or will secure at its own expense, all personnel required in performing the services under this Agreement. Such personnel shall not be employees of or have any contractual relationship with the City/County.

b. All of the services required hereunder will be performed by the Firm or under its supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and Local law to perform such services.

c. None of the work or services covered by this Agreement shall be subcontracted without the prior written approval of the City/County. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Agreement.

6. Assignability.

The Firm shall not assign any interest on this Agreement, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the City/County thereto; Provided, however, that claims for money by the Firm from the City/County under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the City/County.

7. Reports and Information.

The Firm, at such times and in such forms as the City/County may require, shall furnish the City/County such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Agreement, the costs and obligations incurred or to be incurred in connection therewith, and any other matters covered by this Agreement.

8. Records and Audits.

   The Firm shall insure that the City/County maintains fiscal records and supporting documentation for all expenditures of funds made under this contract in a manner that conforms to 2 CFR 200.300-.309, 24 CFR 570.490, and this Agreement. Such records must include data on the racial, ethnic, and gender characteristics of persons who are applicants for, participants in, or beneficiaries of the funds provided under this Agreement. The Firm and the City/County shall retain such records, and any supporting documentation, for the greater of three years from closeout of the Agreement or the period required by other applicable laws and regulations.

9. Findings Confidential.

   All of the reports, information, data, etc., prepared or assembled by the Firm under this contract are confidential and the Firm agrees that they shall not be made available to any individual or organization without the prior written approval of the City/County.

10. Copyright.

    No report, maps, or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of the Firm.

11. Compliance with Local Laws.

    The Firm shall comply with all applicable laws, ordinances and codes of the State and local governments, and the Firm shall save the City/County harmless with respect to any damages arising from any tort done in performing any of the work embraced by this Agreement.

12. Conflicts of Interest.

    a. Governing Body. No member of the governing body of the City/County and no other officer, employee, or agent of the City/County, who exercises any functions or responsibilities in connection with administration, construction, engineering, or implementation of HUD award between HUD and the City / County, shall have any personal financial interest, direct or indirect, in the Firm or this Agreement; and the Firm shall take appropriate steps to assure compliance.
    b. Other Local Public Officials. No other public official, who exercises any functions or responsibilities in connection with the planning and carrying out of administration, construction, engineering or implementation of the HUD award between HUD and the City/County, shall have any personal financial interest, direct or indirect, in the Firm or this Agreement; and the Firm shall take appropriate steps to assure compliance.
    c. The Firm and Employees. The Firm warrants and represents that it has no conflict of interest associated with the HUD award between HUD and the City/County or this Agreement. The Firm further warrants and represents that it shall not acquire an interest, direct or indirect, in any geographic area that may benefit from the HUD award

between HUD and the City/County or in any business, entity, organization or person that may benefit from the award. The Firm further agrees that it will not employ an individual with a conflict of interest as described herein.

13. Debarment and Suspension (Executive Orders 12549 and 12689)

The Firm certifies, by entering into this Agreement, that neither it nor its principals are presently debarred, suspended, or otherwise excluded from or ineligible for participation in federally-assisted programs under Executive Orders 12549 (1986) and 12689 (1989). The term "principal" for purposes of this Agreement is defined as an officer, director, owner, partner, key employee, or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of the Firm. The Firm understands that it must not make any award or permit any award (or contract) at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension."

Federal Compliance.

14. Equal Opportunity Clause (applicable to federally assisted construction contracts and subcontracts over $10,000).

During the performance of this contract, the Firm agrees as follows:

a. The Firm will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Firm will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Firm agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

b. The Firm will, in all solicitations or advertisements for employees placed by or on behalf of the Firm, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

c. The Firm will not discourage or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

d. The Firm will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Firm's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

e. The Firm will comply with all provisions of Executive Order 11246 of September 24, 1965, "Equal Employment Opportunity," and of the rules, regulations, and relevant orders of the Secretary of Labor.

f. The Firm will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

g. In the event of the Firm's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Firm may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

h. The Firm will include the portion of the sentence immediately preceding paragraph (a) and the provisions of paragraphs (a) through (h) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Firm will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event a Firm becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the Firm may request the United States to enter into such litigation to protect the interests of the United States.

15. Civil Rights Act of 1964.

Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color, religion, sex, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

16. Section 109 of the Housing and Community Development Act of 1974.

The Firm shall comply with the provisions of Section 109 of the Housing and Community Development Act of 1974. No person in the United States shall on the ground of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

17. Section 504 of the Rehabilitation Act of 1973, as amended.

The Firm agrees that no otherwise qualified individual with disabilities shall, solely by reason of his/her disability, be denied the benefits of, or be subjected to discrimination, including discrimination in employment, under any program or activity receiving federal financial assistance.

18. Age Discrimination Act of 1975.

The Firm shall comply with the Age Discrimination Act of 1975 which provides that no person in the United States shall on the basis of age be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

19. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) (if contract greater than or equal to $100,000)

The Firm certifies that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining this contract. The Firm shall disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award.

20. Economic Opportunities for Section 3 Residents and Section 3 Business Concerns.

a. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
b. The parties to this Agreement agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
c. The Firm agrees to send to each labor organization or representative of workers with which the Firm has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Firm's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
d. The Firm agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The Firm will not subcontract with any subcontractor where the Firm has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

e. The Firm will certify that any vacant employment positions, including training positions, that are filled (1) after the Firm is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Firm's obligations under 24 CFR part 135.

f. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.

g. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

21. Contracting with Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Area Firms.

a. The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

b. Affirmative steps must include:

i. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

ii. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

iii. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;

iv. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;

v. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and

vi. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

22. Patent Rights and Inventions.

The Firm shall comply with the requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract. (2 CFR 200 Appendix II (f) and Rights to Inventions in 37 CFR Part 401).

Rights to Inventions Made Under a Contract or Agreement - If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the Subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the Subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency. (2 CFR 200 Appendix II (f), Rights to Inventions).

23. Energy Efficiency.

The Firm shall comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201). (2 CFR 200 Appendix II (h)).

24. Access to Records.

The U.S. Department of Housing and Urban Development (HUD), Inspectors General, the Comptroller General of the United States, and the City/County, or any of their authorized representatives, shall have access to any documents, papers, or other records of the Firm which are pertinent to the HUD award, in order to make audits, examinations, excerpts, and transcripts, and to closeout the City/County's HUD contract.

25. Retention of Records.

The Firm shall retain all required records for three years after the City/County makes its final payment and all pending matters are closed.

26. Verification No Boycott Israel.

As required by Chapter 2271, Government Code, the Firm hereby verifies that it does not boycott Israel and will not boycott Israel through the term of this Agreement. For purposes of this 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.

27. Foreign Terrorist Organizations.

Pursuant to Chapter 2252, Texas Government Code, the Firm represents and certifies that, at the time of execution of this Agreement neither the Firm, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same (i) engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

EXHIBIT "C"

INSURANCE

EXHIBIT "D"

FORM 1295

RFQ for Professional Engineering Services CFP Committee Scoring Summary								
Evaluator	**Submitting Firms**							
	Baxter & Woodman	**GET**	**TNP**	**CMT**	**AIG**	**OTHON**	**Gradient Group**	**Strand Associates**
Evaluator One	80	72	79	47.5	87	47.5	94	80
Evaluator Two	74	65	76	70	86	63	89	73
Evaluator Three	85	88	87	78	98	84	96	85
Total	**239**	**225**	**242**	**195.5**	**271**	**194.5**	**279**	**238**
Average	**80**	**75**	**81**	**65**	**90**	**65**	**93**	**79**

City Council Meeting
Agenda Item
Data Sheet

Meeting Date: September 2, 2025

Topic:

Adopt, on First Reading, Ordinance No. 2025-36, an Ordinance of the City of Tomball, Texas Authorizing and Approving the Calendar Year 2025 Annual Service and Assessment Plan (SAP) Update for the Wood Leaf Reserve Public Improvement District Number 11 (PID 11).

Background:

Approval of this Ordinance will approve the 2025 annual update to the Service and Assessment Plan (SAP) for the Wood Leaf Reserve Public Improvement District Number 11 (PID 11). Under Section 372.013(b) of the Texas Local Government Code, the City Council is required to annually review and potentially update the SAP. Under the 2025 SAP update, which also updates the assessment roll for 2025, the applicable assessment rates of PID 11 are not changing.

The original SAP was adopted by City Council on September 19, 2022 (Ordinance No. 2022-31) and includes a 30-year payment term, and the 2024 Annual Update was adopted on July 1, 2024 (Ordinance No. 2024-18). The 2025 annual installment to be collected from parcels within PID 12 as shown on the assessment roll of the 2025 SAP update with a summary below, due on January 31, 2026.

Improvement Area	Annual Installment (with Admin. Fees)
Improvement Area One	$381,789.80
Improvement Area Two	$267,056.41
Improvement Area Three	$321,543.55
Total Assessments: $970,389.76	

Origination: Project Management

Recommendation:

Staff recommends adopting on first reading, Ordinance 2025-36, authorizing and improving the 2025 Annual Service and Assessment Plan Update for Wood Leaf Reserve Public Improvement District Number 11 (PID 11).

Party(ies) responsible for placing this item on agenda: Meagan Mageo, Project Manager

FUNDING (IF APPLICABLE)
Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____ To account # _____

Signed Meagan Mageo _____ Approved by _____

Staff Member Date City Manager Date

ORDINANCE NO. 2025-36

AN ORDINANCE OF THE CITY OF TOMBALL, TEXAS APPROVING THE 2025 ANNUAL UPDATE TO THE SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL FOR THE WOOD LEAF RESERVE PUBLIC IMPROVEMENT DISTRICT INCLUDING THE COLLECTION OF THE 2025 ANNUAL INSTALLMENTS.

* * * * * * * * * *

WHEREAS, the City of Tomball, Texas (the "City") received a petition meeting the requirements of Sec. 372.005 of the Public Improvement District Assessment Act (the "Act" requesting the creation of a public improvement district over a portion of the area within the corporate limits of the City to be known as the Raburn Reserve Public Improvement District (the "District"); and

WHEREAS, the petition contained the signatures of the owners of taxable property representing more than fifty percent of the appraised value of taxable real property liable for assessment within the boundaries of the proposed District, as determined by the then current ad valorem tax rolls of the Harris County Appraisal District and the signatures of property owners who own taxable real property that constitutes more than fifty percent of the area of all taxable property that is liable for assessment by the City; and

WHEREAS, the City Council by resolution, approved the creation of the PID on January 18, 2021 (the "Creation Resolution") and published l Creation Resolution as authorized by the Act; and

WHEREAS, pursuant to Sections 372.013, 372.014, and 372.016 of the Act, the City Council directed the preparation of Preliminary Service and Assessment Plans for Authorized Improvements within Improvement Area #1, Improvement Area #2 and Improvement Area #3 of the District (the "Service and Assessment Plan") and an assessment roll for Improvement Area #1, Improvement Area #2 and Improvement Area #3 of the District (collectively, the "Assessment Roll" that states the assessment against each parcel of land Improvement Area #1, Improvement Area #2 and Improvement Area #3 of the District (collectively, the "Assessments"); and

WHEREAS, the City called separate public hearings regarding the proposed levy of Assessments pursuant to the Preliminary Plan and the proposed Assessment Roll on property within Improvement Area #1, Improvement Area #2 and Improvement Area #3 of the District, pursuant to Section 372.016 of the Act; and

WHEREAS, the City, pursuant to Section 372.016(b) of the Act, published notice in newspaper of general circulation within the City to consider the proposed Service and Assessment Plans for the District and the levy of the Assessments, as defined in the Service and Assessment Plan, on property in the District; and

WHEREAS, the City Council, pursuant to Section 372.016(c) of the Act, caused the mailing of separate notices of the public hearings to consider the proposed Service and Assessment Plans and the Assessment Roll attached to the Service and Assessment Plans and the levy of Assessments on property in Improvement Area #1, Improvement Area #2 and Improvement Area #3 of the District to the last known address of the owners of the property liable for the Assessments; and

WHEREAS, the City Council convened the separate public hearings at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the Service and Assessment Plan, the Assessment Roll, and the proposed Assessments, and to offer testimony pertinent to any issue presented on the amount of the Assessments, the allocation of the costs of the Authorized Improvements, the purposes of the Assessments, the special benefits of the Assessments, and the penalties and interest on annual installments and on delinquent annual installments of the Assessments; and

WHEREAS, the City Council approved separate Ordinances levying Assessments on property within Improvement Area #1, Improvement Area #2 and Improvement Area #3 of the District; and

WHEREAS, pursuant to the Act, the Service and Assessment Plan and Assessment Roll is required to be reviewed and updated annually as described in Sections 372.013 and 372.014 of the PID Act; and

WHEREAS, the City Council has directed that an update to the Service and Assessment Plan and the Assessment Roll for the District be prepared for 2025 (together, the "2025 Update"); and

WHEREAS, the City Council now desires to proceed with the adoption of this Ordinance approving the 2025 Update attached thereto, in conformity with the requirements of the PID Act; and hereby directs City staff to file the 2025 Update in the real property records of Harris County; and

WHEREAS, the City Council finds the passage of this Ordinance to be in the best interest for the citizens of Tomball, Texas.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, THAT:

SECTION 1: That all matters stated in the preamble are found to be true and correct and are incorporated herein as if copied in their entirety.

SECTION 2: That the 2025 Updates attached hereto as Exhibit A are hereby approved and accepted as provided.

SECTION 3: If any portion of this Ordinance shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determines that it would have adopted this Ordinance without the invalid provision.

SECTION 4: That this Ordinance shall be cumulative of all other City Ordinances and all other provisions of other Ordinances adopted by the City which are inconsistent with the terms or provisions of this Ordinance are hereby repealed.

SECTION 5: It is hereby declared to be the intention of the City Council of the City of Tomball, Texas, that sections, paragraphs, clauses and phrases of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared legally invalid

or unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such legal invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this Ordinance since the same would have been enacted by the City Council of the City of Tomball without the incorporation in this Ordinance of any such legally invalid or unconstitutional, phrase, sentence, paragraph or section.

SECTION 6: This ordinance shall take effect immediately from and after its passage as the law in such case provides.

FIRST READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 2nd DAY OF SEPTEMBER, 2025.

COUNCILMAN FORD	_____
COUNCILMAN GARCIA	_____
COUNCILMAN DUNAGIN	_____
COUNCILMAN COVINGTON	_____
COUNCILMAN PARR	_____

SECOND READING:

READ, PASSED, APPROVED AND ORDAINED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 15th DAY OF SEPTEMBER 2025.

COUNCILMAN FORD	_____
COUNCILMAN GARCIA	_____
COUNCILMAN DUNAGIN	_____
COUNCILMAN COVINGTON	_____
COUNCILMAN PARR	_____

_____
Lori Klein-Quinn, Mayor

ATTEST:

_____
Thomas Harris III, City Secretary

STATE OF TEXAS §
§
COUNTY OF HARRIS §

Before me, the undersigned authority, on this day personally appeared Lori Klein Quinn the Mayor of the City of Tomball, known to me to be such persons who signed the above and acknowledged to me that such persons executed the above and foregoing Ordinance in my presence for the purposes stated therein.

Given under my hand and seal of office this _____.

[NOTARY STAMP]

_____
Notary Public, State of Texas

EXHIBIT A
2025 SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL UPDATE

WOOD LEAF RESERVE PUBLIC IMPROVEMENT DISTRICT

2025 ANNUAL SERVICE PLAN UPDATE

SEPTEMBER 2, 2025

INTRODUCTION

Capitalized terms used in this 2025 Annual Service Plan Update shall have the meanings set forth in the Wood Leaf Reserve Public Improvement District 2025 Amended and Restated Service and Assessment Plan (the "2025 A&R SAP"), used for the benefit of the property in the District.

The District was created pursuant to the PID Act by Resolution No. 2021-04 on January 18, 2021 by the City Council to finance certain Authorized Improvements for the benefit of the property in the District.

On September 19, 2022, the City Council approved the 2022 Service and Assessment Plan for the District by adopting Ordinance No. 2022-31, which approved the levy of Assessments on Assessed Property within Improvement Area #1 of the District and approved the Improvement Area #1 Assessment Roll.

On August 7, 2023, the City Council approved the 2023 Annual Service Plan Update for the District by adopting Ordinance No. 2023-22 which updated the Improvement Area #1 Assessment Roll for 2023.

On July 1, 2024, the City Council approved the 2024 Amended and Restated Service and Assessment Plan for the District by adopting Ordinance No. 2024-18, which amended and restated the 2022 Service and Assessment Plan, in its entirety, for the purposes of: (1) levying the Improvement Area #2 Assessments, (2) incorporating provisions relating to the City's issuance of the Improvement Area #2 Bonds, and (3) updating the Improvement Area #1 Assessment Roll.

On August 4, 2025, the City Council approved the 2025 Amended and Restated Service and Assessment Plan for the District by adopting Ordinance No. 2025-29, which amended and restated the 2024 Amended and Restated Service and Assessment Plan, in its entirety, for the purposes of: (1) levying the Improvement Area #3 Assessments, (2) incorporating provisions relating to the City's issuance of the Improvement Area #3 Bonds, and (3) updating the Assessment Rolls.

The 2025 A&R SAP identified the Authorized Improvements to be constructed for the benefit of the Assessed Parcels within the District, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements. Pursuant to the PID Act, the 2025 A&R SAP must be reviewed and updated annually. This document is the Annual Service Plan Update for 2025.

The City Council also adopted an Assessment Roll identifying the Assessments on each Lot within the District, based on the method of assessment identified in the 2025 A&R SAP. This 2025 Annual Service Plan Update also updates the Assessment Roll for 2025.

[Remainder of page left intentionally blank.]

PARCEL SUBDIVISION

Improvement Area #1

The final plat of Wood Leaf Reserve Section 1 was filed and recorded within the Harris County Official Public Records on April 14, 2021. The Wood Leaf Reserve Section 1 Plat consists of 123 residential Lots and 9 Non-Benefited Lots.

Improvement Area #1	
Lot Type	**Number of Lots**
Lot Type 1	66
Lot Type 2	57
Total	**123**

Improvement Area #2

The final plat of Wood Leaf Reserve Section 2 was filed and recorded within the Harris County Official Public Records on February 13, 2024. The Wood Leaf Reserve Section 2 Plat consists of 81 residential Lots and 8 Non-Benefited Lots

Improvement Area #2	
Lot Type	**Number of Lots**
Lot Type 3	35
Lot Type 4	46
Total	**81**

Improvement Area #3

The final plat of Wood Leaf Reserve Section 3, attached hereto as **Exhibit C**, was filed and recorded within the Harris County Official Public Records on January 31, 2025. The Wood Leaf Reserve Section 3 Plat consists of 87 residential Lots.

Improvement Area #3	
Lot Type	**Number of Lots**
Lot Type 5	26
Lot Type 6	61
Total	**87**

LOT AND HOME SALES

Improvement Area #1

Per the quarterly report dated March 31, 2025, the Lot ownership composition is provided below:

- Developer Owned: 0 Lots
- Homebuilder Owned: 6 Lots
- End-User Owned: 117 Lots

Improvement Area #2

Per the quarterly report dated March 31, 2025, the Lot ownership composition is provided below:

- Developer Owned: 0 Lots
- Homebuilder Owned: 43 Lots
- End-User Owned: 38 Lots

Improvement Area #3

Per the Limited Offering Memorandum dated August 4, 2025, the Lot ownership composition is provided below:

- Developer/Homebuilder Owned: 87 Lots
- End-User Owned: 0 Lots

See **Exhibit E** for the buyer disclosures.

AUTHORIZED IMPROVEMENTS

Improvement Area #1

The Developer has completed the Authorized Improvements listed in the 2025 A&R SAP, and they were dedicated to the City on May 9, 2022.

Improvement Area #2

The Developer has completed the Authorized Improvements listed in the 2025 A&R SAP, and they were dedicated to the City on April 2, 2024.

Improvement Area #3

The Developer has completed the Authorized Improvements listed in the 2025 A&R SAP, and they were dedicated to the City.

OUTSTANDING ASSESSMENT

Improvement Area #1

Net of the principal bond payment due September 15, Improvement Area #1 has an outstanding Assessment of $4,139,885.23. The outstanding Assessment is less than the $4,172,000.00 in outstanding Improvement Area #1 Bonds due to prepayment of Assessment for which Improvement Area #1 Bonds have not yet been redeemed.

Improvement Area #2

Net of the principal bond payment due September 15, Improvement Area #2 has an outstanding Assessment of $2,959,000.00.

Improvement Area #3

Improvement Area #3 has an outstanding Assessment of $3,390,000.00.

ANNUAL INSTALLMENT DUE 1/31/2026

Improvement Area #1

- ***Principal and Interest*** – The total principal and interest required for the Annual Installment is $315,986.26

- ***Additional Interest*** – The total Delinquency and Prepayment Reserve Requirement, as defined in the Indenture is equal to $229,460.00 and has not been met. As such, the Delinquency and Prepayment Reserve Account will be funded with Additional Interest on the outstanding Assessments, resulting in an Additional Interest amount due of $20,860.00.

- ***Annual Collection Costs*** – The cost of administering the District and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of outstanding Assessment remaining on the Parcel. The total Annual Collection Costs budgeted for the Annual Installment is $44,943.54.

Improvement Area #1	
Annual Collection Costs	
Administration	$ 23,536.03
City Administrative Fees	8,326.95
Filing Fees	378.78
County Collection	123.00
PID Trustee Fees	4,500.00
Dissemination Agent	3,500.00
Dev/Issuer CDA Review	3,000.00
Arbitrage Calculation	1,200.00
Miscellaneous	378.78
Total Annual Collection Costs	**$ 44,943.54**

Improvement Area #1	
Due January 31, 2026	
Principal	$ 76,000.00
Interest	239,986.26
Annual Collection Costs	44,943.54
Additional Interest	20,860.00
Total Annual Installment	**$ 381,789.80**

See the limited offering memorandum for the pay period. See **Exhibit B-1** for the debt service schedule for the Improvement Area #1 Bonds as shown in the limited offering memorandum.

Improvement Area #2

- ***Principal and Interest*** – The total principal and interest required for the Annual Installment is $217,480.00

- ***Additional Interest*** – The total Delinquency and Prepayment Reserve Requirement, as defined in the Indenture is equal to $162,745.00 and has not been met. As such, the Delinquency and Prepayment Reserve Account will be funded with Additional Interest on the outstanding Assessments, resulting in an Additional Interest amount due of $14,550.00.

- ***Annual Collection Costs*** – The cost of administering the District and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of outstanding Assessment remaining on the Parcel. The total Annual Collection Costs budgeted for the Annual Installment is $35,026.41.

Improvement Area #2	
Annual Collection Costs	
Administration	$ 16,677.60
City Administrative Fees	5,531.01
Filing Fees	268.40
County Collection	81.00
PID Trustee Fees	4,500.00
Dissemination Agent	3,500.00
Dev/Issuer CDA Review	3,000.00
Arbitrage Calculation	1,200.00
Miscellaneous	268.40
Total Annual Collection Costs	**$ 35,026.41**

Improvement Area #2	
Due January 31, 2026	
Principal	$ 51,000.00
Interest	166,480.00
Annual Collection Costs	35,026.41
Additional Interest	14,550.00
Total Annual Installment	**$ 267,056.41**

See the limited offering memorandum for the pay period. See **Exhibit B-2** for the debt service schedule for the Improvement Area #2 Bonds as shown in the limited offering memorandum.

Improvement Area #3

- ***Principal and Interest*** – The total principal and interest required for the Annual Installment is $253,576.26

- ***Additional Interest*** – The total Delinquency and Prepayment Reserve Requirement, as defined in the Indenture is equal to $186,450.00 and has not been met. As such, the Delinquency and Prepayment Reserve Account will be funded with Additional Interest on the outstanding Assessments, resulting in an Additional Interest amount due of $16,950.00.

- ***Annual Collection Costs*** – The cost of administering the District and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of outstanding Assessment remaining on the Parcel. The total Annual Collection Costs budgeted for the Annual Installment is $51,017.29.

Improvement Area #3	
Annual Collection Costs	
Administration	$ 21,922.61
City Administrative Fees	6,102.04
Filing Fees	352.82
County Collection	87.00
PID Trustee Fees	4,500.00
Dissemination Agent	3,500.00
Draw Request Review	10,000.00
Dev/Issuer CDA Review	3,000.00
Arbitrage Calculation	1,200.00
Miscellaneous	352.82
Total Annual Collection Costs	**$ 51,017.29**

Improvement Area #3	
Due January 31, 2026	
Principal	$ 48,000.00
Interest	205,576.26
Annual Collection Costs	51,017.29
Additional Interest	16,950.00
Total Annual Installment	**$ 321,543.55**

See the limited offering memorandum for the pay period. See **Exhibit B-3** for the debt service schedule for the Improvement Area #3 Bonds as shown in the limited offering memorandum.

PREPAYMENT OF ASSESSMENT IN FULL

Improvement Area #1

The following is a list of all Parcels or Lots that made a Prepayment in full within Improvement Area #1.

Improvement Area #1			
Property ID	**Property Address**	**Lot Type**	**Date of Prepayment**
1443500040040	13342 WOOD LEAF PARK	Lot Type 1	1/16/2025

Improvement Area #2

No full prepayments of Assessments have occurred within Improvement Area#2.

Improvement Area #3

No full prepayments of Assessments have occurred within Improvement Area #3.

PARTIAL PREPAYMENT OF ASSESSMENTS

Improvement Area #1

No partial prepayments of Assessments have occurred within Improvement Area #1.

Improvement Area #2

No partial prepayments of Assessments have occurred within Improvement Area #2.

Improvement Area #3

No partial prepayments of Assessments have occurred within Improvement Area #3.

EXTRAORDINARY OPTIONAL REDEMPTIONS

Improvement Area #1

No Extraordinary Optional Redemptions have occurred within Improvement Area #1.

Improvement Area #2

No Extraordinary Optional Redemptions have occurred within Improvement Area #2.

Improvement Area #3

No Extraordinary Optional Redemptions have occurred within Improvement Area #3.

SERVICE PLAN

The PID Act requires the annual indebtedness and projected costs for the Authorized Improvements to be reviewed and updated in the Annual Service Plan Update and the projection shall cover a period of not less than five years.

Improvement Area #1						
Annual Installment Due		**1/31/2026**	**1/31/2027**	**1/31/2028**	**1/31/2029**	**1/31/2030**
Principal		$ 76,000.00	$ 79,000.00	$ 82,000.00	$ 86,000.00	$ 90,000.00
Interest		$239,986.26	$236,376.26	$232,623.76	$228,421.26	$224,013.76
	(1)	$315,986.26	$315,376.26	$314,623.76	$314,421.26	$314,013.76
Annual Collection Costs	(2)	$ 44,943.54	$ 44,618.41	$ 45,510.78	$ 46,420.99	$ 47,349.41
Additional Interest	(3)	$ 20,860.00	$ 20,480.00	$ 20,085.00	$ 19,675.00	$ 19,245.00
Total Annual Installment	**(4) = (1) + (2) + (3)**	**$381,789.80**	**$380,474.67**	**$380,219.54**	**$380,517.25**	**$380,608.17**

Improvement Area #2						
Annual Installment Due		**1/31/2026**	**1/31/2027**	**1/31/2028**	**1/31/2029**	**1/31/2030**
Principal		$ 51,000.00	$ 53,000.00	$ 55,000.00	$ 58,000.00	$ 60,000.00
Interest		$166,480.00	$163,675.00	$160,760.00	$157,735.00	$154,545.00
	(1)	$217,480.00	$216,675.00	$215,760.00	$215,735.00	$214,545.00
Annual Collection Costs	(2)	$ 35,026.41	$ 34,502.94	$ 35,193.00	$ 35,896.86	$ 36,614.79
Additional Interest	(3)	$ 14,550.00	$ 14,295.00	$ 14,030.00	$ 13,755.00	$ 13,465.00
Total Annual Installment	**(4) = (1) + (2) + (3)**	**$267,056.41**	**$265,472.94**	**$264,983.00**	**$265,386.86**	**$264,624.79**

Improvement Area #3						
Annual Installment Due		**1/31/2026**	**1/31/2027**	**1/31/2028**	**1/31/2029**	**1/31/2030**
Principal		$ 48,000.00	$ 53,000.00	$ 55,000.00	$ 58,000.00	$ 61,000.00
Interest		$205,576.26	$202,696.26	$199,516.26	$196,216.26	$192,736.26
	(1)	$253,576.26	$255,696.26	$254,516.26	$254,216.26	$253,736.26
Annual Collection Costs	(2)	$ 51,017.29	$ 50,813.64	$ 51,829.91	$ 52,866.51	$ 53,923.84
Additional Interest	(3)	$ 16,950.00	$ 16,710.00	$ 16,445.00	$ 16,170.00	$ 15,880.00
Total Annual Installment	**(4) = (1) + (2) + (3)**	**$321,543.55**	**$323,219.90**	**$322,791.17**	**$323,252.77**	**$323,540.10**

ASSESSMENT ROLL

The list of current Parcels or Lots within the District, the corresponding total Assessments, and current Annual Installment are shown on the Assessment Rolls attached hereto as **Exhibit A-1** for Improvement Area #1, **Exhibit A-2** for Improvement Area #2, and **Exhibit A-3** for Improvement Area #3. The Parcels shown on the Assessment Roll will receive the bills for the 2025 Annual Installments which will be delinquent if not paid by January 31, 2026. The list of Parcels shown on the Assessment Rolls are subject to change based on the final certified rolls provided by the County prior to billing.

EXHIBIT A-1 – IMPROVEMENT AREA #1 ASSESSMENT ROLL

			Improvement Area #1[d]	
Property ID[a]	Lot Type	Note	Outstanding Assessment[c]	Annual Installment Due 1/31/2026[e]
1443500010001	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010002	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010003	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010004	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010005	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010006	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010007	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010008	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010009	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010010	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010011	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010012	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010013	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010014	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010015	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010016	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010017	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010018	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010019	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010020	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500010021	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500020001	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500020002	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500020003	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500020004	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500020005	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500020006	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500020007	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500030001	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500030002	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500040001	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500040002	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500040003	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500040004	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500040005	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500040006	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500040007	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500040008	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500040009	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500040010	Lot Type 2		$ 36,007.46	$ 3,298.14

			Improvement Area #1[d]	
Property ID[a]	Lot Type	Note	Outstanding Assessment[c]	Annual Installment Due 1/31/2026 [e]
1443500040011	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500040012	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500040013	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500040014	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500040015	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500040016	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040017	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040018	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040019	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040020	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040021	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040022	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040023	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040024	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040025	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040026	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040027	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040028	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040029	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040030	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040031	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040032	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040033	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040034	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040035	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040036	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040037	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040038	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040039	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040040	Lot Type 1	[f]	$ -	$ -
1443500040041	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040042	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040043	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040044	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040045	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040046	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040047	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040048	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040049	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040050	Lot Type 1		$ 32,114.77	$ 2,941.58

			Improvement Area #1[d]	
Property ID[a]	Lot Type	Note	Outstanding Assessment[c]	Annual Installment Due 1/31/2026 [e]
1443500040051	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040052	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500040053	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500050001	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500050002	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500050003	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500050004	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500050005	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500050006	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500050007	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500050008	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500050009	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500050010	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500050011	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500050012	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500050013	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500050014	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500050015	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500050016	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500050017	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500050018	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500060001	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500060002	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500060003	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500060004	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500060005	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500060006	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500060007	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500060008	Lot Type 2		$ 36,007.46	$ 3,298.14
1443500060009	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500060010	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500060011	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500060012	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500060013	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500060014	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500060015	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500060016	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500060017	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500060018	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500060019	Lot Type 1		$ 32,114.77	$ 2,941.58

			Improvement Area #1[d]	
Property ID[a]	Lot Type	Note	Outstanding Assessment[c]	Annual Installment Due 1/31/2026 [e]
1443500060020	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500060021	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500060022	Lot Type 1		$ 32,114.77	$ 2,941.58
1443500010022	Non-Benefited		$ -	$ -
1443500010023	Non-Benefited		$ -	$ -
1443500020008	Non-Benefited		$ -	$ -
1443500020009	Non-Benefited		$ -	$ -
1443500020010	Non-Benefited		$ -	$ -
1443500040054	Non-Benefited		$ -	$ -
1443500040055	Non-Benefited		$ -	$ -
1443500040056	Non-Benefited		$ -	$ -
1443500060023	Non-Benefited		$ -	$ -
Total			**$ 4,139,885.23**	**$ 379,196.86**

Footnotes:

[a] Property IDs preliminary and subject to change based on the final certified rolls provided by the County prior to billing.

[b] The Annual Collection Costs include a $60 per Lot Administrative Fee for the City of Tomball that equates to $7,380 for Improvement Area #1.

[c] Outstanding Assessment prior to 1/31/2026 Annual Installment.

[d] Totals may not add or match the Service Plan or Improvement Area #1 Annual Installment Schedule due to rounding or prepaid unredeemed bonds.

[e] The Annual Installment covers the period September 15, 2025 to September 14, 2026, and is due by January 31, 2026.

[f] Parcel prepaid the outstanding Improvement Area #1 Assessment in full.

EXHIBIT A-2 – IMPROVEMENT AREA #2 ASSESSMENT ROLL

		Improvement Area #2[d]	
Property ID[a]	Lot Type	Outstanding Assessment[c]	Annual Installment Due 1/31/2026 [e]
1474090010001	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010002	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010003	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010004	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010005	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010006	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010007	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010008	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010009	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010010	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010011	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010012	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010013	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010014	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010015	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010016	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010017	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010018	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010019	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010020	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010021	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010022	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010023	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010024	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010025	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010026	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090010027	Non-Benefited	$ -	$ -
1474090010028	Non-Benefited	$ -	$ -
1474090010029	Non-Benefited	$ -	$ -
1474090010030	Non-Benefited	$ -	$ -
1474090020001	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090020002	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090020003	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090020004	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090020005	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090020006	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090020007	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090020008	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090020009	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090020010	Lot Type 3	$ 34,538.48	$ 3,117.18

Property ID[a]	Lot Type	Improvement Area #2[d] Outstanding Assessment[c]	Improvement Area #2[d] Annual Installment Due 1/31/2026 [e]
1474090020011	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090020012	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090020013	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090020014	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090020015	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090020016	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090020017	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090020018	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020019	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020020	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020021	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020022	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020023	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020024	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020025	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020026	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020027	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020028	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020029	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020030	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020031	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020032	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020033	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020034	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020035	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020036	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020037	Lot Type 4	$ 38,046.81	$ 3,433.81
1474090020038	Non-Benefited	$ -	$ -
1474090030001	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090030002	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090030003	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090030004	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090030005	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090030006	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090030007	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090030008	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090030009	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090030010	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090030011	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090030012	Lot Type 3	$ 34,538.48	$ 3,117.18

Property ID[a]	Lot Type	Improvement Area #2[d]	
		Outstanding Assessment[c]	Annual Installment Due 1/31/2026 [e]
1474090030013	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090030014	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090030015	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090030016	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090030017	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090030018	Non-Benefited	$ -	$ -
1474090040001	Lot Type 3	$ 34,538.48	$ 3,117.18
1474090040002	Non-Benefited	$ -	$ -
1474090040003	Non-Benefited	$ -	$ -
Total		**$2,959,000.00**	**$ 267,056.41**

Footnotes:

[a] Property IDs preliminary and subject to change based on the final certified rolls provided by the County prior to billing.

[b] The Annual Collection Costs include a $60 per Lot Administrative Fee for the City of Tomball that equates to $4,680 for Improvement Area #2.

[c] Outstanding Assessment prior to 1/31/2026 Annual Installment.

[d] Totals may not match the total Outstanding Assessment and Annual Installment due to rounding.

[e] The Annual Installment covers the period September 15, 2025 to September 14, 2026, and is due by January 31, 2026.

EXHIBIT A-3 - IMPROVEMENT AREA #3 ASSESSMENT ROLL

		Improvement Area #3[d]	
Property ID[a], [b]	Lot Type	Outstanding Assessment [c],[d]	Annual Installment Due 1/31/26[d],[e]
440580000285	IMPROVEMENT AREA #3 INITIAL PARCEL	$ 3,390,000.00	$ 321,543.55
Totals		**$ 3,390,000.00**	**$ 321,543.55**

Footnotes:

[a] Property IDs preliminary and subject to change based on the final certified rolls provided by the County prior to billing.

[b] The entire Improvement Area #3 Initial Parcel is contained within Property ID 440580000285.

[c] Outstanding Assessment prior to 1/31/2026 Annual Installment.

[d] Totals may not match the total Outstanding Assessment and Annual Installment due to rounding.

[e] The Annual Installment covers the period September 15, 2025 to September 14, 2026, and is due by January 31, 2026.

EXHIBIT B-1 - IMPROVEMENT AREA #1 DEBT SERVICE SCHEDULE

DEBT SERVICE REQUIREMENTS

The following table sets forth the debt service requirements for the Bonds:

Year Ending (September 30)	Principal	Interest	Total
2023	$ 90,000.00	$ 227,386.14	$ 317,386.14
2024	71,000.00	246,826.26	317,826.26
2025	73,000.00	243,453.76	316,453.76
2026	76,000.00	239,986.26	315,986.26
2027	79,000.00	236,376.26	315,376.26
2028	82,000.00	232,623.76	314,623.76
2029	86,000.00	228,421.26	314,421.26
2030	90,000.00	224,013.76	314,013.76
2031	94,000.00	219,401.26	313,401.26
2032	98,000.00	214,583.76	312,583.76
2033	102,000.00	209,561.26	311,561.26
2034	108,000.00	203,568.76	311,568.76
2035	114,000.00	197,223.76	311,223.76
2036	120,000.00	190,526.26	310,526.26
2037	126,000.00	183,476.26	309,476.26
2038	133,000.00	176,073.76	309,073.76
2039	140,000.00	168,260.00	308,260.00
2040	148,000.00	160,035.00	308,035.00
2041	156,000.00	151,340.00	307,340.00
2042	165,000.00	142,175.00	307,175.00
2043	174,000.00	132,481.26	306,481.26
2044	183,000.00	122,258.76	305,258.76
2045	194,000.00	111,507.50	305,507.50
2046	205,000.00	100,110.00	305,110.00
2047	216,000.00	88,066.26	304,066.26
2048	229,000.00	75,376.26	304,376.26
2049	242,000.00	61,922.50	303,922.50
2050	256,000.00	47,705.00	303,705.00
2051	270,000.00	32,665.00	302,665.00
2052	286,000.00	16,802.50	302,802.50
Total	**$4,406,000.00**	**$4,884,207.58**	**$9,290,207.58**

EXHIBIT B-2 - IMPROVEMENT AREA #2 DEBT SERVICE SCHEDULE

DEBT SERVICE REQUIREMENTS

The following table sets forth the debt service requirements for the Bonds:

Year Ending (September 30)	Principal	Interest	Total
2024	–	$ 21,146.88	$ 21,146.88
2025	$ 49,000.00	169,175.00	218,175.00
2026	51,000.00	166,480.00	217,480.00
2027	53,000.00	163,675.00	216,675.00
2028	55,000.00	160,760.00	215,760.00
2029	58,000.00	157,735.00	215,735.00
2030	60,000.00	154,545.00	214,545.00
2031	63,000.00	151,245.00	214,245.00
2032	66,000.00	147,780.00	213,780.00
2033	68,000.00	144,150.00	212,150.00
2034	71,000.00	140,410.00	211,410.00
2035	75,000.00	136,505.00	211,505.00
2036	78,000.00	132,380.00	210,380.00
2037	81,000.00	128,090.00	209,090.00
2038	85,000.00	123,635.00	208,635.00
2039	89,000.00	118,960.00	207,960.00
2040	93,000.00	114,065.00	207,065.00
2041	98,000.00	108,950.00	206,950.00
2042	102,000.00	103,560.00	205,560.00
2043	107,000.00	97,950.00	204,950.00
2044	112,000.00	92,065.00	204,065.00
2045	118,000.00	85,905.00	203,905.00
2046	124,000.00	79,120.00	203,120.00
2047	130,000.00	71,990.00	201,990.00
2048	137,000.00	64,515.00	201,515.00
2049	144,000.00	56,637.50	200,637.50
2050	151,000.00	48,357.50	199,357.50
2051	159,000.00	39,675.00	198,675.00
2052	168,000.00	30,532.50	198,532.50
2053	177,000.00	20,872.50	197,872.50
2054	186,000.00	10,695.00	196,695.00
Total	**$3,008,000.00**	**$3,241,561.88**	**$6,249,561.88**

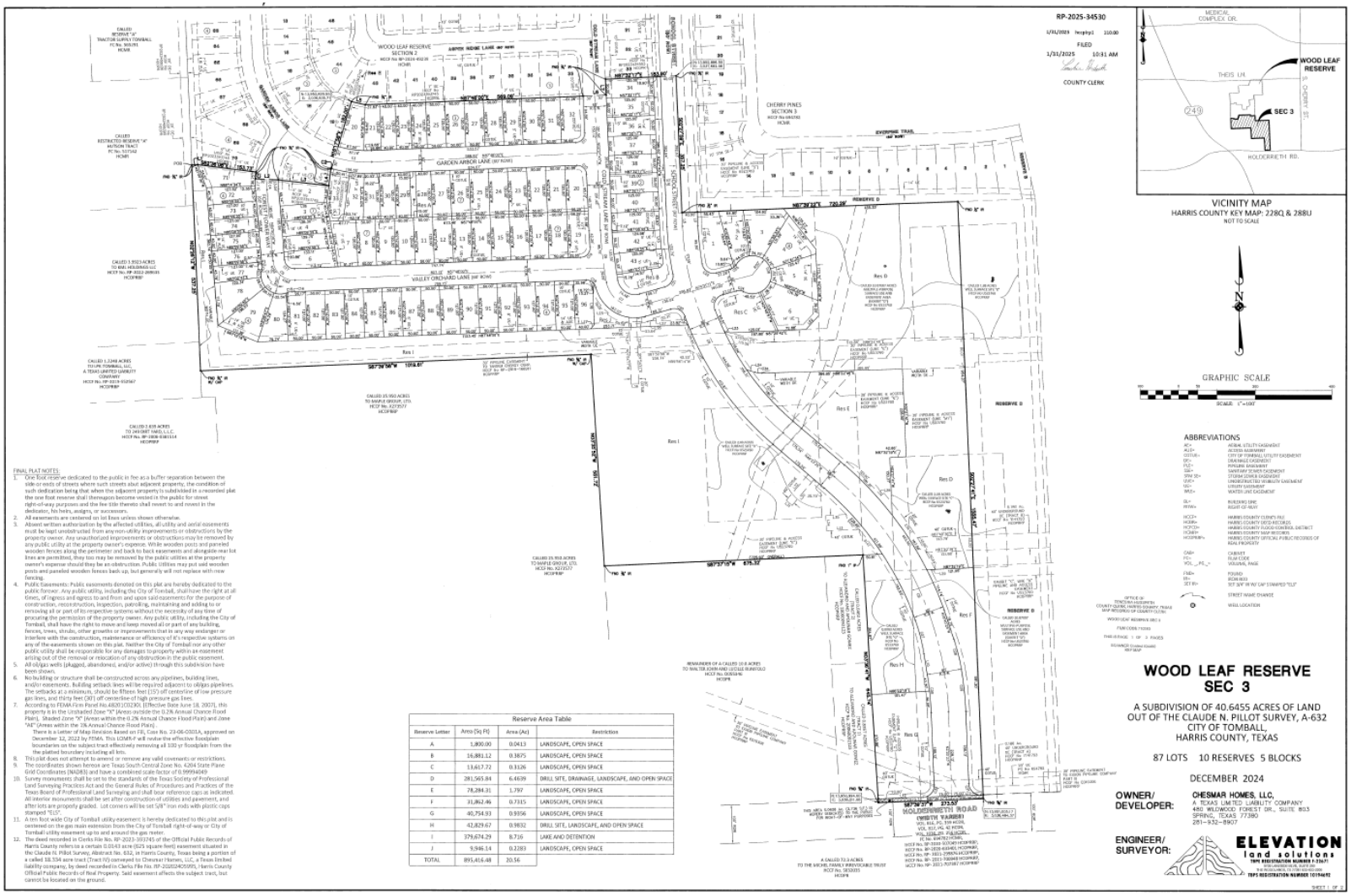
EXHIBIT B-3 - IMPROVEMENT AREA #3 DEBT SERVICE SCHEDULE

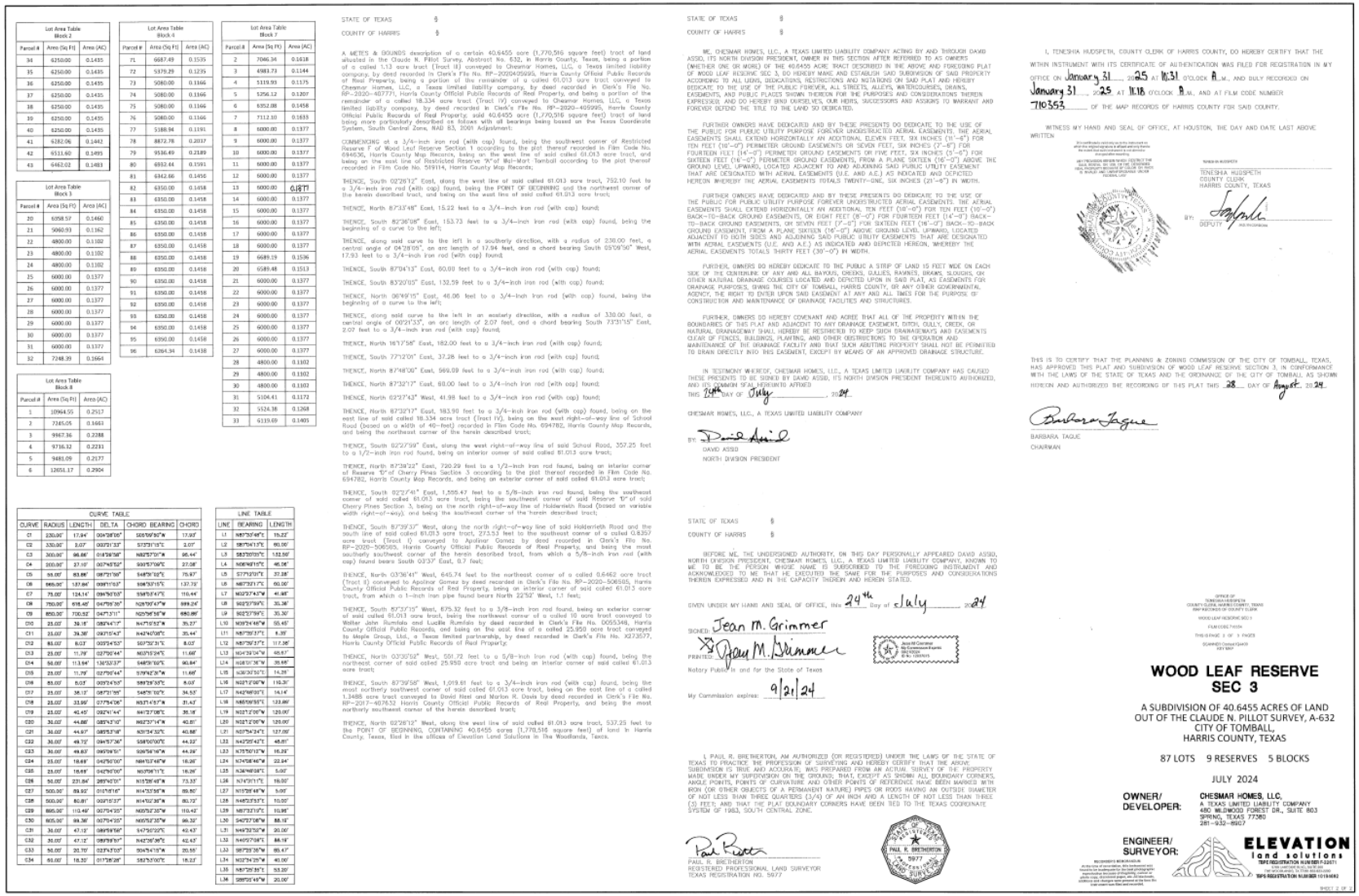
DEBT SERVICE REQUIREMENTS

The following table sets forth the debt service requirements for the Bonds:

Year Ending (September 30)	Principal	Interest	Total
2025	–	$ 9,707.77	$ 9,707.77
2026	$ 48,000.00	205,576.26	253,576.26
2027	53,000.00	202,696.26	255,696.26
2028	55,000.00	199,516.26	254,516.26
2029	58,000.00	196,216.26	254,216.26
2030	61,000.00	192,736.26	253,736.26
2031	64,000.00	189,076.26	253,076.26
2032	67,000.00	185,236.26	252,236.26
2033	70,000.00	181,216.26	251,216.26
2034	73,000.00	177,016.26	250,016.26
2035	77,000.00	172,636.26	249,636.26
2036	81,000.00	168,016.26	249,016.26
2037	85,000.00	163,156.26	248,156.26
2038	89,000.00	158,056.26	247,056.26
2039	94,000.00	152,716.26	246,716.26
2040	98,000.00	147,076.26	245,076.26
2041	104,000.00	141,196.26	245,196.26
2042	109,000.00	134,956.26	243,956.26
2043	115,000.00	128,416.26	243,416.26
2044	121,000.00	121,516.26	242,516.26
2045	127,000.00	114,256.26	241,256.26
2046	134,000.00	106,636.26	240,636.26
2047	142,000.00	98,428.76	240,428.76
2048	150,000.00	89,731.26	239,731.26
2049	158,000.00	80,543.76	238,543.76
2050	167,000.00	70,866.26	237,866.26
2051	176,000.00	60,637.50	236,637.50
2052	187,000.00	49,857.50	236,857.50
2053	197,000.00	38,403.76	235,403.76
2054	209,000.00	26,337.50	235,337.50
2055	221,000.00	13,536.26	234,536.26
Total	**$3,390,000.00**	**$3,975,971.79**	**$7,365,971.79**

EXHIBIT C - IMPROVEMENT AREA #3 FINAL PLAT





Lot Area Table Block 2		
Parcel #	Area (Sq Ft)	Area (AC)
34	6250.00	0.1435
35	6250.00	0.1435
36	6250.00	0.1435
37	6250.00	0.1435
38	6250.00	0.1435
39	6250.00	0.1435
40	6250.00	0.1435
41	6282.06	0.1442
42	6511.60	0.1495
43	6462.02	0.1483

Lot Area Table Block 3		
Parcel #	Area (Sq Ft)	Area (AC)
20	6358.57	0.1460
21	5060.93	0.1162
22	4800.00	0.1102
23	4800.00	0.1102
24	4800.00	0.1102
25	6000.00	0.1377
26	6000.00	0.1377
27	6000.00	0.1377
28	6000.00	0.1377
29	6000.00	0.1377
30	6000.00	0.1377
31	6000.00	0.1377
32	7248.39	0.1664

Lot Area Table Block 8		
Parcel #	Area (Sq Ft)	Area (AC)
1	10964.55	0.2517
2	7245.05	0.1663
3	9967.36	0.2288
4	9716.32	0.2231
5	9481.09	0.2177
6	12651.17	0.2904

Lot Area Table Block 1		
Parcel #	Area (Sq Ft)	Area (AC)
71	6687.49	0.1535
72	5379.29	0.1235
73	5060.00	0.1166
74	5060.00	0.1166
75	5060.00	0.1166
76	5060.00	0.1166
77	5188.94	0.1191
78	8872.78	0.2037
79	9536.49	0.2189
80	6932.44	0.1591
81	6342.66	0.1456
82	6350.00	0.1458
83	6350.00	0.1458
84	6350.00	0.1458
85	6350.00	0.1458
86	6350.00	0.1458
87	6350.00	0.1458
88	6350.00	0.1458
89	6350.00	0.1458
90	6350.00	0.1458
91	6350.00	0.1458
92	6350.00	0.1458
93	6350.00	0.1458
94	6350.00	0.1458
95	6350.00	0.1458
96	6264.34	0.1438

Lot Area Table Block 7		
Parcel #	Area (Sq Ft)	Area (AC)
2	7046.34	0.1618
3	4983.73	0.1144
4	5119.93	0.1175
5	5256.12	0.1207
6	6352.88	0.1458
7	7112.10	0.1633
8	6000.00	0.1377
9	6000.00	0.1377
10	6000.00	0.1377
11	6000.00	0.1377
12	6000.00	0.1377
13	6000.00	0.1377
14	6000.00	0.1377
15	6000.00	0.1377
16	6000.00	0.1377
17	6000.00	0.1377
18	6000.00	0.1377
19	6689.19	0.1536
20	6589.48	0.1513
21	6000.00	0.1377
22	6000.00	0.1377
23	6000.00	0.1377
24	6000.00	0.1377
25	6000.00	0.1377
26	6000.00	0.1377
27	6000.00	0.1377
28	4800.00	0.1102
29	4800.00	0.1102
30	4800.00	0.1102
31	5104.41	0.1172
32	5524.38	0.1268
33	6119.69	0.1405

CURVE TABLE					
CURVE	RADIUS	LENGTH	DELTA	CHORD BEARING	CHORD
C1	230.00'	17.94'	004°28'05"	S05°06'50"W	17.93'
C2	230.00'	2.07'	000°31'33"	S03°31'15"E	2.07'
C3	300.00'	98.66'	018°50'38"	N82°57'01"W	98.44'
C4	200.00'	27.10'	007°45'52"	S90°57'06"E	27.08'
C5	55.00'	83.86'	087°21'06"	S48°36'16"E	75.87'
C6	865.00'	137.84'	009°07'53"	S08°53'15"E	137.70'
C7	75.00'	124.14'	094°50'53"	S58°51'47"E	110.44'
C8	750.00'	618.48'	047°15'26"	N28°39'43"W	599.24'
C9	850.00'	700.52'	047°13'11"	N29°08'58"W	680.89'
C10	25.00'	39.18'	089°47'13"	N47°10'52"W	35.27'
C11	25.00'	39.28'	090°01'43"	N42°40'08"E	35.44'
C12	85.00'	8.03'	005°24'53"	N87°59'31"E	8.03'
C13	25.00'	11.79'	027°00'44"	N04°39'04"W	11.68'
C14	50.00'	113.94'	130°33'37"	S48°31'05"E	90.84'
C15	25.00'	11.79'	027°00'44"	S76°42'26"W	11.68'
C16	85.00'	8.03'	005°24'53"	S88°28'53"E	8.03'
C17	25.00'	38.13'	087°21'09"	S48°51'00"E	34.53'
C18	25.00'	33.99'	077°54'06"	N53°43'47"W	31.43'
C19	25.00'	40.45'	092°41'44"	N41°27'08"E	36.18'
C20	30.00'	44.88'	085°43'10"	N82°37'14"W	40.81'
C21	30.00'	44.97'	085°53'58"	N01°34'32"E	40.88'
C22	30.00'	49.72'	094°57'36"	S58°00'00"E	44.22'
C23	30.00'	49.83'	095°09'51"	S36°56'16"W	44.29'
C24	25.00'	18.88'	042°56'06"	N84°13'48"W	18.26'
C25	25.00'	18.88'	042°56'06"	N53°09'11"E	18.26'
C26	50.00'	231.84'	265°40'01"	N15°28'48"W	73.33'
C27	500.00'	89.92'	010°18'16"	N14°52'55"W	89.80'
C28	500.00'	80.81'	009°15'37"	N14°02'36"W	80.73'
C29	865.00'	110.48'	007°19'05"	N05°05'35"W	110.41'
C30	865.00'	99.36'	006°34'55"	N05°05'35"W	99.32'
C31	30.00'	47.13'	089°59'59"	S47°50'20"E	42.43'
C32	30.00'	47.12'	089°59'51"	N42°09'36"E	42.43'
C33	50.00'	20.70'	023°43'05"	S04°54'19"W	20.55'
C34	60.00'	16.35'	015°36'28"	S83°53'00"E	16.30'

LINE TABLE		
LINE	BEARING	LENGTH
L1	N87°53'48"E	15.22'
L2	S87°54'13"E	80.00'
L3	S83°20'05"E	132.59'
L4	N06°49'15"E	46.06'
L5	S17°31'01"E	117.28'
L6	N87°32'17"E	60.00'
L7	N02°27'43"W	41.98'
L8	S02°27'59"E	35.36'
L9	S02°27'59"E	35.36'
L10	N39°24'48"W	55.45'
L11	N87°32'17"E	8.35'
L12	N87°32'17"E	117.96'
L13	N04°39'04"W	69.51'
L14	N08°01'36"W	35.66'
L15	N36°30'50"E	14.26'
L16	N02°12'08"W	110.31'
L17	N42°48'01"E	14.14'
L18	N86°08'55"E	123.69'
L19	N02°12'08"W	120.00'
L20	N87°47'52"E	127.05'
L21	N01°54'24"E	127.05'
L22	N42°25'42"E	48.81'
L23	N75°50'13"W	16.26'
L24	N74°58'46"W	22.84'
L25	N36°48'08"E	5.00'
L26	N74°01'11"E	16.00'
L27	N15°58'48"W	5.00'
L28	N48°27'53"E	10.00'
L29	N87°32'17"E	10.96'
L30	S40°57'08"W	88.16'
L31	N49°32'52"W	20.00'
L32	N40°27'08"E	88.19'
L33	S87°32'17"W	85.47'
L34	N02°54'25"W	40.00'
L35	N87°05'35"E	53.20'
L36	S88°05'49"W	20.00'

STATE OF TEXAS §

COUNTY OF HARRIS §

A METES & BOUNDS description of a certain 40.6455 acre (1,770,516 square feet) tract of land situated in the Claude N. Pillot Survey, Abstract No. 632, in Harris County, Texas, being a portion of a called 1.13 acre tract (Tract III) conveyed to Chesmar Homes, LLC, a Texas limited liability company, by deed recorded in Clerk's File No. RP-2020405995, Harris County Official Public Records of Real Property, being a portion of the remainder of a called 61.013 acre tract conveyed to Chesmar Homes, LLC, a Texas limited liability company, by deed recorded in Clerk's File No. RP-2020-407771, Harris County Official Public Records of Real Property, and being a portion of the remainder of a called 18.334 acre tract (Tract IV) conveyed to Chesmar Homes, LLC, a Texas limited liability company, by deed recorded in Clerk's File No. RP-2020-405995, Harris County Official Public Records of Real Property; said 40.6455 acre (1,770,516 square feet) tract of land being more particularly described as follows with all bearings being based on the Texas Coordinate System, South Central Zone, NAD 83, 2001 Adjustment:

COMMENCING at a 3/4-inch iron rod (with cap) found, being the southwest corner of Restricted Reserve 'F' of Wood Leaf Reserve Section 1 according to the plat thereof recorded in Film Code No. 694636, Harris County Map Records, being on the west line of said called 61.013 acre tract, and being on the east line of Restricted Reserve 'A' of Wal-Mart Tomball according to the plat thereof recorded in Film Code No. 519114, Harris County Map Records;

THENCE, South 02°28'12" East, along the west line of said called 61.013 acre tract, 752.10 feet to a 3/4-inch iron rod (with cap) found, being the POINT OF BEGINNING and the northwest corner of the herein described tract, and being on the west line of said called 61.013 acre tract;

THENCE, North 87°53'48" East, 15.22 feet to a 3/4-inch iron rod (with cap) found;

THENCE, South 82°36'05" East, 153.73 feet to a 3/4-inch iron rod (with cap) found, being the beginning of a curve to the left;

THENCE, along said curve to the left in a southerly direction, with a radius of 230.00 feet, a central angle of 04°28'05", an arc length of 17.94 feet, and a chord bearing South 05°06'50" West, 17.93 feet to a 3/4-inch iron rod (with cap) found;

THENCE, South 87°04'13" East, 80.00 feet to a 3/4-inch iron rod (with cap) found;

THENCE, South 83°20'05" East, 132.59 feet to a 3/4-inch iron rod (with cap) found;

THENCE, North 06°49'15" East, 46.06 feet to a 3/4-inch iron rod (with cap) found, being the beginning of a curve to the left;

THENCE, along said curve to the left in an easterly direction, with a radius of 330.00 feet, a central angle of 00°31'33", an arc length of 2.07 feet, and a chord bearing South 73°31'15" East, 2.07 feet to a 3/4-inch iron rod (with cap) found;

THENCE, North 16°17'58" East, 182.00 feet to a 3/4-inch iron rod (with cap) found;

THENCE, South 77°12'01" East, 37.28 feet to a 3/4-inch iron rod (with cap) found;

THENCE, North 87°48'00" East, 569.09 feet to a 3/4-inch iron rod (with cap) found;

THENCE, North 87°32'17" East, 60.00 feet to a 3/4-inch iron rod (with cap) found;

THENCE, North 02°27'43" West, 41.98 feet to a 3/4-inch iron rod (with cap) found;

THENCE, North 87°32'17" East, 183.90 feet to a 3/4-inch iron rod (with cap) found, being on the east line of said called 18.334 acre tract (Tract IV), being on the west right-of-way line of School Road (based on a width of 40-feet) recorded in Film Code No. 694782, Harris County Map Records, and being the northeast corner of the herein described tract;

THENCE, South 02°27'59" East, along the west right-of-way line of said School Road, 357.25 feet to a 1/2-inch iron rod found, being an interior corner of said called 61.013 acre tract;

THENCE, North 87°39'22" East, 720.29 feet to a 1/2-inch iron rod found, being an interior corner of Reserve 'D' of Cherry Pines Section 3 according to the plat thereof recorded in Film Code No. 694782, Harris County Map Records, and being an exterior corner of said called 61.013 acre tract;

THENCE, South 02°27'41" East, 1,555.47 feet to a 5/8-inch iron rod found, being the southeast corner of said called 61.013 acre tract, being the southeast corner of said Reserve 'D' of said Cherry Pines Section 3, being on the north right-of-way line of Holderrieth Road (based on variable width right-of-way), and being the southeast corner of the herein described tract;

THENCE, South 87°39'37" West, along the north right-of-way line of said Holderrieth Road and the south line of said called 61.013 acre tract, 273.53 feet to the southeast corner of a called 0.8357 acre tract (Tract I) conveyed to Apolinar Gomez by deed recorded in Clerk's File No. RP-2020-506505, Harris County Official Public Records of Real Property, and being the most southerly southwest corner of the herein described tract, from which a 5/8-inch iron rod (with cap) found bears South 02°37' East, 0.7 feet;

THENCE, North 03°36'41" West, 645.74 feet to the northeast corner of a called 0.6462 acre tract (Tract II) conveyed to Apolinar Gomez by deed recorded in Clerk's File No. RP-2020-506505, Harris County Official Public Records of Real Property, being an interior corner of said called 61.013 acre tract, from which a 1-inch iron pipe found bears North 22°50' West, 1.1 feet;

THENCE, South 87°25'15" West, 675.32 feet to a 3/8-inch iron rod found, being an exterior corner of said called 61.013 acre tract, being the northwest corner of a called 10 acre tract conveyed to Walter John Rumfola and Lucille Rumfola by deed recorded in Clerk's File No. D055348, Harris County Official Public Records, and being on the west line of a called 25.950 acre tract conveyed to Maple Group, Ltd., a Texas limited partnership, by deed recorded in Clerk's File No. X273577, Harris County Official Public Records of Real Property;

THENCE, North 03°35'52" West, 591.72 feet to a 5/8-inch iron rod (with cap) found, being the northeast corner of said called 25.950 acre tract and being an interior corner of said called 61.013 acre tract;

THENCE, South 87°39'58" West, 1,019.61 feet to a 3/4-inch iron rod (with cap) found, being the most northerly southwest corner of said called 61.013 acre tract, being on the east line of a called 1.3485 acre tract conveyed to David Reist and Marion R. Davis by deed recorded in Clerk's File No. RP-2017-407632 Harris County Official Public Records of Real Property, and being the most northerly southeast corner of the herein described tract;

THENCE, North 02°28'12" West, along the west line of said called 61.013 acre tract, 537.25 feet to the POINT OF BEGINNING, CONTAINING 40.6455 acres (1,770,516 square feet) of land in Harris County, Texas, filed in the offices of Elevation Land Solutions in The Woodlands, Texas.

STATE OF TEXAS §

COUNTY OF HARRIS §

WE, CHESMAR HOMES, LLC., A TEXAS LIMITED LIABILITY COMPANY ACTING BY AND THROUGH DAVID ASSID, ITS NORTH DIVISION PRESIDENT, OWNER IN THIS SECTION AFTER REFERRED TO AS OWNERS (WHETHER ONE OR MORE) OF THE 40.6455 ACRE TRACT DESCRIBED IN THE ABOVE AND FOREGOING PLAT OF WOOD LEAF RESERVE SEC 3, DO HEREBY MAKE AND ESTABLISH SAID SUBDIVISION OF SAID PROPERTY ACCORDING TO ALL LINES, DEDICATIONS, RESTRICTIONS AND NOTATIONS ON SAID PLAT AND HEREBY DEDICATE TO THE USE OF THE PUBLIC FOREVER, ALL STREETS, ALLEYS, WATERCOURSES, DRAINS, EASEMENTS, AND PUBLIC PLACES SHOWN THEREON FOR THE PURPOSES AND CONSIDERATIONS THEREIN EXPRESSED; AND DO HEREBY BIND OURSELVES, OUR HEIRS, SUCCESSORS AND ASSIGNS TO WARRANT AND FOREVER DEFEND THE TITLE TO THE LAND SO DEDICATED.

FURTHER OWNERS HAVE DEDICATED AND BY THESE PRESENTS DO DEDICATE TO THE USE OF THE PUBLIC FOR PUBLIC UTILITY PURPOSE FOREVER UNOBSTRUCTED AERIAL EASEMENTS. THE AERIAL EASEMENTS SHALL EXTEND HORIZONTALLY AN ADDITIONAL ELEVEN FEET, SIX INCHES (11'-6") FOR TEN FEET (10'-0") PERIMETER GROUND EASEMENTS OR SEVEN FEET, SIX INCHES (7'-6") FOR FOURTEEN FEET (14'-0") PERIMETER GROUND EASEMENTS OR FIVE FEET, SIX INCHES (5'-6") FOR SIXTEEN FEET (16'-0") PERIMETER GROUND EASEMENTS, FROM A PLANE SIXTEEN (16'-0") ABOVE THE GROUND LEVEL UPWARD, LOCATED ADJACENT TO AND ADJOINING SAID PUBLIC UTILITY EASEMENT THAT ARE DESIGNATED WITH AERIAL EASEMENTS (U.E. AND A.E.) AS INDICATED AND DEPICTED HEREON WHEREBY THE AERIAL EASEMENTS TOTALS TWENTY-ONE, SIX INCHES (21'-6") IN WIDTH.

FURTHER OWNERS DO HEREBY DEDICATE AND BY THESE PRESENTS DO DEDICATE TO THE USE OF THE PUBLIC FOR PUBLIC UTILITY PURPOSE FOREVER UNOBSTRUCTED AERIAL EASEMENTS. THE AERIAL EASEMENTS SHALL EXTEND HORIZONTALLY AN ADDITIONAL TEN FEET (10'-0") FOR TEN FEET (10'-0") BACK-TO-BACK GROUND EASEMENTS, OR EIGHT FEET (8'-0") FOR FOURTEEN FEET (14'-0") BACK-TO-BACK GROUND EASEMENTS, OR SEVEN FEET (7'-0") FOR SIXTEEN FEET (16'-0") BACK-TO-BACK GROUND EASEMENT, FROM A PLANE SIXTEEN (16'-0") ABOVE GROUND LEVEL UPWARD, LOCATED ADJACENT TO BOTH SIDES AND ADJOINING SAID PUBLIC UTILITY EASEMENTS THAT ARE DESIGNATED WITH AERIAL EASEMENTS (U.E. AND A.E.) AS INDICATED AND DEPICTED HEREON, WHEREBY THE AERIAL EASEMENTS TOTALS THIRTY FEET (30'-0") IN WIDTH.

FURTHER, OWNERS DO HEREBY DEDICATE TO THE PUBLIC A STRIP OF LAND 15 FEET WIDE ON EACH SIDE OF THE CENTERLINE OF ANY AND ALL BAYOUS, CREEKS, GULLIES, RAVINES, DRAWS, SLOUGHS, OR OTHER NATURAL DRAINAGE COURSES LOCATED AND DEPICTED UPON IN SAID PLAT, AS EASEMENTS FOR DRAINAGE PURPOSES, GIVING THE CITY OF TOMBALL, HARRIS COUNTY, OR ANY OTHER GOVERNMENTAL AGENCY, THE RIGHT TO ENTER UPON SAID EASEMENT AT ANY AND ALL TIMES FOR THE PURPOSE OF CONSTRUCTION AND MAINTENANCE OF DRAINAGE FACILITIES AND STRUCTURES.

FURTHER, OWNERS DO HEREBY COVENANT AND AGREE THAT ALL OF THE PROPERTY WITHIN THE BOUNDARIES OF THIS PLAT AND ADJACENT TO ANY DRAINAGE EASEMENT, DITCH, GULLY, CREEK, OR NATURAL DRAINAGEWAY SHALL HEREBY BE RESTRICTED TO KEEP SUCH DRAINAGEWAYS AND EASEMENTS CLEAR OF FENCES, BUILDINGS, PLANTING, AND OTHER OBSTRUCTIONS TO THE OPERATION AND MAINTENANCE OF THE DRAINAGE FACILITY AND THAT SUCH ABUTTING PROPERTY SHALL NOT BE PERMITTED TO DRAIN DIRECTLY INTO THIS EASEMENT, EXCEPT BY MEANS OF AN APPROVED DRAINAGE STRUCTURE.

IN TESTIMONY WHEREOF, CHESMAR HOMES, LLC., A TEXAS LIMITED LIABILITY COMPANY HAS CAUSED THESE PRESENTS TO BE SIGNED BY DAVID ASSID, ITS NORTH DIVISION PRESIDENT THEREUNTO AUTHORIZED, AND ITS COMMON SEAL HEREUNTO AFFIXED

THIS 24th DAY OF July, 2024

CHESMAR HOMES, LLC., A TEXAS LIMITED LIABILITY COMPANY

BY: _____

DAVID ASSID
NORTH DIVISION PRESIDENT

STATE OF TEXAS §

COUNTY OF HARRIS §

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED DAVID ASSID, NORTH DIVISION PRESIDENT, CHESMAR HOMES, LLC., A TEXAS LIMITED LIABILITY COMPANY, KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATIONS THEREIN EXPRESSED AND IN THE CAPACITY THEREIN AND HEREIN STATED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 24th Day of July, 2024

SIGNED: Jean M. Grimmer

PRINTED: Jean M. Grimmer

Notary Public in and for the State of Texas

My Commission expires: 9/21/24

I, PAUL R. BRETHERTON, AM AUTHORIZED (OR REGISTERED) UNDER THE LAWS OF THE STATE OF TEXAS TO PRACTICE THE PROFESSION OF SURVEYING AND HEREBY CERTIFY THAT THE ABOVE SUBDIVISION IS TRUE AND ACCURATE; WAS PREPARED FROM AN ACTUAL SURVEY OF THE PROPERTY MADE UNDER MY SUPERVISION ON THE GROUND; THAT, EXCEPT AS SHOWN ALL BOUNDARY CORNERS, ANGLE POINTS, POINTS OF CURVATURE AND OTHER POINTS OF REFERENCE HAVE BEEN MARKED WITH IRON (OR OTHER OBJECTS OF A PERMANENT NATURE) PIPES OR RODS HAVING AN OUTSIDE DIAMETER OF NOT LESS THAN THREE QUARTERS (3/4) OF AN INCH AND A LENGTH OF NOT LESS THAN THREE (3) FEET; AND THAT THE PLAT BOUNDARY CORNERS HAVE BEEN TIED TO THE TEXAS COORDINATE SYSTEM OF 1983, SOUTH CENTRAL ZONE.

PAUL R. BRETHERTON
REGISTERED PROFESSIONAL LAND SURVEYOR
TEXAS REGISTRATION NO. 5977

STATE OF TEXAS
PAUL R. BRETHERTON
5977
REGISTERED PROFESSIONAL LAND SURVEYOR

I, TENESHIA HUDSPETH, COUNTY CLERK OF HARRIS COUNTY, DO HEREBY CERTIFY THAT THE WITHIN INSTRUMENT WITH ITS CERTIFICATE OF AUTHENTICATION WAS FILED FOR REGISTRATION IN MY OFFICE ON January 31, 2025 AT 10:31 O'CLOCK A.M., AND DULY RECORDED ON January 31, 2025 AT 11:18 O'CLOCK A.M. AND AT FILM CODE NUMBER 710353, OF THE MAP RECORDS OF HARRIS COUNTY FOR SAID COUNTY.

WITNESS MY HAND AND SEAL OF OFFICE, AT HOUSTON, THE DAY AND DATE LAST ABOVE WRITTEN

TENESHIA HUDSPETH
COUNTY CLERK
HARRIS COUNTY, TEXAS

BY: _____
DEPUTY

THIS IS TO CERTIFY THAT THE PLANNING & ZONING COMMISSION OF THE CITY OF TOMBALL, TEXAS, HAS APPROVED THIS PLAT AND SUBDIVISION OF WOOD LEAF RESERVE SECTION 3, IN CONFORMANCE WITH THE LAWS OF THE STATE OF TEXAS AND THE ORDINANCE OF THE CITY OF TOMBALL AS SHOWN HEREON AND AUTHORIZED THE RECORDING OF THIS PLAT THIS 28 DAY OF August, 2024.

BARBARA TAGUE
CHAIRMAN

OFFICE OF
TENESHIA HUDSPETH
COUNTY CLERK, HARRIS COUNTY, TEXAS
MAP RECORDS OF COUNTY CLERK

WOOD LEAF RESERVE SEC 3

FILM CODE 710354

THIS IS PAGE 2 OF 3 PAGES

SCANNED Contact Sheet
KEY MAP

WOOD LEAF RESERVE SEC 3

A SUBDIVISION OF 40.6455 ACRES OF LAND
OUT OF THE CLAUDE N. PILLOT SURVEY, A-632
CITY OF TOMBALL,
HARRIS COUNTY, TEXAS

87 LOTS 9 RESERVES 5 BLOCKS

JULY 2024

OWNER/ DEVELOPER: CHESMAR HOMES, LLC.
A TEXAS LIMITED LIABILITY COMPANY
480 WILLOWOOD FOREST DR., SUITE 803
SPRING, TEXAS 77380
281-932-8607

ENGINEER/ SURVEYOR: ELEVATION land solutions
TBPE REGISTRATION NUMBER F-22011
TBPLS REGISTRATION NUMBER 10194082

SHEET 2 OF 3

EXHIBIT D – LOT TYPE CLASSIFICATION MAP

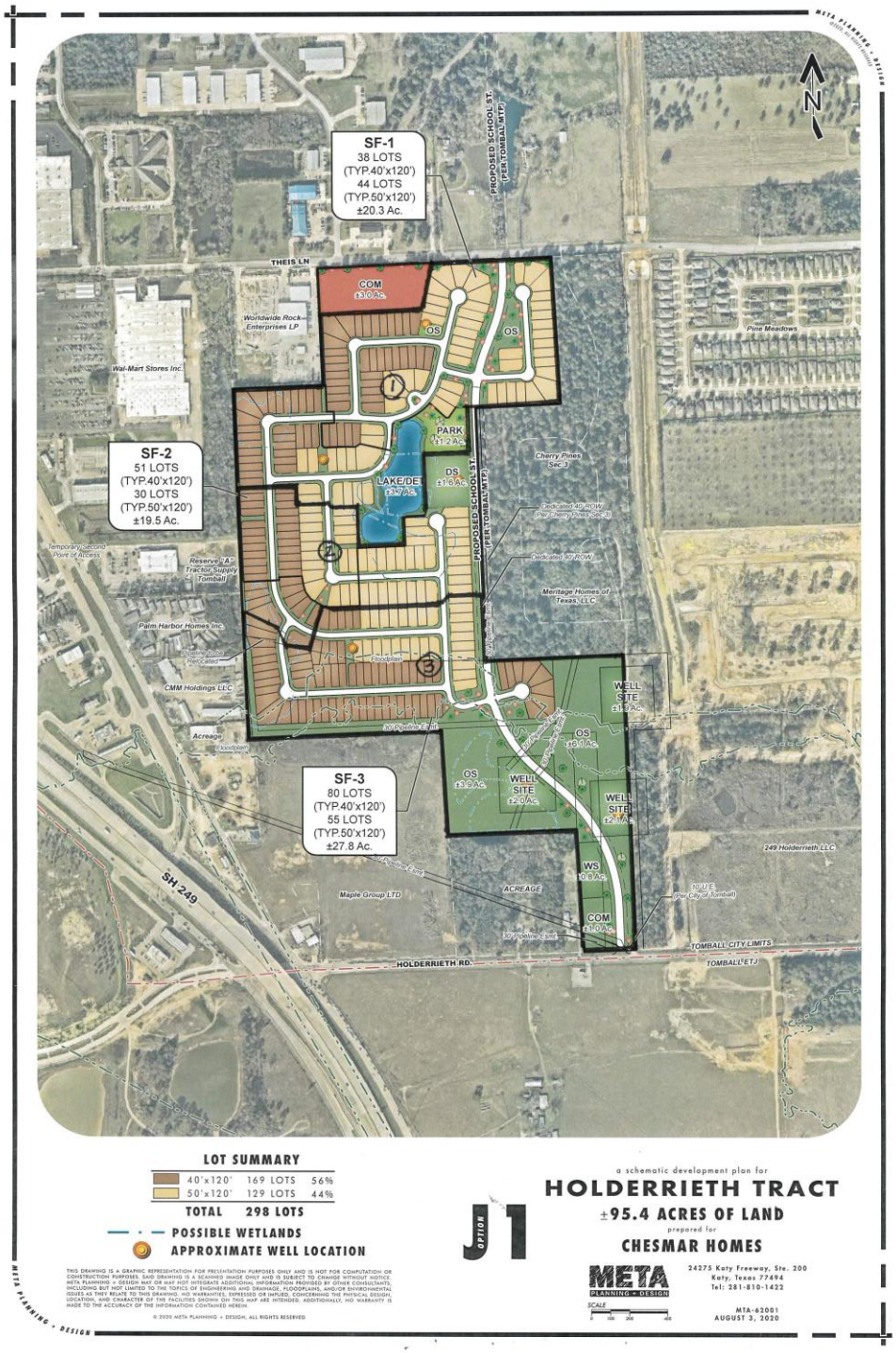


EXHIBIT E – HOMEBUYER DISCLOSURES

Buyer Disclosures for the following Lot Types are found in this Exhibit:

- Improvement Area #1
  - Lot Type 1
  - Lot Type 2
- Improvement Area #2
  - Lot Type 3
  - Lot Type 4
- Improvement Area #3
  - Initial Parcel
  - Lot Type 5
  - Lot Type 6

WOOD LEAF RESERVE PUBLIC IMPROVEMENT DISTRICT – IMPROVEMENT AREA #1 LOT TYPE 1 - BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.0035), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

1) under a court order or foreclosure sale;
2) by a trustee in bankruptcy;
3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
6) from one co-owner to another co-owner of an undivided interest in the real property;
7) to a spouse or a person in the lineal line of consanguinity of the seller;
8) to or from a governmental entity; or
9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING[1] RETURN TO:

_____
_____
_____
_____
_____

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO TOMBALL, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
PROPERTY ADDRESS

IMPROVEMENT AREA #1 LOT TYPE 1 PRINCIPAL ASSESSMENT: $32,114.77

As the purchaser of the real property described above, you are obligated to pay assessments to Tomball, 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 ***Wood Leaf Reserve Public Improvement District – Improvement Area #1*** (the "District") created under Subchapter A, Chapter 372, 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 may be obtained from the City of Tomball. The exact amount of each annual installment will be approved each year by the Tomball City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Tomball.

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.

[1] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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.

DATE: DATE:

SIGNATURE OF PURCHASER SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER][2]

[2] To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[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. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE: DATE:

SIGNATURE OF PURCHASER SIGNATURE OF PURCHASER

STATE OF TEXAS §
§
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][3]

[3] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER

STATE OF TEXAS §
§
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][4]

[4] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #1 - LOT TYPE 1

	Lot Type 1 - Improvement Area #1 2022 Bonds				
Installment Due January 31,	Principal	Interest [a]	Additional Interest [b]	Annual Collection Costs [c]	Total Installment [d]
2026	$ 585.02	$ 1,847.34	$ 160.57	$ 348.65	$ 2,941.58
2027	608.12	1,819.55	157.65	346.12	2,931.44
2028	631.21	1,790.67	154.61	353.05	2,929.53
2029	662.00	1,758.32	151.45	360.11	2,931.88
2030	692.79	1,724.39	148.14	367.31	2,932.63
2031	723.58	1,688.88	144.68	374.65	2,931.80
2032	754.37	1,651.80	141.06	382.15	2,929.38
2033	785.16	1,613.14	137.29	389.79	2,925.38
2034	831.35	1,567.01	133.36	397.59	2,929.31
2035	877.54	1,518.17	129.21	405.54	2,930.45
2036	923.72	1,466.61	124.82	413.65	2,928.80
2037	969.91	1,412.34	120.20	421.92	2,924.37
2038	1,023.79	1,355.36	115.35	430.36	2,924.86
2039	1,077.68	1,295.21	110.23	438.97	2,922.09
2040	1,139.26	1,231.90	104.84	447.75	2,923.75
2041	1,200.84	1,164.97	99.15	456.70	2,921.66
2042	1,270.12	1,094.42	93.14	465.84	2,923.52
2043	1,339.40	1,019.80	86.79	475.15	2,921.14
2044	1,408.68	941.11	80.09	484.66	2,914.54
2045	1,493.35	858.35	73.05	494.35	2,919.10
2046	1,578.03	770.62	65.58	504.24	2,918.46
2047	1,662.70	677.91	57.69	514.32	2,912.62
2048	1,762.77	580.22	49.38	524.61	2,916.98
2049	1,862.84	476.66	40.57	535.10	2,915.17
2050	1,970.61	367.22	31.25	545.80	2,914.88
2051	2,078.38	251.45	21.40	556.72	2,907.94
2052	2,201.54	129.34	11.01	567.85	2,909.74
Total	**$ 32,114.77**	**$ 32,072.75**	**$ 2,742.57**	**$ 12,002.92**	**$ 78,933.01**

Footnotes:

[a] Interest on the Improvement Area #1 Bonds is calculated at the actual rate of the PID Bonds.

[b] Additional Interest is calculated at the Additional Interest Rate.

[c] Includes a $60 per lot ($7,380 for Improvement Area #1) is budgeted for costs incurred by City staff for administering the PID.

[d] The figures shown are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

WOOD LEAF RESERVE PUBLIC IMPROVEMENT DISTRICT – IMPROVEMENT AREA #1 LOT TYPE 2 - BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.0035), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

1) under a court order or foreclosure sale;
2) by a trustee in bankruptcy;
3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
6) from one co-owner to another co-owner of an undivided interest in the real property;
7) to a spouse or a person in the lineal line of consanguinity of the seller;
8) to or from a governmental entity; or
9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING[1] RETURN TO:

_____
_____
_____
_____
_____

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO TOMBALL, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
PROPERTY ADDRESS

IMPROVEMENT AREA #1 LOT TYPE 2 PRINCIPAL ASSESSMENT: $36,007.46

As the purchaser of the real property described above, you are obligated to pay assessments to Tomball, 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 ***Wood Leaf Reserve Public Improvement District – Improvement Area #1*** (the "District") created under Subchapter A, Chapter 372, 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 may be obtained from the City of Tomball. The exact amount of each annual installment will be approved each year by the Tomball City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Tomball.

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.

[1] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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.

DATE: DATE:

SIGNATURE OF PURCHASER SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER][2]

[2] To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[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. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE: DATE:

SIGNATURE OF PURCHASER SIGNATURE OF PURCHASER

STATE OF TEXAS §
§
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][3]

[3] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER

STATE OF TEXAS §
§
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][4]

[4] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

ANNUAL INSTALLMENTS - LOT TYPE 2

	Lot Type 2 - Improvement Area #1 2022 Bonds				
Installment Due January 31,	Principal	Interest[a]	Additional Interest[b]	Annual Collection Costs[c]	Total Installment[d]
2026	$ 655.94	$ 2,071.26	$ 180.04	$ 390.91	$ 3,298.14
2027	681.83	2,040.10	176.76	388.08	3,286.77
2028	707.72	2,007.72	173.35	395.84	3,284.62
2029	742.24	1,971.45	169.81	403.76	3,287.26
2030	776.77	1,933.41	166.10	411.83	3,288.10
2031	811.29	1,893.60	162.21	420.07	3,287.17
2032	845.81	1,852.02	158.16	428.47	3,284.46
2033	880.34	1,808.67	153.93	437.04	3,279.97
2034	932.12	1,756.95	149.53	445.78	3,284.38
2035	983.90	1,702.19	144.87	454.69	3,285.65
2036	1,035.69	1,644.38	139.95	463.79	3,283.81
2037	1,087.47	1,583.54	134.77	473.06	3,278.84
2038	1,147.89	1,519.65	129.33	482.53	3,279.39
2039	1,208.30	1,452.21	123.59	492.18	3,276.28
2040	1,277.35	1,381.22	117.55	502.02	3,278.14
2041	1,346.40	1,306.18	111.16	512.06	3,275.80
2042	1,424.07	1,227.08	104.43	522.30	3,277.88
2043	1,501.75	1,143.41	97.31	532.75	3,275.22
2044	1,579.43	1,055.18	89.80	543.40	3,267.82
2045	1,674.36	962.39	81.91	554.27	3,272.93
2046	1,769.30	864.02	73.53	565.36	3,272.22
2047	1,864.24	760.08	64.69	576.66	3,265.67
2048	1,976.44	650.55	55.37	588.20	3,270.56
2049	2,088.64	534.44	45.48	599.96	3,268.52
2050	2,209.47	411.73	35.04	611.96	3,268.20
2051	2,330.30	281.92	23.99	624.20	3,260.42
2052	2,468.39	145.02	12.34	636.68	3,262.43
Total	**$ 36,007.46**	**$ 35,960.35**	**$ 3,075.00**	**$ 13,457.82**	**$ 88,500.64**

Footnotes:

[a] Interest on the Improvement Area #1 Bonds is calculated at the actual rate of the PID Bonds.

[b] Additional Interest is calculated at the Additional Interest Rate.

[c] Includes a $60 per lot ($7,380 for Improvement Area #1) is budgeted for costs incurred by City staff for administering the PID.

[d] The figures shown are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

WOOD LEAF RESERVE PUBLIC IMPROVEMENT DISTRICT - IMPROVEMENT AREA #2 LOT TYPE 3 - BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.0035), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

1) under a court order or foreclosure sale;
2) by a trustee in bankruptcy;
3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
6) from one co-owner to another co-owner of an undivided interest in the real property;
7) to a spouse or a person in the lineal line of consanguinity of the seller;
8) to or from a governmental entity; or
9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING[1] RETURN TO:

_____
_____
_____
_____
_____

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO TOMBALL, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
PROPERTY ADDRESS

LOT TYPE 3 PRINCIPAL ASSESSMENT: $34,538.48

As the purchaser of the real property described above, you are obligated to pay assessments to Tomball, 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 ***Wood Leaf Reserve Public Improvement District – Improvement Area #2*** (the "District") created under Subchapter A, Chapter 372, 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.

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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.

[1] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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.

DATE: DATE:

SIGNATURE OF PURCHASER SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER][2]

[2] To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[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. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE: DATE:

SIGNATURE OF PURCHASER SIGNATURE OF PURCHASER

STATE OF TEXAS §
§
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][3]

[3] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER

STATE OF TEXAS §
§
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][4]

[4] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #2 - LOT TYPE 3

	Lot Type 3 - Improvement Area #2 2024 Bonds				
Installments Due 1/31	Principal	Interest [a]	Additional Interest [b]	Annual Collection Costs	Total Installment [c]
2026	$ 595.29	$ 1,943.21	$ 169.83	$ 408.84	$ 3,117.18
2027	618.63	1,910.47	166.86	402.73	3,098.69
2028	641.98	1,876.45	163.76	410.78	3,092.97
2029	677.00	1,841.14	160.55	419.00	3,097.69
2030	700.34	1,803.90	157.17	427.38	3,088.79
2031	735.36	1,765.38	153.67	435.93	3,090.34
2032	770.37	1,724.94	149.99	444.65	3,089.95
2033	793.72	1,682.57	146.14	453.54	3,075.97
2034	828.74	1,638.91	142.17	462.61	3,072.43
2035	875.43	1,593.33	138.03	471.86	3,078.65
2036	910.44	1,545.19	133.65	481.30	3,070.58
2037	945.46	1,495.11	129.10	490.93	3,060.59
2038	992.15	1,443.11	124.37	500.74	3,060.37
2039	1,038.84	1,388.54	119.41	510.76	3,057.55
2040	1,085.53	1,331.41	114.21	520.97	3,052.12
2041	1,143.89	1,271.70	108.79	531.39	3,055.77
2042	1,190.58	1,208.79	103.07	542.02	3,044.46
2043	1,248.94	1,143.31	97.11	552.86	3,042.22
2044	1,307.30	1,074.61	90.87	563.92	3,036.71
2045	1,377.34	1,002.71	84.33	575.20	3,039.58
2046	1,447.37	923.52	77.45	586.70	3,035.04
2047	1,517.41	840.29	70.21	598.44	3,026.34
2048	1,599.11	753.04	62.62	610.40	3,025.18
2049	1,680.82	661.09	54.63	622.61	3,019.15
2050	1,762.52	564.45	46.22	635.07	3,008.26
2051	1,855.90	463.10	37.41	647.77	3,004.18
2052	1,960.95	356.39	28.13	660.72	3,006.19
2053	2,066.01	243.63	18.33	673.94	3,001.90
2054	2,171.06	124.84	8.00	687.41	2,991.30
Total	**$ 34,538.48**	**$ 35,615.13**	**$ 3,056.05**	**$ 15,330.48**	**$ 88,540.15**

Footnotes:

[a] Interest on the Improvement Area #2 Series 2024 Bonds is calculated at the actual rate of the Series 2024 Bonds.

[b] Additional Interest is calculated at the Additional Interest Rate.

[c] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

WOOD LEAF RESERVE PUBLIC IMPROVEMENT DISTRICT - IMPROVEMENT AREA #2 LOT TYPE 4 - BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.0035), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

1) under a court order or foreclosure sale;
2) by a trustee in bankruptcy;
3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
6) from one co-owner to another co-owner of an undivided interest in the real property;
7) to a spouse or a person in the lineal line of consanguinity of the seller;
8) to or from a governmental entity; or
9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING[1] RETURN TO:

_____
_____
_____
_____
_____

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO TOMBALL, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
PROPERTY ADDRESS

IMPROVEMENT AREA #2 LOT TYPE 4 PRINCIPAL ASSESSMENT: $38,046.81

As the purchaser of the real property described above, you are obligated to pay assessments to Tomball, 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 ***Wood Leaf Reserve Public Improvement District – Improvement Area #2*** (the "District") created under Subchapter A, Chapter 372, 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 may be obtained from the City of Tomball. The exact amount of each annual installment will be approved each year by the Tomball City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Tomball.

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.

[1] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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.

DATE: DATE:

SIGNATURE OF PURCHASER SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER][2]

[2] To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[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. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE: DATE:

SIGNATURE OF PURCHASER SIGNATURE OF PURCHASER

STATE OF TEXAS §
§
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][3]

[3] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER

STATE OF TEXAS §
§
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][4]

[4] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

ANNUAL INSTALLMENTS - LOT TYPE 4

	Lot Type 4 - Improvement Area #2 2024 Bonds					
Installments Due 1/31	Principal	Interest [a]	Capitalized Interest	Additional Interest [b]	Annual Collection Costs	Total Installment [c]
2026	$ 655.76	$ 2,140.60	$ -	$ 187.08	$ 450.37	$ 3,433.81
2027	681.47	2,104.53	-	183.81	443.64	3,413.45
2028	707.19	2,067.05	-	180.40	452.51	3,407.15
2029	745.76	2,028.16	-	176.86	461.56	3,412.34
2030	771.48	1,987.14	-	173.13	470.79	3,402.54
2031	810.05	1,944.71	-	169.28	480.21	3,404.25
2032	848.63	1,900.15	-	165.23	489.81	3,403.82
2033	874.34	1,853.48	-	160.98	499.61	3,388.42
2034	912.92	1,805.39	-	156.61	509.60	3,384.52
2035	964.35	1,755.18	-	152.05	519.79	3,391.37
2036	1,002.92	1,702.14	-	147.22	530.19	3,382.48
2037	1,041.50	1,646.98	-	142.21	540.79	3,371.48
2038	1,092.93	1,589.70	-	137.00	551.61	3,371.24
2039	1,144.36	1,529.59	-	131.54	562.64	3,368.13
2040	1,195.79	1,466.65	-	125.82	573.89	3,362.15
2041	1,260.08	1,400.88	-	119.84	585.37	3,366.17
2042	1,311.52	1,331.57	-	113.54	597.08	3,353.71
2043	1,375.81	1,259.44	-	106.98	609.02	3,351.25
2044	1,440.10	1,183.77	-	100.10	621.20	3,345.17
2045	1,517.24	1,104.57	-	92.90	633.63	3,348.33
2046	1,594.39	1,017.32	-	85.31	646.30	3,343.33
2047	1,671.54	925.65	-	77.34	659.22	3,333.75
2048	1,761.55	829.53	-	68.98	672.41	3,332.47
2049	1,851.55	728.24	-	60.18	685.86	3,325.83
2050	1,941.56	621.78	-	50.92	699.57	3,313.83
2051	2,044.42	510.14	-	41.21	713.56	3,309.34
2052	2,160.14	392.59	-	30.99	727.84	3,311.55
2053	2,275.87	268.38	-	20.19	742.39	3,306.82
2054	2,391.59	137.52	-	8.81	757.24	3,295.15
Total	**$ 38,046.81**	**$ 39,232.83**	**$ -**	**$ 3,366.48**	**$ 16,887.72**	**$ 97,533.85**

Footnotes:

[a] Interest on the Improvement Area #2 Series 2024 Bonds is calculated at the actual rate of the Series 2024 Bonds.

[b] Additional Interest is calculated at the Additional Interest Rate.

[c] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

WOOD LEAF RESERVE PUBLIC IMPROVEMENT DISTRICT - IMPROVEMENT AREA #3 INITIAL PARCEL - BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.0035), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

1) under a court order or foreclosure sale;
2) by a trustee in bankruptcy;
3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
6) from one co-owner to another co-owner of an undivided interest in the real property;
7) to a spouse or a person in the lineal line of consanguinity of the seller;
8) to or from a governmental entity; or
9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING[1] RETURN TO:

_____
_____
_____
_____
_____

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO TOMBALL, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
PROPERTY ADDRESS

IMPROVEMENT AREA #3 INITIAL PARCEL PRINCIPAL ASSESSMENT: $3,390,000.00

As the purchaser of the real property described above, you are obligated to pay assessments to Tomball, 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 ***Wood Leaf Reserve Public Improvement District – Improvement Area #3*** (the "District") created under Subchapter A, Chapter 372, 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 may be obtained from the City of Tomball. The exact amount of each annual installment will be approved each year by the Tomball City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Tomball.

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.

[1] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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.

DATE: DATE:

SIGNATURE OF PURCHASER SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER][2]

[2] To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[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. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE: DATE:

SIGNATURE OF PURCHASER SIGNATURE OF PURCHASER

STATE OF TEXAS §
§
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][3]

[3] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER

STATE OF TEXAS §
§
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][4]

[4] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #3 INITIAL PARCEL

	Improvement Area #3 2025 Bonds				
Installment Due 1/31	Principal	Interest[a]	Additional Interest[b]	Annual Collection Costs[c]	Total Installment[d]
2026	$ 48,000.00	$ 205,576.26	$ 16,950.00	$ 51,017.29	$ 321,543.55
2027	53,000.00	202,696.26	16,710.00	50,813.64	323,219.90
2028	55,000.00	199,516.26	16,445.00	51,829.91	322,791.17
2029	58,000.00	196,216.26	16,170.00	52,866.51	323,252.77
2030	61,000.00	192,736.26	15,880.00	53,923.84	323,540.10
2031	64,000.00	189,076.26	15,575.00	55,002.31	323,653.57
2032	67,000.00	185,236.26	15,255.00	56,102.36	323,593.62
2033	70,000.00	181,216.26	14,920.00	57,224.41	323,360.67
2034	73,000.00	177,016.26	14,570.00	58,368.90	322,955.16
2035	77,000.00	172,636.26	14,205.00	59,536.27	323,377.53
2036	81,000.00	168,016.26	13,820.00	60,727.00	323,563.26
2037	85,000.00	163,156.26	13,415.00	61,941.54	323,512.80
2038	89,000.00	158,056.26	12,990.00	63,180.37	323,226.63
2039	94,000.00	152,716.26	12,545.00	64,443.98	323,705.24
2040	98,000.00	147,076.26	12,075.00	65,732.86	322,884.12
2041	104,000.00	141,196.26	11,585.00	67,047.51	323,828.77
2042	109,000.00	134,956.26	11,065.00	68,388.46	323,409.72
2043	115,000.00	128,416.26	10,520.00	69,756.23	323,692.49
2044	121,000.00	121,516.26	9,945.00	71,151.36	323,612.62
2045	127,000.00	114,256.26	9,340.00	72,574.38	323,170.64
2046	134,000.00	106,636.26	8,705.00	74,025.87	323,367.13
2047	142,000.00	98,428.76	8,035.00	75,506.39	323,970.15
2048	150,000.00	89,731.26	7,325.00	77,016.52	324,072.78
2049	158,000.00	80,543.76	6,575.00	78,556.85	323,675.61
2050	167,000.00	70,866.26	5,785.00	80,127.98	323,779.24
2051	176,000.00	60,637.50	4,950.00	81,730.54	323,318.04
2052	187,000.00	49,857.50	4,070.00	83,365.16	324,292.66
2053	197,000.00	38,403.76	3,135.00	85,032.46	323,571.22
2054	209,000.00	26,337.50	2,150.00	86,733.11	324,220.61
2055	221,000.00	13,536.26	1,105.00	88,467.77	324,109.03
Total	**$ 3,390,000.00**	**$ 3,966,264.02**	**$ 325,815.00**	**$ 2,022,191.77**	**$ 9,704,270.79**

Footnotes:

[a] Interest on the Improvement Area #3 Bonds is calculated at the actual rate of the PID Bonds.

[b] Additional Interest is calculated at the Additional Interest Rate.

[c] Includes $60 per lot for costs incurred by City staff for administering the PID.

[d] The figures shown are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

WOOD LEAF RESERVE PUBLIC IMPROVEMENT DISTRICT - IMPROVEMENT AREA #3 LOT TYPE 5 - BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.0035), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

1) under a court order or foreclosure sale;
2) by a trustee in bankruptcy;
3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
6) from one co-owner to another co-owner of an undivided interest in the real property;
7) to a spouse or a person in the lineal line of consanguinity of the seller;
8) to or from a governmental entity; or
9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING[1] RETURN TO:

_____
_____
_____
_____
_____

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO TOMBALL, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
PROPERTY ADDRESS

IMPROVEMENT AREA #3 LOT TYPE 5 PRINCIPAL ASSESSMENT: $35,978.22

As the purchaser of the real property described above, you are obligated to pay assessments to Tomball, 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 ***Wood Leaf Reserve Public Improvement District – Improvement Area #3*** (the "District") created under Subchapter A, Chapter 372, 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 may be obtained from the City of Tomball. The exact amount of each annual installment will be approved each year by the Tomball City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Tomball.

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.

[1] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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.

DATE: DATE:

SIGNATURE OF PURCHASER SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER][2]

[2] To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[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. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE: DATE:

SIGNATURE OF PURCHASER SIGNATURE OF PURCHASER

STATE OF TEXAS §
§
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][3]

[3] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER

STATE OF TEXAS §
§
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][4]

[4] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #3 - LOT TYPE 5

	Lot Type 5 - Improvement Area #3				
Installments Due 1/31	Principal	Interest [a]	Additional Interest [b]	Annual Collection Costs	Total Installment [c]
2026	$ 509.43	$ 2,181.79	$ 179.89	$ 541.45	$ 3,412.56
2027	562.49	2,151.22	177.34	539.29	3,430.35
2028	583.72	2,117.47	174.53	550.07	3,425.80
2029	615.56	2,082.45	171.61	561.07	3,430.70
2030	647.40	2,045.52	168.54	572.30	3,433.74
2031	679.23	2,006.67	165.30	583.74	3,434.95
2032	711.07	1,965.92	161.90	595.42	3,434.31
2033	742.91	1,923.26	158.35	607.33	3,431.84
2034	774.75	1,878.68	154.63	619.47	3,427.54
2035	817.20	1,832.20	150.76	631.86	3,432.02
2036	859.66	1,783.16	146.67	644.50	3,433.99
2037	902.11	1,731.58	142.37	657.39	3,433.46
2038	944.56	1,677.46	137.86	670.54	3,430.42
2039	997.63	1,620.78	133.14	683.95	3,435.50
2040	1,040.08	1,560.93	128.15	697.63	3,426.78
2041	1,103.76	1,498.52	122.95	711.58	3,436.81
2042	1,156.82	1,432.30	117.43	725.81	3,432.36
2043	1,220.50	1,362.89	111.65	740.33	3,435.36
2044	1,284.18	1,289.66	105.55	755.13	3,434.51
2045	1,347.86	1,212.61	99.13	770.24	3,429.82
2046	1,422.15	1,131.74	92.39	785.64	3,431.91
2047	1,507.05	1,044.63	85.28	801.35	3,438.31
2048	1,591.96	952.32	77.74	817.38	3,439.40
2049	1,676.86	854.81	69.78	833.73	3,435.18
2050	1,772.38	752.11	61.40	850.40	3,436.28
2051	1,867.90	643.55	52.53	867.41	3,431.39
2052	1,984.64	529.14	43.20	884.76	3,441.73
2053	2,090.77	407.58	33.27	902.45	3,434.08
2054	2,218.13	279.52	22.82	920.50	3,440.97
2055	2,345.48	143.66	11.73	938.91	3,439.78
Total	**$ 35,978.22**	**$ 42,094.13**	**$ 3,457.89**	**$ 21,461.61**	**$ 102,991.84**

Footnotes:

[a] Interest on the Improvement Area #3 Series 2025 Bonds is calculated at the actual rate of the Series 2025 Bonds.

[b] Additional Interest is calculated at the Additional Interest Rate.

[c] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

WOOD LEAF RESERVE PUBLIC IMPROVEMENT DISTRICT - IMPROVEMENT AREA #3 LOT TYPE 6 - BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.0035), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

1) under a court order or foreclosure sale;
2) by a trustee in bankruptcy;
3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
6) from one co-owner to another co-owner of an undivided interest in the real property;
7) to a spouse or a person in the lineal line of consanguinity of the seller;
8) to or from a governmental entity; or
9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING[1] RETURN TO:

_____
_____
_____
_____
_____

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO TOMBALL, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
PROPERTY ADDRESS

IMPROVEMENT AREA #3 LOT TYPE 6 PRINCIPAL ASSESSMENT: $40,238.79

As the purchaser of the real property described above, you are obligated to pay assessments to Tomball, 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 ***Wood Leaf Reserve Public Improvement District – Improvement Area #3*** (the "District") created under Subchapter A, Chapter 372, 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 may be obtained from the City of Tomball. The exact amount of each annual installment will be approved each year by the Tomball City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Tomball.

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.

[1] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[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.

DATE: DATE:

SIGNATURE OF PURCHASER SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER][2]

[2] To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[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. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE: DATE:

SIGNATURE OF PURCHASER SIGNATURE OF PURCHASER

STATE OF TEXAS §
§
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][3]

[3] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE: DATE:

SIGNATURE OF SELLER SIGNATURE OF SELLER

STATE OF TEXAS §
§
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me by _____and _____ , known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this_____ , 20__.

Notary Public, State of Texas][4]

[4] To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Harris County.

ANNUAL INSTALLMENTS - IMPROVEMENT AREA #3 - LOT TYPE 6

	Lot Type 6 - Improvement Area #3				
Installments Due 1/31	Principal	Interest [a]	Additional Interest [b]	Annual Collection Costs	Total Installment [c]
2026	$ 569.75	$ 2,440.16	$ 201.19	$ 605.57	$ 3,816.67
2027	629.10	2,405.97	198.35	603.15	3,836.57
2028	652.84	2,368.23	195.20	615.21	3,831.48
2029	688.45	2,329.06	191.94	627.52	3,836.96
2030	724.06	2,287.75	188.49	640.07	3,840.37
2031	759.67	2,244.31	184.87	652.87	3,841.72
2032	795.28	2,198.73	181.07	665.93	3,841.01
2033	830.89	2,151.01	177.10	679.25	3,838.24
2034	866.50	2,101.16	172.94	692.83	3,833.43
2035	913.98	2,049.17	168.61	706.69	3,838.44
2036	961.46	1,994.33	164.04	720.82	3,840.65
2037	1,008.94	1,936.64	159.23	735.24	3,840.05
2038	1,056.42	1,876.10	154.19	749.94	3,836.65
2039	1,115.77	1,812.72	148.91	764.94	3,842.33
2040	1,163.25	1,745.77	143.33	780.24	3,832.59
2041	1,234.46	1,675.98	137.51	795.84	3,843.80
2042	1,293.81	1,601.91	131.34	811.76	3,838.83
2043	1,365.03	1,524.28	124.87	828.00	3,842.18
2044	1,436.25	1,442.38	118.05	844.56	3,841.23
2045	1,507.47	1,356.20	110.86	861.45	3,835.99
2046	1,590.56	1,265.76	103.33	878.68	3,838.32
2047	1,685.52	1,168.33	95.37	896.25	3,845.48
2048	1,780.48	1,065.10	86.95	914.17	3,846.70
2049	1,875.44	956.04	78.04	932.46	3,841.98
2050	1,982.27	841.17	68.67	951.11	3,843.21
2051	2,089.09	719.76	58.76	970.13	3,837.74
2052	2,219.66	591.80	48.31	989.53	3,849.31
2053	2,338.36	455.85	37.21	1,009.32	3,840.74
2054	2,480.80	312.62	25.52	1,029.51	3,848.45
2055	2,623.24	160.67	13.12	1,050.10	3,847.13
Total	**$ 40,238.79**	**$ 47,078.96**	**$ 3,867.38**	**$ 24,003.11**	**$ 115,188.24**

Footnotes:

[a] Interest on the Improvement Area #3 Series 2025 Bonds is calculated at the actual rate of the Series 2025 Bonds.

[b] Additional Interest is calculated at the Additional Interest Rate.

[c] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

City Council Meeting
Agenda Item
Data Sheet

Meeting Date: September 2, 2025

Topic:

Approve the Tomball Economic Development Corporation (TEDC) Fiscal Year 2025-2026 Budget.

Background:

In accordance with the Texas Development Corporation Act and the TEDC Bylaws, the TEDC is required to prepare and submit an annual budget of expected revenues and proposed expenditures to the City Council for final approval. This process ensures transparency, fiscal accountability, and alignment of TEDC resources with the City's economic development priorities.

The TEDC budget serves as the Corporation's financial and operational roadmap for the upcoming fiscal year, outlining projected sales tax revenues and planned expenditures related to business recruitment, retention, infrastructure improvements, workforce development, marketing, and administrative operations.

The Fiscal Year 2025–2026 TEDC Budget includes a significant commitment of resources toward priority projects. At the request of the City of Tomball, the budget allocates an additional $500,000 toward debt service for the Southside Sewer Treatment Plant and sets aside $2.3 million for property acquisition to support future development opportunities. The budget does not include an additional $1 million request for the Main Street/FM 2920 Utility Relocations this year. The TEDC has already committed $1 million to this project, and any further allocations will require separate requests in the future.

On August 19, 2025, the TEDC Board of Directors formally reviewed and unanimously approved the Fiscal Year 2025–2026 budget. The adopted budget reflects the Corporation's continued commitment to prudent financial stewardship while strategically investing in projects and initiatives that strengthen Tomball's competitive position in the region. Submission of this budget to the City Council represents the final step in the statutory approval process before implementation on October 1, 2025, the beginning of the new fiscal year.

Origination: Tomball Economic Development Corporation Board of Directors

Recommendation: Approval of the Fiscal Year 2025-2026 TEDC Budget

Party(ies) responsible for placing this item on agenda: Kelly Violette

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____ To account # _____

Signed _____ Approved by _____

Staff Member-TEDC Date

Executive Director-TEDC Date

FY 2026 TEDC BUDGET WORKSHOP



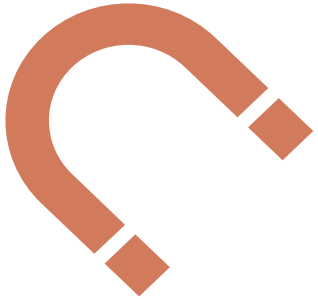
TOMBALL
ECONOMIC DEVELOPMENT CORP.

Strategic Focus Areas

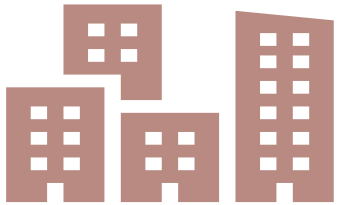
Proposed Budget is designed to accomplish the goals outlined in the TEDC's Strategic Plan.



1.
BUSINESS RETENTION & EXPANSION (BRE)



2.
ATTRACTION & RECRUITMENT



3.
DEVELOPMENT/ REDEVELOPMENT OF OLD TOWN



4.
EDUCATION & WORKFORCE DEVELOPMENT



5.
OPERATIONS

Budget Schedule

- CoT/TEDC Workshop 8/4/2025
- TEDC Board Meeting (Draft Budget) 8/19/2025
- CoT/TEDC Workshop & Approval 9/2/2025

Major Items Proposed in FY 26 Budget

Administrative

- Transition from Quickbooks to Incode system (city system)
- Proposed 3% Cost of Living Adjustment (total $13,609)
- Insurance: $93,000 (surety bonding fees and insurance premiums including General Liability, Errors & Omissions, and Property)

Major Items Proposed in FY 26 Budget

- <u>City Debt Service:</u>
  - CoT Request: additional $500,000 for Southside Sewer Treatment Plant Expansion (increase from $1,000,000)
    - Current Annual Debt Service: $1,769,535
    - FY 26 Proposed: $2,270,635
- <u>Project Grants:</u>
  - Committed funds: $5,018,381
    - Includes: Main Street Utility Relocations ($1 million) and Tree Upsizing ($1.5 million)
  - New Project Grants: $1,000,000
  - COT Property Request: $2,300,000
  - Total: $8,318,381
- Property Acquisition: $1,000,000
- Old Town Projects: $700,000 (carryover for alley amenities)
- South Live Oak: $500,000
- Tomball Legacy Square: $3,000,000 (final design & maintenance/repairs)
- Summer Youth Employment Program: $250,000

COT Funding Requests for Discussion

- <u>City Debt Service & Projects</u>
  - Additional Reoccurring Debt Service Contribution: $500,000
  - Property Acquisition: $2,300,000
  - Main Street Utility Relocations: additional $1 million
    - Not included in proposed FY 26 Budget

Total: $3.8 million

QUESTIONS?

TOMBALL
ECONOMIC DEVELOPMENT CORP.

Tomball Economic Development Corporation
FY 2026 Proposed Budget
October 1, 2025 to September 30, 2026

	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Year End Projections	FY 2026 Proposed Budget
Beginning Fund Balance	$ 25,352,256	$ 29,924,948	$ 29,924,948	$ 26,357,235
REVENUE				
Sales Tax	$ 5,878,329	$ 5,500,000	$ 6,260,500	$ 6,300,000
Interest	$ 1,301,135	$ 900,000	$ 1,255,000	$ 1,000,000
Grants	$ -	$ -		
Other - Land Sales and Lease Payments	$ 324,711	$ -		
Total Revenue	$ 7,504,175	$ 6,400,000	$ 7,515,500	$ 7,300,000
Total Available Resources	$ 32,856,431	$ 36,324,948	$ 37,440,448	$ 33,657,235
EXPENDITURES				
Administrative				
Salaries - Administrative	$ 398,209	$ 404,156	$ 404,156	$ 418,856
Wages - Full-Time	$ 52,102	$ 49,462	$ 49,462	$ 51,146
Wages - Overtime		$ 3,567	$ 1,500	$ 3,567
Wages - Other (Intern)		$ 7,500	$ 7,500	$ 9,000
Benefits	$ 180,029	$ 203,683	$ 203,683	$ 206,215
Total Salaries and Benefits	$ 630,340	$ 668,368	$ 666,301	$ 688,784
Other Personnel Expenditures				
Auto Allowances	$ 17,161	$ 21,600	$ 21,600	$ 25,800
Phone Allowances	$ 2,758	$ 2,700	$ 2,700	$ 2,700
Travel and Meals (formerly Local Travel & Travel/Training)	$ 13,829	$ 31,000	$ 10,300	$ 15,500
Dues and Subscriptions	$ 13,726	$ 15,000	$ 16,615	$ 20,000
Training (formerly Seminar/Conference Reg)	$ 8,083	$ 18,000	$ 12,500	$ 16,000
Total Other Personnel Expense	$ 55,557	$ 88,300	$ 63,715	$ 80,000
Service and Supply Expenditures				
Contracted Administrative Services	$ 25,000	$ 55,000	$ 55,000	$ 55,345
Service Charge (formerly Bank Charges & Postage)	$ 109	$ 1,000	$ 250	$ 250
Postage (New Account)	$ -	$ -	$ -	$ 250
Insurance	$ 26,862	$ 80,000	$ 73,000	$ 93,000
Computer Equipment & Maintenance	$ 8,480	$ 12,000	$ 11,000	$ 12,000
Internet & Phone Services (formerly Communications Services)	$ 4,844	$ 6,000	$ 6,000	$ 7,000
Professional Services - Legal Fees	$ 3,708	$ 40,000	$ 10,000	$ 30,000
Lease Expense-GTACC	$ 26,040	$ 85,166	$ 85,166	$ 85,200
Office & Computer Supplies	$ 9,255	$ 14,000	$ 14,000	$ 14,000
Office Moving/Remodeling Exp.	$ -	$ 100,500	$ 100,462	$ -
Total Service and Supply Expense	$ 104,298	$ 393,666	$ 354,878	$ 297,045
Total Administrative Expenditures	$ 790,195	$ 1,150,334	$ 1,084,894	$ 1,065,829
Indirect Economic Development Exp.				
Marketing	$ 143,502	$ 197,500	$ 155,000	$ 150,000
Economic Impact Model License	$ 4,698	$ 4,839	$ 4,839	$ 4,984
Event Sponsorships	$ 25,962	$ 29,000	$ 14,000	$ 29,000
Printing & Binding	$ 2,669	$ 6,500	$ 6,500	$ 6,500
Website and GIS	$ 18,448	$ 25,000	$ 25,000	$ 26,000
Professional Services	$ 262,790	$ 750,000	$ 385,000	$ 565,000
Grow Tomball Initiative	$ 13,900	$ 20,000	$ 20,000	$ 20,000
Miscellaneous	$ 18,276	$ 25,000	$ 25,000	$ 15,000
Total Indirect Expenditures	$ 490,245	$ 1,057,839	$ 635,339	$ 816,484

City Debt Service	FY 2024 Actuals	FY 2025 Adopted Budget	FY 2025 Year End Projections	FY 2026 Proposed Budget
Business Park Infrastructure (Series 2013)	$ 546,013	$ 547,313	$ 547,313	$ 548,413
Medical Complex/Persimmon (Series 2016)	$ 222,222	$ 222,222	$ 222,222	$ 222,222
Southside Sewer Plant Expansion (2025)		$ 1,000,000	$ 1,000,000	$ 1,500,000
Total Debt Service	$ 768,235	$ 1,769,535	$ 1,769,535	$ 2,270,635
Grants, Loans & Other Expenditures				
Project Grants	$ 378,033	$ 5,000,000	$ 1,200,000	$ 8,318,381
Sales Tax Reimbursement Grants (380)	$ 11,379	$ 100,000	$ 70,130	$ 100,000
Property Acquisition	$ 2,121	$ 5,500,000	$ 4,269,000	$ 1,000,000
Business Improvement Grants- Current Year	$ 162,121	$ 350,000	$ 192,675	$ 350,000
Business Improvement Grants- Prior Year	$ 116,336	$ 250,000	$ 95,640	$ 250,000
Old Town Façade Grants- Current Year	$ -	$ 250,000	$ 90,000	$ 250,000
Old Town Façade Grants- Prior Year	$ 47,553	$ 100,000	$ 100,000	$ 190,000
Old Town Projects		$ 1,500,000	$ 500,000	$ 700,000
South Live Oak Redevelopment & Maintenance	$ 97,609	$ 500,000	$ 50,000	$ 500,000
Business Park Expenses	$ 16,955	$ 350,000	$ 450,000	$ 100,000
Tomball Legacy Square		$ 5,500,000	$ 450,000	$ 3,000,000
Summer Youth Employment Program	$ -	$ 126,000	$ 126,000	$ 250,000
Total Grants/Loans/Other	$ 832,107	$ 19,526,000	$ 7,593,445	$ 15,008,381
Total All Expenditures	$ 2,880,782	$ 23,503,708	$ 11,083,213	$ 19,161,329
Revenues Over (Under) Expenditures	$ 4,623,393	$ (17,103,708)	$ (3,567,713)	$ (11,861,329)
Other Income/Losses on Investments	$ 50,701	$ -	$ -	$ -
Ending Fund Balance	$ 29,924,948	$ 12,821,240	$ 26,357,235	$ 14,495,906

TEDC Debt Service Schedule

	Series 1999	Series 2002	Series 2013	Series 2016	Series 2025	Annual Payments
2016	$ 188,148	$ 370,000	$ 528,012.50			$ 1,086,160.50
2017	$ 188,148	$ 370,000	$ 530,912.50			$ 1,089,060.50
2018	$ 188,148	$ 370,000	$ 533,612.50			$ 1,091,760.50
2019	$ 188,148	$ 370,000	$ 536,112.50			$ 1,094,260.50
2020		$ 370,000	$ 533,462.50	$ 222,222		$ 1,125,684.50
2021		$ 370,000	$ 535,662.50	$ 222,222		$ 1,127,884.50
2022		$ 370,000	$ 537,662.50	$ 222,222		$ 1,129,884.50
2023			$ 539,462.50	$ 222,222		$ 761,684.50
2024			$ 546,012.50	$ 222,222		$ 768,234.50
2025			$ 547,312.50	$ 222,222	$ 1,000,000	$ 1,769,534.50
2026			$ 548,412.50	$ 222,222	$ 1,500,000	$ 2,270,634.50
2027			$ 548,737.50	$ 222,222	$ 1,500,000	$ 2,270,959.50
2028			$ 548,275.00	$ 222,222	$ 1,500,000	$ 2,270,497.00
2029			$ 551,925.00	$ 222,222	$ 1,500,000	$ 2,274,147.00
2030			$ 549,056.25	$ 222,222	$ 1,500,000	$ 2,271,278.25
2031			$ 549,600.00	$ 222,222	$ 1,500,000	$ 2,271,822.00
2032			$ 549,075.00	$ 222,222	$ 1,500,000	$ 2,271,297.00
2033			$ 548,100.00	$ 222,222	$ 1,500,000	$ 2,270,322.00
2034				$ 222,222	$ 1,500,000	$ 1,722,222.00
2035				$ 222,222	$ 1,500,000	$ 1,722,222.00
2036				$ 222,222	$ 1,500,000	$ 1,722,222.00
2037				$ 222,226	$ 1,500,000	$ 1,722,226.00
2038					$ 1,500,000	$ 1,500,000.00
2039					$ 1,500,000	$ 1,500,000.00
2040					$ 1,500,000	$ 1,500,000.00
2041					$ 1,500,000	$ 1,500,000.00
2042					$ 1,500,000	$ 1,500,000.00
2043					$ 1,500,000	$ 1,500,000.00
2044					$ 1,500,000	$ 1,500,000.00
Total	**$ 752,592**	**$ 2,590,000**	**$ 9,761,406.25**	**$ 4,000,000.00**	**$ 29,500,000**	**$ 46,603,998.25**

Southside Sewer Plant (1999 CO-2/15/2019)
Utilities Expansion (2002 CO- 2/15/2022)
Business Park Infrastructure (2013 CO - 2033)
Medical Complex Drive-Section 4B, Persimmon Street (2016 CO - 2037)
Southside Sewer Plant Expansion (2025 CO - 2044)

TOMBALL ECONOMIC DEVELOPMENT CORPORATION
ESTIMATE OF CASH FLOW NEEDS

Tax=3%; Interest=1%; Expenses=5%								
10-Year Debt Scenario (Tomball Legacy Square)								
	FY 2024 Actuals	**2024-2025 FISCAL YEAR**	**2025-2026 FISCAL YEAR**	**2026-2027 FISCAL YEAR**	**2027-2028 FISCAL YEAR**	**2028-2029 FISCAL YEAR**	**2029-2030 FISCAL YEAR**
DESCRIPTION		**Based on Year End Projections**	**Proposed Budget**	**Tax=3%; Interest=1%; Expenses=5%**	**Tax=3%; Interest=1%; Expenses=5%**	**Tax=3%; Interest=1%; Expenses=5%**	**Tax=3%; Interest=1%; Expenses=5%**
Beginning Fund Balances	$ 25,352,256	$ 29,924,948	$ 26,505,160	$ 15,233,032	$ 13,648,303	$ 9,544,419	$ 5,368,238
Estimated Sales Tax Revenue	$ 5,878,329	$ 6,260,500	$ 6,300,000	$ 6,489,000	$ 6,683,670	$ 6,884,180	$ 7,090,706
Estimated Interest Revenue	$ 1,301,135	$ 1,255,000	$ 1,000,000	$ 1,010,000	$ 1,020,100	$ 1,030,301	$ 1,040,604
Other - Land Sales, Loans, etc.	$ 324,711			$ 20,000,000	$ 5,000,000		
Total Estimated Revenues	$ 32,856,431	$ 37,440,448	$ 33,805,160	$ 42,732,032	$ 26,352,073	$ 17,458,900	$ 13,499,548
TOTAL ADMINISTRATIVE EXPENDITURES	$ 790,195	$ 1,084,894	$ 1,061,629	$ 1,114,710	$ 1,170,446	$ 1,228,968	$ 1,290,417
TOTAL INDIRECT EXPENDITURES	$ 490,245	$ 627,414	$ 831,484	$ 873,058	$ 916,711	$ 962,547	$ 1,010,674
DEBT SERVICE							
Business Park Infrastructure (Series 2013)	$ 546,013	$ 547,313	$ 548,413	$ 548,738	$ 548,275	$ 551,925	$ 549,056
Medical Complex/Persimmon (Series 2016)	$ 222,222	$ 222,222	$ 222,222	$ 222,222	$ 222,222	$ 222,222	$ 222,222
Southside Sewer Plant Expansion (2025)	$ -	$ 1,000,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 1,500,000
Future Debt (Tomball Legacy Square)					$ 2,400,000	$ 2,900,000	$ 2,900,000
Total Debt Service	$ 768,235	$ 1,769,535	$ 2,270,635	$ 2,270,960	$ 4,670,497	$ 5,174,147	$ 5,171,278
Grants, Loans & Other Expenditures							
Project Grants	$ 378,033	$ 1,200,000	$ 8,318,381	$ 3,000,000	$ 3,000,000	$ 3,000,000	$ 3,000,000
Sales Tax Reimbursement Grants (380)	$ -						
Baker Katz	$ 11,379						
Grand Parkway Town Center	$ -						
Costco	$ -	$ 70,130	$ 100,000	$ 200,000	$ 300,000	$ 400,000	$ 500,000
Property Acquisition	$ 2,121	$ 4,269,000	$ 1,000,000	$ 500,000	$ 500,000	$ -	$ -
Business Improvement Grants	$ 278,457	$ 288,315	$ 350,000	$ 350,000	$ 350,000	$ 350,000	$ 350,000
Old Town Façade Grants	$ 47,553	$ 190,000	$ 440,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000
Old Town Projects (alleys, billboards, pocket park)	$ -	$ 500,000	$ 700,000	$ 50,000	$ 200,000	$ 50,000	$ 50,000
South Live Oak Redevelopment & Maintenance	$ 97,609	$ 50,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000
Business Park Expenses	$ 16,955	$ 410,000	$ 100,000	$ 75,000	$ 50,000	$ 25,000	$ 15,000
Tomball Legacy Square	$ -	$ 350,000	$ 3,000,000	$ 20,000,000	$ 5,000,000	$ 250,000	$ 250,000
Summer Youth Employment Program	$ -	$ 126,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000
Total Grants/Loans/Other	$ 832,107	$ 7,453,445	$ 14,408,381	$ 24,825,000	$ 10,050,000	$ 4,725,000	$ 4,815,000
ENDING FUND BALANCE	$ 29,924,948	$ 26,505,160	$ 15,233,032	$ 13,648,303	$ 9,544,419	$ 5,368,238	$ 1,212,179

TOMBALL ECONOMIC DEVELOPMENT CORPORATION
ESTIMATE OF CASH FLOW NEEDS

Tax=3%; Interest=1%; Expenses=5% 20-Year Debt Scenario (Tomball Legacy Square) DESCRIPTION	FY 2024 Actuals	2024-2025 FISCAL YEAR Based on Year End Projections	2025-2026 FISCAL YEAR Proposed Budget	2026-2027 FISCAL YEAR Tax=3%; Interest=1%; Expenses=5%	2027-2028 FISCAL YEAR Tax=3%; Interest=1%; Expenses=5%	2028-2029 FISCAL YEAR Tax=3%; Interest=1%; Expenses=5%	2029-2030 FISCAL YEAR Tax=3%; Interest=1%; Expenses=5%
Beginning Fund Balances	$ 25,352,256	$ 29,924,948	$ 26,505,160	$ 15,233,032	$ 13,648,303	$ 10,420,419	$ 7,394,238
Estimated Sales Tax Revenue	$ 5,878,329	$ 6,260,500	$ 6,300,000	$ 6,489,000	$ 6,683,670	$ 6,884,180	$ 7,090,706
Estimated Interest Revenue	$ 1,301,135	$ 1,255,000	$ 1,000,000	$ 1,010,000	$ 1,020,100	$ 1,030,301	$ 1,040,604
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TOTAL ADMINISTRATIVE EXPENDITURES	$ 790,195	$ 1,084,894	$ 1,061,629	$ 1,114,710	$ 1,170,446	$ 1,228,968	$ 1,290,417
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Southside Sewer Plant Expansion (2025)	$ -	$ 1,000,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 1,500,000
Future Debt (Tomball Legacy Square)					$ 1,524,000	$ 1,750,000	$ 1,750,000
Total Debt Service	$ 768,235	$ 1,769,535	$ 2,270,635	$ 2,270,960	$ 3,794,497	$ 4,024,147	$ 4,021,278
Grants, Loans & Other Expenditures							
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Property Acquisition	$ 2,121	$ 4,269,000	$ 1,000,000	$ 500,000	$ 500,000	$ -	$ -
Business Improvement Grants	$ 278,457	$ 288,315	$ 350,000	$ 350,000	$ 350,000	$ 350,000	$ 350,000
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ENDING FUND BALANCE	$ 29,924,948	$ 26,505,160	$ 15,233,032	$ 13,648,303	$ 10,420,419	$ 7,394,238	$ 4,388,179

TOMBALL ECONOMIC DEVELOPMENT CORPORATION

ACTIVE PROJECT GRANTS (BOARD APPROVED GRANTS)

	APPROVED			ADDITIONS/DELETIONS		PAID		REMAINING
GRANTEE	DATE	AMOUNT	EXPIRATION DATE	DATE	AMOUNT	DATE	AMOUNT	AMOUNT
Dancing Falls Development, LLC	11/14/2017	50,925.00				1/14/2020	15,277.50	
						3/5/2021	5,092.50	
						9/1/2021	12,731.25	
						3/22/2022	5,092.50	12,731.25
ARC Management, LLC	5/15/2018	186,700.00				12/14/2022	105,646.82	81,053.18
The Hutson Group	1/12/2021	48,800.00	3/9/2023			2/28/2023	23,664.00	25,136.00
GK Hospitality Development, LLC	11/9/2021	105,100.00	7/16/2025					105,100.00
Hufsmith-Kohrville Business Park, LLC	1/10/2023	122,722.00				5/20/2025	43,249.41	79,472.59
Church Holdings, Inc.	1/10/2023	426,639.00						426,639.00
First Community Credit Union	11/14/2023	64,721.00	7/18/2025					64,721.00
IC Star Solar (USA), LLC	11/14/2023	522,000.00	1/18/2029					522,000.00
Headquarters TOO, LLC	11/14/2023	102,459.00	7/18/2025					102,459.00
Della Casa Pasta LLC	1/23/2024	10,000.00	3/19/2025					10,000.00
Billiard Factory, Inc.	1/23/2024	95,909.00	3/19/2027			5/14/2024	64,738.58	31,170.42
LOMA Health and Wellness, PLLC	1/23/2024	8,880.00	3/19/2025		-80.00	1/24/2025	8,800.00	-
WR Transformers, Inc.	3/5/2024	12,072.00	5/24/2026					12,072.00
Keep It Simple and Pink, LLC	5/14/2024	10,000.00	7/9/2025					10,000.00
TCG Capital, LLC	5/14/2024	26,750.00	1/9/2026		-4,250.00	5/13/2025	22,500.00	-
RSC Riverside Construction, LLC	8/13/2024	101,870.00						101,870.00
Red Grip, LLC	8/13/2024	15,195.00	4/8/2026					15,195.00
Metal Zinc Manufacturing, LLC	8/13/2024	80,000.00	10/8/2026					80,000.00
Walsh Alliance, LLC dba Walsh & Albert Company, Ltd	8/13/2024	165,000.00	10/8/2026					165,000.00
Kara Miles Hair (KMH Studio), LLC	9/10/2024	10,000.00	11/5/2025					10,000.00
NIVIS Series, LLC	11/12/2024	34,170.00	7/7/2026					34,170.00
Niky's Mini Donuts, LLC	11/12/2024	10,000.00	7/7/2026					10,000.00
Longhorn Realty Investments, LLC	3/4/2025	91,835.00	10/29/2026					91,835.00
Theis Lane & South Cherry Street, LLC	3/4/2025	83,615.00						83,615.00
Material Design Solutions, LLC	3/4/2025	85,902.00	4/29/2027					85,902.00
Houston Poly Bag I, Ltd.	3/4/2025	48,601.00	10/29/2026					48,601.00
City of Tomball - Main Street Utility Relocations	3/4/2025	1,000,000.00	4/29/2030					1,000,000.00
City of Tomball - Main Street Trees	3/4/2025	1,500,000.00	4/29/2030					1,500,000.00
Roll Out, LLC	5/13/2025	10,000.00	1/8/2027					10,000.00
Coaches Cigar Lounge, LLC	5/13/2025	10,000.00	1/8/2027					10,000.00
Layla's Barkery, LLC	5/13/2025	9,000.00	1/8/2027					9,000.00
Pegasus Properties 2, LLC	5/13/2025	260,639.00						260,639.00
Klauer Manufacturing Company	7/8/2025	10.000.00	3/1/2027					10,000.00
Innersculpt Studio, LLC	7/8/2025	10,000.00	3/1/2027					10,000.00
Total		$ 5,309,504.00			$ (4,330.00)		$ 306,792.56	$ 5,018,381.44

FY 26 Proposed	
New Grants	$ 1,000,000
CoT Property Request	$ 2,300,000
Total	$ 3,300,000

Total FY 26 Project Grants	$ 8,318,381

City of Tomball

Lori Klein Quinn
Mayor

David Esquivel, PE
City Manager

July 28, 2025

Kelly Violette, Executive Director
Tomball Economic Development Corporation
29201 Quinn Rd, Suite B
Tomball, TX 77375

RE: FY 2025-2026 (FY26) City/TEDC Funding Request Letter

Kelly,

The City of Tomball and Tomball Economic Development Corporation have a long history of cooperation and working together to bring about projects for the betterment of Tomball. Together, we have invested in many projects that have generated a tremendous return for our community, and the City Council and the TEDC Board have continued to seek ways to work together.

To continue our efforts, the City of Tomball is requesting the TEDC consider funding the following new projects in FY 2025-2026:

Project	Amount
Additional contribution to SWWTP debt service (Reoccurring yearly)	$500,000
Real property acquisition assistance (one-time expenditure)	$2,300,000
TOTAL	**$2,800,000**

In addition to these requests, the City and TEDC have agreed to the continued funding of the following:

Project	Previously Committed	New Request
FM 2920 Utility Relocation (total requested: $4,000,000 over 3 years) -FY 2024-2025 Commitment -FY 2025-2026 Request	$1,000,000	$1,000,000
FM 2920 Upsizing of Trees	$1,500,000	
TOTAL	**$2,500,000**	**$1,000,000**

Pursuant to the existing agreements between the City and TEDC, the TEDC will also be responsible for the following in FY 2025-2026:

Project	Amount
Administrative services fee	$55,345
Annual Debt Service (previously committed debt service)	$1,770,635
TOTAL	**$1,825,980**

In summary, the total requested new funds for FY26 are $3,800,000. Please let me know if you need any additional information regarding these projects and the City's funding request.

Best,



David Esquivel, PE
City Manager

Tomball Economic Development Corporation

Budget Questions

Fiscal Year 2025-2026

1)Travel and Meals

Budget increase of 33%. Please detail firm Travel and Training trips and cost associated.

Provide a list of business trips that are not firm yet anticipated.

TEDC Response:

The proposed FY 2026 budget for Travel and Meals is $15,500, which is a 50% decrease from the Adopted FY 2025 budget of $31,000. The FY 2025 year-end projection reflects actual travel expenses incurred including hotel rooms, meals, airfare, mileage, etc. for attendance at events such as the Texas EDC Annual Conference, Texas EDC Mid-Year Conference, and IEDC Leadership Summit for three staff members. When budgeting for conferences and trainings, we allocate funds for key industry events to ensure access to professional development and networking opportunities; however, due to work demands and family obligations, we are not always able to attend every event budgeted.

*Please see the attached spreadsheet for a detailed list of anticipated trips and costs.

2) Budget Dues increases 30%. Please provide detail.

TEDC Response:

During 2025, we experienced dues increases of over 10% over what was budgeted and are already over our projected FY 2025 amount by approximately $1,600. Per discussions with the vendors for this category, we are anticipating additional increases of 10%-15% in 2026. As such, the 2026 budget needs to take into consideration the increases sustained in 2025 and the expected increases in 2026. This category includes professional memberships such as Texas EDC, IEDC, GTACC, the North Houston Association, etc. as well as subscriptions for programs and software including Constant Contact, Formstack, Adobe, Zoom, and others.

3) Budget Training cost increased 33%. Please provide detail.

TEDC Response:

The budget for Training (formerly Seminar/Conference Registrations) is actually a decrease of 11% from the FY 2025 Adopted Budget of $18,000 to the proposed FY 2026 budget of $16,000; please refer to the attached spreadsheet for detailed cost information.

4) Budgeted legal fee are increased by 30%. Please explain?

TEDC Response:

Legal services in the Proposed FY 2026 Budget are set at $30,000, which is a 25% decrease from $40,000 in the Adopted FY 2025 Budget. The $10,000 noted in FY 2025 projections reflects what we anticipate ending this fiscal year with. Due to the nature of our work, we cannot predict all potential projects that may come forward during the year, which could increase the need for legal review. The $30,000 allocation ensures we are prepared for potential contract reviews, land acquisition agreements, and project-related legal consultations.

5) Budgeted Event Sponsorships increased 100%. Please explain the $4K for speaker fees.

Please explain GTACC Chairmans Ball $1K, Small business forum $1K, Texas EDC Community Sponsor $2.5K and North Houston Association Table$1.5K. All these same amounts were budgeted for in the prior fiscal period and were not expended. Why do you anticipate these expenditures to occur this budgeted fiscal period?

TEDC Response:

The FY 2025 budgeted amount for Event Sponsorships was $29,000, and the proposed FY 2026 budget remains the same at $29,000. We budgeted to attend the GTACC Chairman's Ball and Small Business Forum in FY 2025, but didn't attend either due to scheduling conflicts for the Chairman's Ball and due to the GTACC not having the Small Business Forum. We believe attending and supporting these events are important to the success of the TEDC and our partners and plan to attend this coming year, if possible. We also want to attend and be a community sponsor for $2,500 for Texas EDC Conferences that are held in our region in FY 2026. We also believe it's important to attend and sponsor select North Houston Association events including the annual State of the Counties event for $1,500. We were unable to attend this year, but feel it is important to attend in 2026. Outlook Luncheon expenses are expected to be $5,000 for catering and dishes, $2,500 for linens and decorations, and $4,000 for speaker fees. Industry event funding includes Mix N Jingle ($2,500), Strategic Work Plan ($1,000), Career/Job Fairs ($3,000), and $5,000 reserved for additional events. All of these events are important for TEDC networking and success.

The $4,000 budgeted for potential speaker fees for the Annual Economic Outlook Luncheon accounts for the possibility that, while most speakers do not charge, some—such as Dr. Ray Perryman of the Perryman Group, one of Texas's leading economists—do require a fee and reimbursable expenses; when Dr. Perryman spoke in 2017, his fee was $5,000.

While we budget for certain events, we are not always able to attend them, and some events—planned in conjunction with other organizations such as GTACC, Tomball ISD, the City of Tomball,

and Lone Star College–Tomball—may not occur within the planned budget year. We budget for these events to ensure we can participate as a partner whenever possible.

6) Budgeted Professional services increased 47%. Please explain the anticipation of $150K TBD additional services.

TEDC Response:

The proposed FY 2026 budget for Professional Services Fees is $564,200, which is a 25% decrease from the Adopted FY 2025 budget of $750,000. Given that 2025 was under-budget for this category, we feel the decrease in 2026 more appropriately estimates our expected spend in 2026, with the knowledge that not every item is identified at this point. This category includes professional engineering services, surveying, environmental analysis, graphic/media/ad design fees, photography, professional consulting for initiatives such as the Strategic Plan, public relations, and other specialized services. The "TBD – Additional Services" allocation relates to services that may be needed during the year but are not yet specifically identified; these could include market studies, economic impact analyses, site planning, or other project-related professional support that arises as new opportunities or challenges are presented.

7) Project Grants- Budgeted Amount appears to be worst case scenario. The last 4 years the average Grant expenditure has been $1.062M. COT property request of $2.3M, Trees $1.5M, and Main Street Utility Relocation of $1M. It could be argued that $5.8M would be a refined conservative budgeted amount, rather than $8.3M.

TEDC Response:

The TEDC's current grant commitments total $5,018,381.44, which includes $1 million approved for the Main Street Utility Relocations project and $1.5 million for the Main Street Tree Upsizing. While several of these approved projects are multi-year in nature, we are required to show the total commitment in the budget as those funds are encumbered and reserved for their intended purposes. The FY 2026 budget accounts for these existing grant obligations, the City's $2.3 million property acquisition request, and an additional $1 million set aside for new projects that may arise during the year, ensuring that TEDC remains responsive to strategic opportunities and community needs.

8) What property acquisition is anticipated for the budgeted amount $1.0M.

TEDC Response:

There are no specific property acquisitions proposed at this time; however, we want to be in a position to acquire strategic properties that will support the overall implementation of our projects, including Legacy Square and the South Live Oak Business Park. This proactive approach

ensures we can act quickly when opportunities arise that align with our long-term development goals.

9) Budgeted Business improvement grants- Current Year have averaged $157.7K the last 4 years.

What is the assumption behind the $350K budget amount?

TEDC Response:

The Business Improvement Grant (BIG) Program was established in 2009 with an initial budget of $100,000 set by the TEDC Board. Over time, the program's popularity and demand have grown significantly, prompting the Board to increase the program budget to $350,000 in order to support more projects and larger-scale improvements. All BIG grants allow recipients up to nine months to complete their improvements, which means that depending on when a project is approved, completion and payment could fall into the next fiscal year. For this reason, any outstanding grant funds for projects still in progress are reallocated under the line item Business Improvement Grants – Prior Year to ensure those commitments are honored in the subsequent fiscal year. We do not know from one year to the next what applications we will receive for this program; however, the $350,000 budget has proven to be a workable and effective amount to meet the program's demand.

10) Budgeted Business improvement grants- Prior Years have averaged $155K the last 4 years. What is the assumption behind the $250K budgeted amount?

TEDC Response:

The Business Improvement Grants – Prior Year line item represents funds committed to projects approved in a previous fiscal year that are still within their nine-month completion window. Because project timelines can extend across fiscal years, it is common for a portion of the approved funding to remain encumbered until the project is completed and all reimbursement requirements are met. The amount allocated to this line each year depends on the timing of grant approvals and project schedules, which vary from year to year. While we cannot predict with certainty how many prior-year grants will carry over in any given budget cycle, this allocation ensures that TEDC can fulfill all outstanding commitments without impacting funding for new applications.

11) Old Town Façade Grants - Current Year average $27.5K the last 4 years. Explain the budgeted amount of $250K.

TEDC Response:

The Old Town Façade Improvement Grant (FIG) Program allocates $250,000 each year specifically for improvements within Old Town Tomball. This program addresses a unique need in our

community by assisting property owners and tenants with improvements to older structures, including interior upgrades—an expense that is not reimbursable under the BIG Program outside of the Old Town area. Each applicant is eligible for up to $50,000 in funding, meaning that, in theory, we could assist as many as five businesses in Old Town during a single fiscal year. While we cannot predict the number or type of applications we will receive in any given year, it is very possible that we may receive multiple requests as Old Town continues to grow and develop. This targeted investment helps preserve and enhance the character of Old Town while supporting the vitality of its businesses.

12) Old Town Façade Grants – Prior Years average $76.75 the last 4 years. Explain the budgeted amount of $190K.

TEDC Response:

We re-budget any FIG grants that have been approved but not yet expended, ensuring funds remain available for those projects in the following fiscal year. The FY 2026 budgeted amount for Old Town Façade Grants – Prior Year accounts for projects that are not anticipated to be completed by September 30, 2025, allowing us to honor those commitments without impacting the funding available for new applicants. This amount reflects the two currently approved FIG's as well as two potential projects we have discussed that may be submitted prior to September 30, 2025.

13) Old town project budgeted amount increased 40%. Detail the anticipated disbursement of $700K.

TEDC Response:

The FY 2025 budget for Old Town Projects is $1,500,000, while the proposed FY 2026 budget reflects a 53% reduction to $700,000. In FY 2025, this line item included $405,814 for alleyway monuments and amenities as well as $28,564 for billboards. The $1.5 million allocation was originally intended to cover all aspects of the alleyway project; however, the lighting component has posed a significant challenge due to existing CenterPoint lines that will need to be raised and telecommunications lines that will need to be raised or relocated. For FY 2026, we are anticipating the possibility of adding another billboard, which could bring our cost to approximately $45,000. Additionally, we are re-budgeting the lighting portion of the alleyway amenity package. This line item could also include other Old Town improvements such as sidewalks, parking, and related enhancements that support the continued growth and vitality of the area.

14) What is the thought process for issuing $20M of debt for a 10year term, rather than a longer term? Therefore, reducing the projected annual payment of $2.4M.

TEDC Response:

We will need to carefully evaluate the most appropriate funding mechanism for the Legacy Square project, and the decision on whether to issue $20 million in debt for a 10-year term versus a longer term will be part of that process. The upcoming Feasibility Study will be instrumental in refining our financing options by providing a clear projection of anticipated revenues and expenses over an extended timetable. If we pursue a bond issuance, it is important to note that not all portions of the project will qualify as tax-exempt debt due to private-use components. While we are not committed to any single financing mechanism at this stage, our goal will be to secure terms that are both financially favorable and flexible—allowing for options such as selling portions of the project if desired—while ensuring the repayment schedule aligns with the project's long-term sustainability. This potential financing is not included in the proposed FY 2026 budget but is reflected in the future cash flow projections for reference.

15) Please explain the thought process of an outflow of $20M all in fiscal year 2026-2027 and $5M for 2027-2028?

Would it not be a conservative assumption that these funds would actually be expended over a longer period?

TEDC Response:

The projected outflow of $20 million in FY 2026–2027 and $5 million in FY 2027–2028 reflects our preliminary planning for the Legacy Square project. While we anticipate that construction of Phase 1 will take approximately one year, it is very possible that the work will span two fiscal years. Because this funding is based on a projected influx of revenue from a loan or bond, it does not materially impact the cash flow projection whether the expenditure occurs in a single fiscal year or is spread over two. The proposed project is structured in two phases: Phase 1 includes the Main Sanctuary and the 1949 Chapel, while Phase 2 covers the Fellowship Hall located at the rear of the site. We adopted this phased approach to the development schedule based on discussions with First Baptist Church regarding when they anticipate vacating certain spaces, allowing us to align construction timing with site availability. These figures are early cost projections and will need to be further refined as the design process evolves.

16) Are there plans for EDC to sell land to increase their revenue stream?

TEDC Response:

At this time, there are no immediate plans to sell land to increase the EDC's revenue stream; however, the development of the South Live Oak Business Park—along with additional property we are acquiring around it—would likely be sold at some point in the future. The project is anticipated to be structured as a public-private partnership in which we engage a development partner to take the lead on the project. As part of that arrangement, we would build in an exit strategy to allow for the sale of our interest once the development reaches a certain stage,

providing a potential future revenue source for the EDC while ensuring the property is developed in line with our strategic objectives.

17) There was no noted Budgeted cost associated with the maintenance and operating cost associated with Tomball Legacy Square.

Where are these anticipated cost and revenue stream accounted for in the Estimated Cash Flow Needs worksheet?

TEDC Response:

The anticipated TEDC maintenance and operating costs for Tomball Legacy Square are included in the proposed FY 2026 budget under the Tomball Legacy Square line item. These costs are estimated to be $80,000 - $140,000 and are reflected in the Estimated Cash Flow Needs worksheet, where we have planned for approximately $250,000 annually in maintenance and operating expenses for FY 2029 and FY 2030. This timing aligns with our estimated project schedule, which anticipates the facility becoming operational in that period. While we do not currently know our future anticipated revenue streams for the project, the upcoming Feasibility Study will help define those figures so they can be included in our future budget projections.

Regular City Council
Agenda Item
Data Sheet

Meeting Date: September 2, 2025

Topic:

Approve, on First Reading, Resolution No. 2025-42-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Performance Agreement by and between the Corporation and Yuna Holdings, LLC to make direct incentives to, or expenditures for, assistance with infrastructure costs required or suitable for the promotion of new or expanded business enterprise related to the construction of a retail center to be located at 28159 HWY 249, Tomball, Texas 77377. The estimated amount of expenditures for such Project is an amount not to exceed $174,061.00.

Background:

On August 19, 2025, the Tomball Economic Development Corporation (TEDC) Board of Directors unanimously approved, as a Project of the Corporation, a performance agreement with Yuna Holdings, LLC for assistance with infrastructure costs related to the construction of a retail center to be located at 28159 HWY 249 Tomball, Texas 77377.

Targeted infrastructure projects that will promote or develop new or expanded business enterprises are authorized expenditures under the Development Corporation Act.

The Tomball City Council has final approval authority over all programs and expenditures of the TEDC. Final approval of this project requires the adoption of Resolution No. 2025-42-TEDC after two separate readings.

Origination: Tomball Economic Development Corporation Board of Directors

Recommendation: Approval of Resolution No. 2025-42-TEDC on First Reading

Party(ies) responsible for placing this item on agenda: Kelly Violette

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: _____ If yes, specify Account Number: #Project Grants

If no, funds will be transferred from account # _____ To account # _____

Signed _____ Approved by _____

Staff Member-TEDC Date Executive Director-TEDC Date

TOMBALL
ECONOMIC DEVELOPMENT CORP.

TO: Honorable Mayor and City Council

FROM: Kelly Violette
Executive Director

MEETING DATE: September 2, 2025

SUBJECT: Yuna Holdings, LLC

ITEM TYPE: Action

The Tomball Economic Development Corporation has received a request from Jeffrey M. Yuna, General Manager, Yuna Holdings, LLC, dba Tomball Pawn & Jewelry, for assistance with infrastructure costs related to the construction of a new retail center.

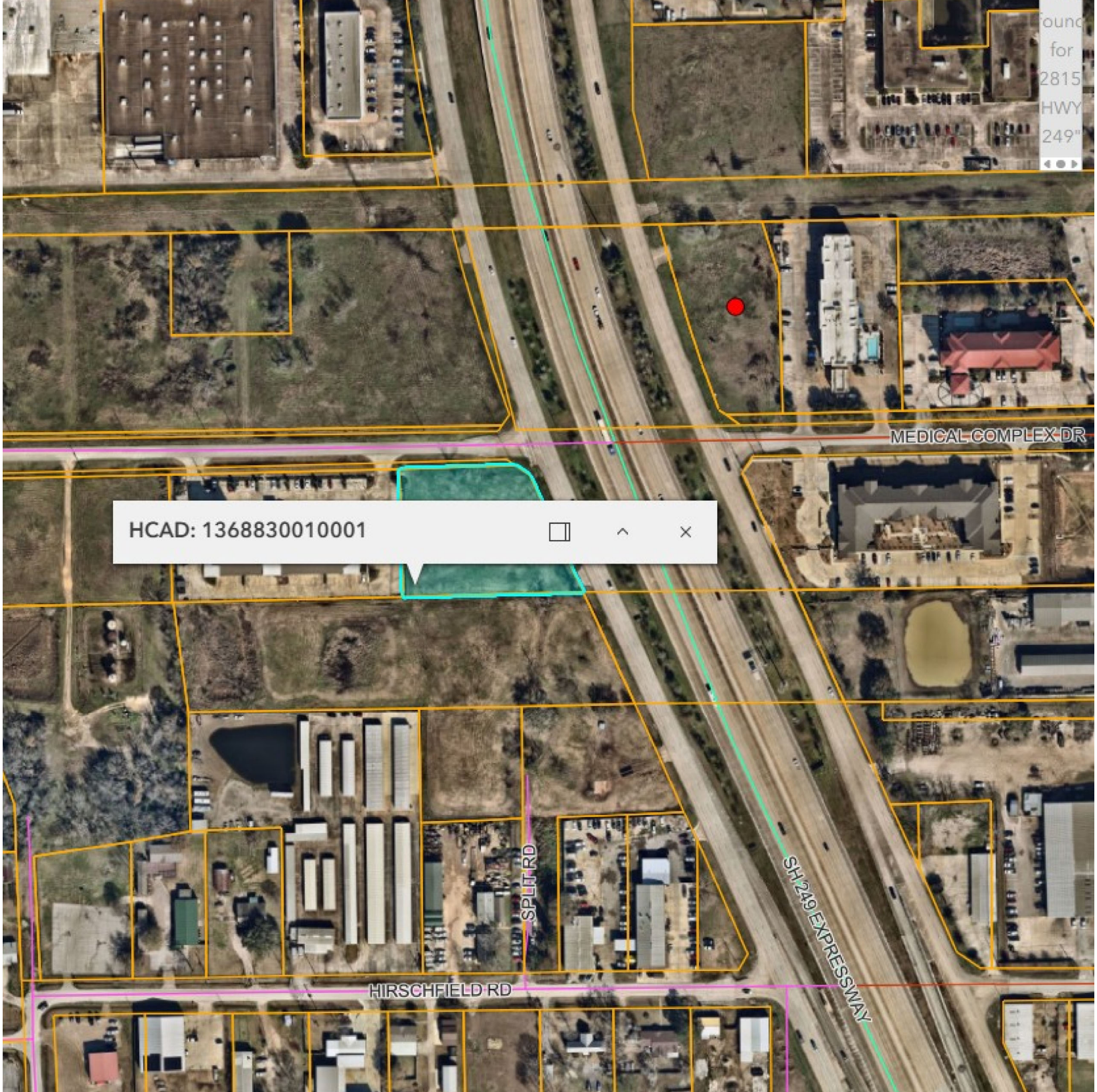
Yuna Holdings, LLC proposes to develop approximately 1.4 acres located at 28159 HWY 249 Tomball, Texas 77375. The development will consist of a 12,000 square feet retail center. Mr. Yuna proposes to relocate Tomball Pawn and Jewelry to the new center and occupy 5,000 sq. ft. The remaining 7,000 sq. ft. would be available for lease to attract high quality tenants. The estimated capital investment for the project is $4.85 million.

The eligible infrastructure improvements include water, sanitary sewer, storm drainage, electric utilities and related site improvements totaling approximately $870,081.00.

Targeted infrastructure that will promote the development and expansion of business enterprise is a permissible project as outlined in Texas Economic Development Legislation. If this project is approved, it will go to the Tomball City Council for final approval by resolution at two separate readings.

An economic impact analysis is included with the agreement to show the impact of this project on Tomball's economy. Per the analysis, the five-year net benefit of this project on Tomball's economy is $601,130.

If the agreement between the TEDC and Yuna Holdings, LLC is approved as a Project of the Corporation, the grant funding amount will not exceed $174,016, based on 20% of the actual expenditures for the eligible infrastructure improvements.


found
for
2815
HWY
249"
MEDICAL COMPLEX DR
HCAD: 1368830010001
SPLIT RD
SH 249 EXPRESSWAY
HIRSCHFIELD RD

Yuna Holdings, LLC
14011 FM 2920
Tomball, Texas 77377

Date: August 13, 2025

VIA EMAIL

Tomball Economic Development
29201 Quinn Road, STE B
Tomball, Texas 77375

RE: 28159 HWY 249, TOMBALL TEXAS 77377 (UPDATED)

To Whom It May Concern:

This is a formal request for a grant to assist with infrastructure and site construction costs of a new retail center in Tomball. Tomball Pawn is a Tomball pillar, and moving to a retail center owned by the company will not only attract more retailers, but free up space in our current location to add to the sales tax base for the City of Tomball. The development is on a 1.44 acre tract where the south side of Medical Complex and the west side of Hwy 249.

Project Overview:
Tomball Pawn currently pays $16K per month in rent which has materially destroyed the profitability. To restore profitability the company has elected to move to an owner-occupied facility. In addition to restoring profitability, this project creates additional revenues for the Company and the City via sales tax and property tax. The project is a 12,000 ft^2 retail center. 5000 ft^2 to be occupied by Tomball Pawn with 7000 ft^2 available for rent. The center should attract high quality tenants, particularly for southbound Hwy 249 traffic. (There are current confidential negotiations going on with a national recognize service company for the southern end space) For southbound 249 traffic they can exit 2920 and only have 1 traffic light to access the center. From there they can re-enter 249 southbound with no traffic lights. Northbound 249 traffic has no lights to access the center via a U-turn at 2920, and a U-turn that will allow access to northbound 2920. The location is superior for retail sales given the location.

Project Cost and Timing:
The total project cost is estimated to be $4,650,000. The following table represents the breakdown.

Asset/Expense	Cost
1.44 acre trace (purchased)	$1,200,000
Building Cost	$3,200,000
Tenant Interior	$250,000
Total Project Cost	$4,650,000

The infrastructure portion of the total project is $870,081 and broken down as follows:

HARVEY
CONSTRUCTION
SERVICES

August 1, 2025

Tomball Pawn Development Letter

Site Preparations	$ 397,081
New Public Row	N/A
Storm Drainage	$56,000
Sanitary Sewer	$60,000
Water	$130,000
Telecommunications	$20,000
Electric	$140,000
Gas	$50,000
Sidewalks, Curbs, Concrete Dumpster Pad	$17,000
Total	$870,081.00

Benefits to Tomball:
This retail center will benefit the city of Tomball economically. Among other reasons the following stands out as most impactful:

Economic Growth and Increased Sales Tax Revenue: The development of a 12,000 ft^2 retail center, with 7,000 ft^2 available for rent to high-quality tenants (including potential national service companies), will attract more businesses and customers, boosting sales tax revenue for the city.

Utilization of Prime Retail Space: Relocating Tomball Pawn will free up its current prime retail location, allowing new businesses to occupy the space and further enhance the city's sales tax base.

Improved Traffic Accessibility: The strategic location near Hwy 249 and 2920, with minimal traffic light interruptions for both southbound and northbound traffic, will facilitate easier access for shoppers, increasing retail activity and benefiting local commerce.

Property Tax Revenue: The construction of a new owner-occupied facility on a 1.44-acre tract will add to the city's property tax base, providing a stable revenue stream.

Yuna Holdings, LLC
14011 FM 2920
Tomball, Texas 77377

Job Creation and Local Investment: The project, with a total cost of $4,650,000 and an infrastructure investment of $870,081, will create construction and retail jobs while demonstrating confidence in Tomball's economic future.

Based on the information provided and the clear indication that it will benefit the City of Tomball on multiple levels, the company humbly request approval of the grant.

Sincerely,



Jeffrey M. Yuna
Yuna Holdings LLC, dba Tomball Pawn & Jewelry
Email: jeffyuna@gmail.com

Tomball Pawn - Impact Report - Expansion Only

Copy of Scenario 1 with Client Data

Project Type: New Construction - Retail
Industry: Hospitality
Prepared By: Tomball EDC

Purpose & Limitations

This report presents the results of an economic and fiscal analysis undertaken by Tomball EDC using Impact DashBoard, a customized web application developed by Impact DataSource, LLC.

Impact DashBoard utilizes estimates, assumptions, and other information developed by Impact DataSource from its independent research effort detailed in a custom user guide prepared for Tomball EDC.

This report, generated by the Impact DashBoard application, has been prepared by Tomball EDC to assist economic development stakeholders in making an evaluation of the economic and fiscal impact of business activity in the community. This report does not purport to contain all of the information that may be needed to conclude such an evaluation. This report is based on a variety of assumptions and contains forward-looking statements concerning the results of operations of the subject firm. Tomball EDC made reasonable efforts to ensure that the project-specific data entered into Impact DashBoard reflects realistic estimates of future activity. Estimates of future activity involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those expressed or implied in this report.

Tomball EDC and Impact DataSource make no representation or warranty as to the accuracy or completeness of the information contained herein, and expressly disclaim any and all liability based on or relating to any information contained in, or errors or omissions from, this information or based on or relating to the use of this information.

Introduction

This report presents the results of an economic impact analysis performed using Impact DashBoard, a model developed by Impact DataSource. The report estimates the impact that a potential project will have on the local economy and estimates the costs and benefits for local taxing districts over a 10-year period.

Existing & Expanded Operations

The Project under analysis represents the expansion of an existing business. The table below illustrates the economic impact over the next 10 years including both the current and expanded operations.

ECONOMIC IMPACT OF CURRENT & EXPANDED OPERATIONS OVER 10 YEARS IN CITY OF TOMBALL

	CURRENT OPERATIONS	EXPANSION	CURRENT & EXPANDED OPERATIONS
JOBS			
Direct	3.0	22.0	25.0
Spin-off	0.7	5.2	5.9
Jobs Total	**3.7**	**27.2**	**30.9**
SALARIES			
Direct	$1,024,894	$3,056,797	$4,081,690
Spin-off	$319,830	$953,909	$1,273,739
Salaries Total	**$1,344,724**	**$4,010,706**	**$5,355,430**

The table below summarizes the fiscal impact, the net benefits for local taxing districts, over the next 10 years including both the current and expanded operations.

FISCAL IMPACT OF CURRENT & EXPANDED OPERATIONS OVER 10 YEARS			
	NET BENEFITS		
	CURRENT OPERATIONS	EXPANSION	CURRENT & EXPANDED OPERATIONS
City of Tomball	$447,635	$690,925	$1,138,560
Harris County	$31,790	$222,699	$254,489
Tomball ISD	$92,321	$241,179	$333,499
Lone Star College	$9,346	$67,982	$77,328
Port of Houston	$534	$3,886	$4,420
Harris County ESD #8	$8,491	$61,761	$70,252
Harris County Hospital District	$14,199	$103,287	$117,487
Harris County Department of Education	$417	$3,032	$3,449
Harris County Flood Control	$4,253	$30,939	$35,193
	$608,986	**$1,425,691**	**$2,034,677**

The remainder of this report will focus on only the economic and fiscal impact associated with the expansion.

Economic Impact Overview

The table below summarizes the economic impact of the project over the first 10 years in terms of job creation, salaries paid to workers, and taxable sales.

SUMMARY OF ECONOMIC IMPACT OVER 10 YEARS IN CITY OF TOMBALL			
IMPACT	DIRECT	SPIN_OFF	TOTAL
Jobs	22.0	5.2	**27.2**
Annual Salaries/Wages at Full Ops (Yr 2)	$710,424	$221,696	**$932,120**
Salaries/Wages over 10 Years	$3,056,797	$953,909	**$4,010,706**
Taxable Sales/Purchases in City of Tomball	$24,430,438	$11,924	**$24,442,362**

Totals may not sum due to rounding

The Project may result in new residents moving to the community and potentially new residential properties being constructed as summarized below.

SUMMARY OF POPULATION IMPACT OVER 10 YEARS IN CITY OF TOMBALL			
IMPACT	DIRECT	SPIN_OFF	TOTAL
Workers who will move to City of Tomball	0.7	0.2	**0.8**
New residents in City of Tomball	1.7	0.4	**2.1**
New residential properties constructed in City of Tomball	0.1	0.0	**0.1**
New students to attend local school district	0.3	0.1	**0.4**

Totals may not sum due to rounding

The new taxable property to be supported by the Project over the next 10 years is summarized in the following table.

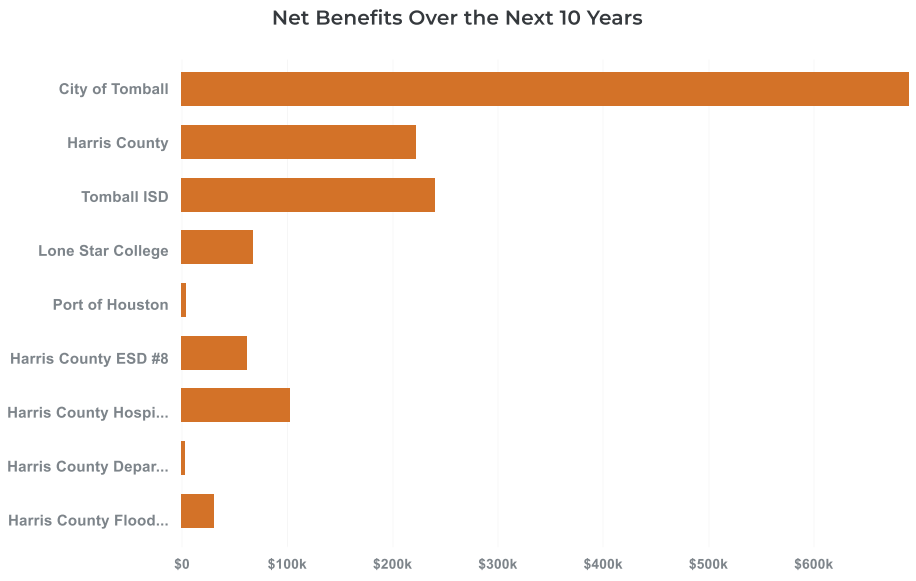
SUMMARY OF TAXABLE PROPERTY OVER THE FIRST 10 YEARS IN CITY OF TOMBALL							
YR.	NEW RESIDENTIAL PROPERTY	LAND	BUILDINGS...	FF&E	INVENTORIES	NON_RESIDENTIAL PROPERTY	TOTAL PROPERTY
1	$3,406	$1,200,000	$3,200,000	$200,000	$1,700,000	*$6,300,000*	**$6,303,406**
2	$38,214	$1,224,000	$3,514,000	$180,000	$1,734,000	*$6,652,000*	**$6,690,214**
3	$38,978	$1,248,480	$3,584,280	$160,000	$1,768,680	*$6,761,440*	**$6,800,418**
4	$39,757	$1,273,450	$3,655,966	$140,000	$1,804,054	*$6,873,469*	**$6,913,226**
5	$40,552	$1,298,919	$3,729,085	$120,000	$1,840,135	*$6,988,138*	**$7,028,691**
6	$41,364	$1,324,897	$3,803,667	$100,000	$0	*$5,228,564*	**$5,269,927**
7	$42,191	$1,351,395	$3,879,740	$80,000	$0	*$5,311,135*	**$5,353,326**
8	$43,035	$1,378,423	$3,957,335	$60,000	$0	*$5,395,758*	**$5,438,792**
9	$43,895	$1,405,991	$4,036,481	$40,000	$0	*$5,482,473*	**$5,526,368**
10	$44,773	$1,434,111	$4,117,211	$40,000	$0	*$5,591,322*	**$5,636,095**

Fiscal Impact Overview

The Project will generate additional benefits and costs, a summary of which is provided below. The source of specific benefits and costs are provided in greater detail for each taxing district on subsequent pages.

FISCAL NET BENEFITS OVER THE NEXT 10 YEARS				
	BENEFITS	COSTS	NET BENEFITS	PRESENT VALUE*
City of Tomball	$919,566	($228,641)	$690,925	$580,871
Harris County	$266,426	($43,726)	$222,699	$174,209
Tomball ISD	$648,638	($407,459)	$241,179	$188,262
Lone Star College	$67,982	$0	$67,982	$52,987
Port of Houston	$3,886	$0	$3,886	$3,029
Harris County ESD #8	$61,761	$0	$61,761	$48,138
Harris County Hospital District	$103,287	$0	$103,287	$80,505
Harris County Department of Education	$3,032	$0	$3,032	$2,363
Harris County Flood Control	$30,939	$0	$30,939	$24,115
Total	**$2,105,517**	**($679,827)**	**$1,425,691**	**$1,154,479**

*The Present Value of Net Benefits expresses the future stream of net benefits received over several years as a single value in today's dollars. Today's dollar and a dollar to be received at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of 5.0% to make the dollars comparable.



Public Support Overview

A summary of the total Public Support modeled in this analysis is shown below.

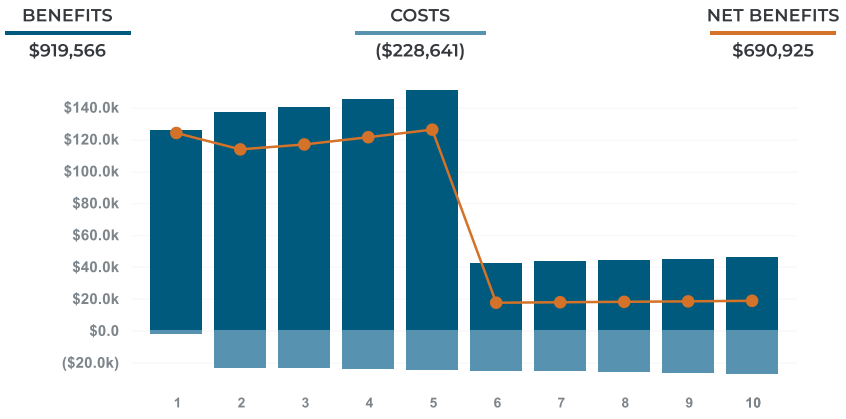
VALUE OF PUBLIC SUPPORT UNDER CONSIDERATION		
	NON-TAX INCENTIVE	TOTAL
City of Tomball	$174,016	$174,016
Harris County	$0	$0
Tomball ISD	$0	$0
Lone Star College	$0	$0
Port of Houston	$0	$0
Harris County ESD #8	$0	$0
Harris County Hospital District	$0	$0
Harris County Department of Education	$0	$0
Harris County Flood Control	$0	$0
Total	**$174,016**	**$174,016**

City of Tomball Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by City of Tomball over the next 10 years of the Project.

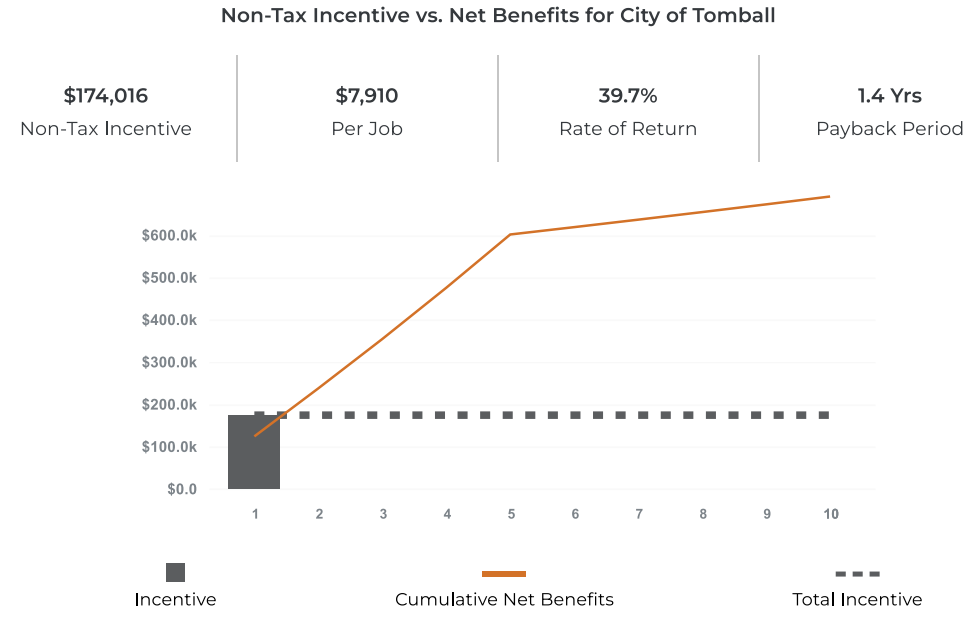
NET BENEFITS OVER 10 YEARS: CITY OF TOMBALL			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Sales Taxes	$487,845	$1,003	$488,847
Real Property Taxes	$170,259	$0	$170,259
FF&E Property Taxes	$3,767	$0	$3,767
Inventory Property Taxes	$29,758	$0	$29,758
New Residential Property Taxes	$0	$1,265	$1,265
Hotel Occupancy Taxes	$137	$0	$137
Building Permits and Fees	$0	$0	$0
Utility Revenue	$130,769	$11,876	$142,645
Utility Franchise Fees	$7,510	$679	$8,190
Miscellaneous Taxes and User Fees	$68,477	$6,220	$74,697
Benefits Subtotal	**$898,522**	**$21,043**	**$919,566**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
Cost of Government Services	($65,605)	($5,942)	($71,548)
Cost of Utility Services	($144,023)	($13,071)	($157,094)
Costs Subtotal	**($209,628)**	**($19,013)**	**($228,641)**
Net Benefits	**$688,894**	**$2,031**	**$690,925**

Annual Fiscal Net Benefits for City of Tomball



Non-Tax Incentives

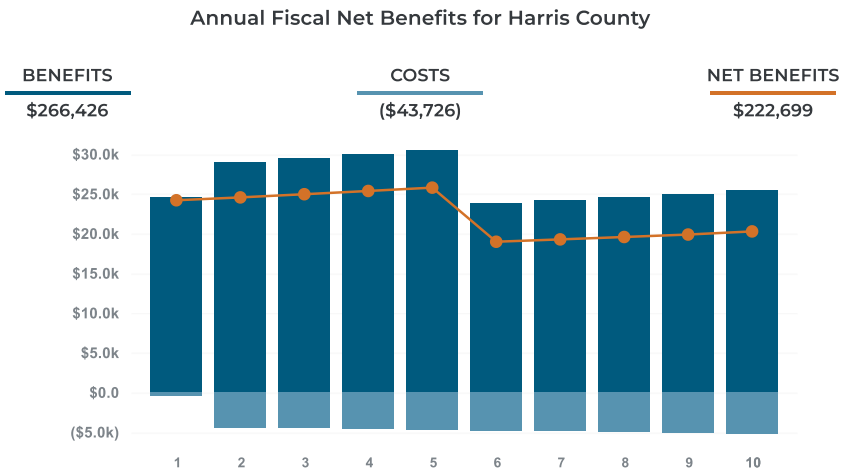
The graph below depicts the non-tax incentives modeled in this analysis versus the cumulative net benefits to City of Tomball. The intersection indicates the length of time until the incentives are paid back.



Harris County Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: HARRIS COUNTY			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$195,024	$0	$195,024
FF&E Property Taxes	$4,315	$0	$4,315
Inventory Property Taxes	$34,086	$0	$34,086
New Residential Property Taxes	$0	$10,003	$10,003
Hotel Occupancy Taxes	$39	$0	$39
Miscellaneous Taxes and User Fees	$12,370	$10,588	$22,958
Benefits Subtotal	**$245,834**	**$20,591**	**$266,426**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
Cost of Government Services	($23,636)	($20,091)	($43,726)
Costs Subtotal	**($23,636)**	**($20,091)**	**($43,726)**
Net Benefits	**$222,199**	**$500**	**$222,699**

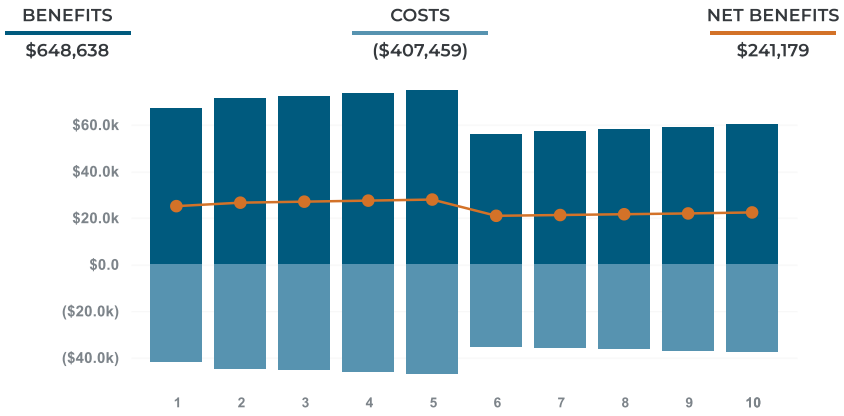


Tomball ISD Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Tomball ISD over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: TOMBALL ISD			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$538,013	$0	$538,013
FF&E Property Taxes	$11,904	$0	$11,904
Inventory Property Taxes	$94,033	$0	$94,033
New Residential Property Taxes	$0	$1,112	$1,112
Addtl. State & Federal School Funding	$0	$3,575	$3,575
Benefits Subtotal	**$643,951**	**$4,687**	**$648,638**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
Cost to Educate New Students	$0	($3,005)	($3,005)
Reduction in State School Funding	($403,757)	($697)	($404,454)
Costs Subtotal	**($403,757)**	**($3,702)**	**($407,459)**
Net Benefits	**$240,194**	**$985**	**$241,179**

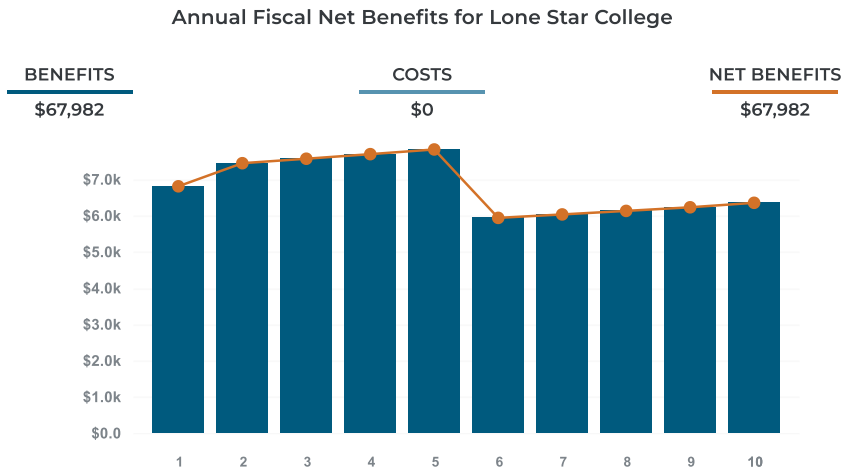
Annual Fiscal Net Benefits for Tomball ISD



Lone Star College Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Lone Star College over the next 10 years of the Project.

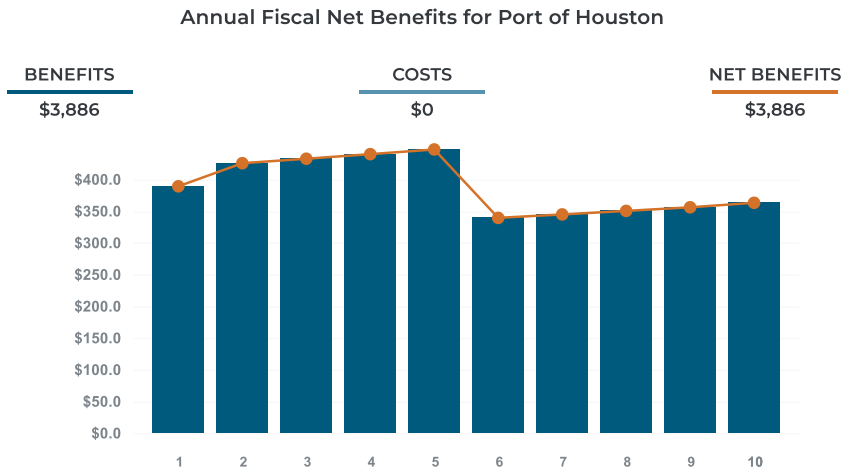
NET BENEFITS OVER 10 YEARS: LONE STAR COLLEGE			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$54,464	$0	$54,464
FF&E Property Taxes	$1,205	$0	$1,205
Inventory Property Taxes	$9,519	$0	$9,519
New Residential Property Taxes	$0	$2,794	$2,794
Benefits Subtotal	**$65,189**	**$2,794**	**$67,982**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$65,189**	**$2,794**	**$67,982**



Port of Houston Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Port of Houston over the next 10 years of the Project.

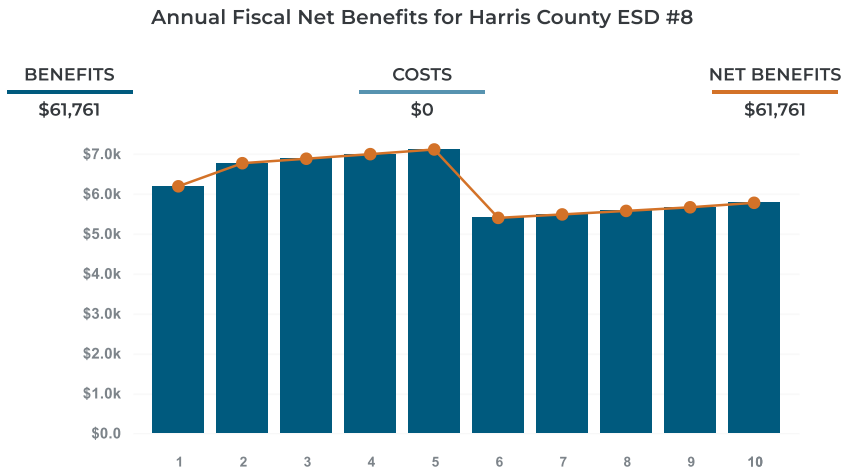
NET BENEFITS OVER 10 YEARS: PORT OF HOUSTON			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$3,113	$0	$3,113
FF&E Property Taxes	$69	$0	$69
Inventory Property Taxes	$544	$0	$544
New Residential Property Taxes	$0	$160	$160
Benefits Subtotal	**$3,726**	**$160**	**$3,886**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$3,726**	**$160**	**$3,886**



Harris County ESD #8 Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County ESD #8 over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: HARRIS COUNTY ESD #8			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$49,481	$0	$49,481
FF&E Property Taxes	$1,095	$0	$1,095
Inventory Property Taxes	$8,648	$0	$8,648
New Residential Property Taxes	$0	$2,538	$2,538
Benefits Subtotal	**$59,224**	**$2,538**	**$61,761**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$59,224**	**$2,538**	**$61,761**



Harris County Hospital District Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County Hospital District over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: HARRIS COUNTY HOSPITAL DISTRICT			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$82,749	$0	$82,749
FF&E Property Taxes	$1,831	$0	$1,831
Inventory Property Taxes	$14,463	$0	$14,463
New Residential Property Taxes	$0	$4,244	$4,244
Benefits Subtotal	**$99,043**	**$4,244**	**$103,287**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$99,043**	**$4,244**	**$103,287**

Annual Fiscal Net Benefits for Harris County Hospital District



Harris County Department of Education Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County Department of Education over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: HARRIS COUNTY DEPARTMENT OF EDUCATION			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$2,429	$0	$2,429
FF&E Property Taxes	$54	$0	$54
Inventory Property Taxes	$425	$0	$425
New Residential Property Taxes	$0	$125	$125
Benefits Subtotal	**$2,907**	**$125**	**$3,032**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$2,907**	**$125**	**$3,032**

Annual Fiscal Net Benefits for Harris County Department of Education



Harris County Flood Control Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County Flood Control over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: HARRIS COUNTY FLOOD CONTROL			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$24,787	$0	$24,787
FF&E Property Taxes	$548	$0	$548
Inventory Property Taxes	$4,332	$0	$4,332
New Residential Property Taxes	$0	$1,271	$1,271
Benefits Subtotal	**$29,668**	**$1,271**	**$30,939**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$29,668**	**$1,271**	**$30,939**

Annual Fiscal Net Benefits for Harris County Flood Control



Methodology

Overview of Methodology

The Impact DashBoard model combines project-specific attributes with community data, tax rates, and assumptions to estimate the economic impact of the Project and the fiscal impact for local taxing districts over a 10-year period.

The economic impact as calculated in this report can be categorized into two main types of impacts. First, the direct economic impacts are the jobs and payroll directly created by the Project. Second, this economic impact analysis calculates the spin-off or indirect and induced impacts that result from the Project. Indirect jobs and salaries are created in new or existing area firms, such as maintenance companies and service firms, that may supply goods and services for the Project. In addition, induced jobs and salaries are created in new or existing local businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to new workers and their families.

The economic impact estimates in this report are based on the Regional Input-Output Modeling System (RIMS II), a widely used regional input-output model developed by the U. S. Department of Commerce, Bureau of Economic Analysis. The RIMS II model is a standard tool used to estimate regional economic impacts. The economic impacts estimated using the RIMS II model are generally recognized as reasonable and plausible assuming the data input into the model is accurate or based on reasonable assumptions. Impact DataSource utilizes adjusted county-level multipliers to estimate the impact occurring at the sub-county level.

Two types of regional economic multipliers were used in this analysis: an employment multiplier and an earnings multiplier. An employment multiplier was used to estimate the number of indirect and induced jobs created or supported in the area. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs. The employment multiplier shows the estimated number of total jobs created for each direct job. The earnings multiplier shows the estimated amount of total salaries paid to these workers for every dollar paid to a direct worker. The multipliers used in this analysis are listed below:

[illegible]		CITY OF TOMBALL
Employment Multiplier	(Type II Direct Effect)	1.2351
Earnings Multiplier	(Type II Direct Effect)	1.3121

Most of the revenues estimated in this study result from calculations relying on (1) attributes of the Project, (2) assumptions to derive the value of associated taxable property or sales, and (3) local tax rates. In some cases, revenues are estimated on a per new household, per new worker, or per new school student basis.

The company or Project developer was not asked, nor could reasonably provide data for calculating some other revenues. For example, while the city will likely receive revenues from fines paid on speeding tickets given to new workers, the company does not know the propensity of its workers to speed. Therefore, some revenues are calculated using an average revenue approach.

This approach uses relies on two assumptions:

1. The taxing entity has two general revenue sources: revenues from residents and revenues from businesses.
2. The taxing entity will collect (a) about the same amount of miscellaneous taxes and user fees from each new household that results from the Project as it currently collects from existing households on average, and (b) the same amount of miscellaneous taxes and user fees from the new business (on a per worker basis) will be collected as it collects from existing businesses.

In the case of the school district, some additional state and federal revenues are estimated on a per new school student basis consistent with historical funding levels.

Additionally, this analysis sought to estimate the additional expenditures faced by local jurisdictions to provide services to new households and new businesses. A marginal cost approach was used to calculate these additional costs.

This approach relies on two assumptions:

1. The taxing entity spends money on services for two general groups: revenues from residents and revenues from businesses.
2. The taxing entity will spend slightly less than its current average cost to provide local government services (police, fire, EMS, etc.) to (a) new residents and (b) businesses on a per worker basis.

In the case of the school district, the marginal cost to educate new students was estimated based on a portion of the school's current expenditures per student and applied to the headcount of new school students resulting from the Project.

Additionally, this analysis seeks to calculate the impact on the school district's finances from the Project by generally, and at a summary level, mimicking the district's school funding formula.

According to the Texas Education Agency, any property added to local tax rolls, and the local taxes that this generates, reduces the amount of state funding equivalent to local taxes collected for maintenance and operations. The school district retains local taxes received for debt services and the corresponding state funding is not reduced. However, according to the Texas Education Agency, the school district will receive state aid for each new child that moves to the District. The additional revenues for the school district are calculated in this analysis.

About Impact DataSource

Established in 1993, Impact DataSource is an Austin, Texas-based economic consulting firm. Impact DataSource provides high-quality economic research, specializing in economic and fiscal impact analyses. The company is highly focused on supporting economic development professionals and organizations through its consulting services and software. Impact DataSource has conducted thousands of economic impact analyses of new businesses, retention and expansion projects, developments, and activities in all industry groups throughout the U.S.

For more information on Impact DataSource, LLC and our product Impact DashBoard, please visit our website www.impactdatasource.com

AGREEMENT

THE STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

This Agreement (the "Agreement") is made and entered into by and between the **Tomball Economic Development Corporation**, an industrial development corporation created pursuant to Tex. Rev. Civ. Stat. Ann. Art. 5190.6, Section 4B, located in Harris County, Texas (the "TEDC"), and **Yuna Holdings, LLC** (the "Company"), 14011 FM 2920, Tomball, TX 77377.

W I T N E S S E T H :

WHEREAS, it is the established policy of the TEDC to adopt such reasonable measures from time-to-time as are permitted by law to endeavor to attract industry, create and retain primary jobs, expand the growth of the City of Tomball (the "City"), and thereby enhance the economic stability and growth of the City; and

WHEREAS, the Company proposes to develop a 1.4480-acre tract of land within the City, located at 28159 HWY 249, Tomball, Texas 77377 (the "Property"), more particularly described in Exhibit "A," attached hereto and made a part hereof; and

WHEREAS, the Company plans to expend over Four Million Dollars ($4,000,000) to construct a 12,000 square foot commercial building (the "Improvements") on the site, more particularly described in Exhibit "B," attached hereto and made a part hereof; and

WHEREAS, the Company also proposes to retain the three (3) existing employees and create an additional twenty-two (22) new full-time employment positions in Tomball in conjunction with the opening of its business operations on the Property; and

DRAFT

WHEREAS, the TEDC agrees to provide to the Company the sum of One Hundred Seventy-Four Thousand and Sixteen Dollars ($174,016.00), or an amount equal to up to Twenty percent (20%) of actual construction costs if less than the sum stated above, to assist in the construction of infrastructure necessary to promote and develop new business enterprises on the Property. The infrastructure found by the Board of Directors of TEDC to be required to develop the Property are certain drainage facilities and related improvements, site improvements, water, sanitary sewer, and electric, utilities to the exterior of the buildings (the "Infrastructure Improvements"), identified and described in Exhibit "C," attached hereto and made a part hereof; and

WHEREAS, the Company has agreed, in exchange and as consideration for the funding, to satisfy and comply with certain terms and conditions; and

NOW, THEREFORE, in consideration of the premises and the mutual benefits and obligations set forth herein, including the recitals set forth above, the TEDC and the Company agree as follows:

1.

The Company covenants and agrees that it will construct a 12,000 square foot commercial building (the "Improvements") identified and described in Exhibit "B," attached hereto and made a part hereof. In conjunction with the development of the Property, the Company further agrees to construct the Improvements contemplated by this Agreement, in accordance with the requirements of the ordinances of the City and the plans and specifications approved by the City. The Company further represents and agrees that it will certify the costs of the construction of such Infrastructure Improvements to the TEDC prior to construction.

DRAFT

2.

Construction of the Improvements on the Property, including construction of the Infrastructure Improvements, must commence within 180 days from the date of this Agreement (the "Start Date"), and the Company shall notify the TEDC of such Start Date. The construction of the Improvements to the Property, including construction of the Infrastructure Improvements, shall be completed, and all necessary occupancy permits from the City shall be obtained within eighteen (18) months from the Effective Date of this agreement. Extensions of these deadlines due to extenuating circumstances or uncontrollable delay may be granted by the Board of Directors of the TEDC at its sole discretion.

3.

The Company further covenants and agrees that the Improvements described in Paragraph 1 hereof will be occupied and that the commercial building will be maintained on the property for a term of at least five (5) years.

4.

The Company further covenants and agrees that the Company or any owner or leasee of the Improvements does not and will not knowingly employ an undocumented worker. An "undocumented worker" shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States; or (b) authorized under the law to be employed in that manner in the United States.

5.

In consideration of the Company's representations, promises, and covenants, TEDC agrees to reimburse the Company for the actual cost of the Infrastructure Improvements up to the amount of One Hundred Seventy-Four Thousand and Sixteen Dollars ($174,016.00), or an amount equal

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to up to Twenty percent (20%) of actual construction costs if less than the sum stated above. The TEDC agrees to reimburse the Company for such amount within thirty (30) days of receipt of a letter from the Company requesting such payment and including: (a) certification of the costs of constructing the Infrastructure Improvements; (b) a copy of the City's occupancy permit for the Improvements to the Property; (c) verification from the City acknowledging that all necessary plats, permits, plans, and specifications have been received, reviewed, and approved; (d) certification that the Infrastructure Improvements have been constructed in accordance with the approved plans and specifications; and (e) an affidavit stating that all contractors and subcontractors providing work and/or materials in the construction of the Infrastructure Improvements have been paid and any and all liens and claims regarding such work have been released.

6.

It is understood and agreed by the parties that, in the event of a default by the Company on any of its obligations under this Agreement, the Company shall reimburse the TEDC the full amount paid to the Company by the TEDC, with interest at the rate equal to the 90-day Treasury Bill plus one-half percent (½%) per annum, within thirty (30) days after the TEDC notifies the Company of the default. It is further understood and agreed by the parties that if the Company, or any owner or lessee of the Improvements, is convicted of a violation under 8 U.S.C. Section 1324a(f), the Company will reimburse the TEDC the full amount paid to the Company, with interest at the rate equal to the 90-day Treasury Bill plus one-half percent (½%) per annum, within thirty (30) days after the TEDC notifies the Company of the violation.

The Company shall also reimburse the TEDC for any and all reasonable attorney's fees and costs incurred by the TEDC as a result of any action required to obtain reimbursement of

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such funds. Such reimbursement shall be due and payable thirty (30) days after the Company receives written notice of default.

7.

This Agreement shall inure to the benefit of and be binding upon the TEDC and the Company, and upon the Company's successors and assigns, lessees, affiliates, and subsidiaries, and shall remain in force whether the Company sells, leases, assigns, or in any other manner disposes of, either voluntarily or by operation of law, all or any part of the Property and the agreements herein contained shall be held to be covenants running with the Property for so long as this Agreement, or any extension thereof, remains in effect.

8.

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by (i) depositing the same in the United States mail, addressed to the party to be notified, postage prepaid, registered or certified mail, return receipt requested; or (ii) by delivering the same in person to such party; or (iii) by overnight or messenger delivery service that retains regular records of delivery and receipt; or (iv) by facsimile; provided a copy of such notice is sent within one (1) day thereafter by another method provided above. The initial addresses of the parties for the purpose of notice under this Agreement shall be as follows:

If to City: Tomball Economic Development Corporation
401 W. Market Street
Tomball, Texas 77375
Attn: President, Board of Directors

If to Company: Yuna Holdings, LLC
14011 FM 2920
Tomball, TX 77377
Attn: Jeffrey M. Yuna
General Manager, Yuna Holdings, LLC

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9.

This Agreement shall be performable and enforceable in Harris County, Texas, and shall be construed in accordance with the laws of the State of Texas.

10.

Except as otherwise provided in this Agreement, this Agreement shall be subject to change, amendment or modification only in writing, and by the signatures and mutual consent of the parties hereto.

11.

The failure of any party to insist in any one or more instances on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant, or condition, or right with respect to further performance.

12.

This Agreement shall bind and benefit the respective Parties and their legal successors and shall not be assignable, in whole or in part, by any party without first obtaining written consent of the other party.

13.

In the event any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporation, or circumstance, shall be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be

DRAFT

deemed to be independent of and severable from the remainder of this Agreement, and the validity of the remaining parts of this Agreement shall not be affected thereby.

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the parties on this _____ day of _____ 2025 (the "Effective Date").

Yuna Holdings, LLC

By: _____
Name: Jeffrey M. Yuna
Title: General Manager

ATTEST:

By: _____
Name: _____
Title: _____

TOMBALL ECONOMIC DEVELOPMENT CORPORATION

By: _____
Name: Lisa Covington
Title: President, Board of Directors

ATTEST:

By: _____
Name: Bill Sumner Jr.
Title: Secretary, Board of Directors _____

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ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the _____ day of _____ 2025, by Jeffrey M. Yuna, General Manager, Yuna Holdings, LLC for and on behalf of said company.

_____
Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the _____ day of _____ 2025, by Lisa Covington, President of the Board of Directors of the Tomball Economic Development Corporation, for and on behalf of said Corporation.

_____
Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

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Exhibit A

Legal Description of Property

LOT 1, BLOCK 1, JTS SUBDIVISION

Property Address: 28159 HWY 249, Tomball, Texas 77377

Exhibit B

Description of Improvements

Construction of a 12,000 square foot retail center

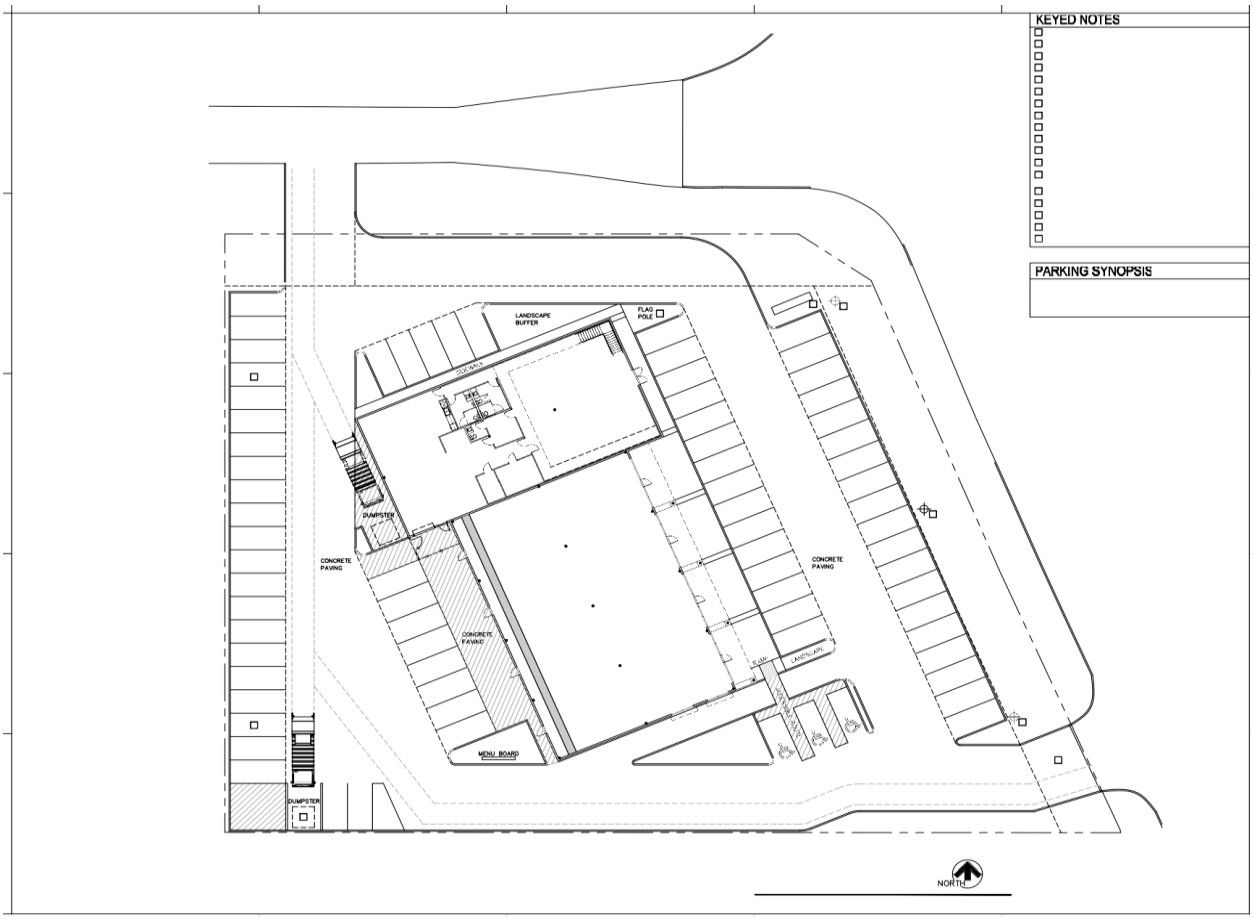




Exhibit C

Description of Infrastructure Improvements

HARVEY
CONSTRUCTION
SERVICES

August 1, 2025

Tomball Pawn Development Letter

Site Preparations	$ 397,081
New Public Row	N/A
Storm Drainage	$56,000
Sanitary Sewer	$60,000
Water	$130,000
Telecommunications	$20,000
Electric	$140,000
Gas	$50,000
Sidewalks, Curbs, Concrete Dumpster Pad	$17,000
Total	$870,081

John Esposito Sr

John Esposito Sr.

Harvey Construction Services

Sr Project Manager

Harvey Construction Services – 3539 Shore Shadows Dr. – Crosby, Texas 77532

RESOLUTION NO. 2025-42-TEDC

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, AUTHORIZING AND APPROVING THE TOMBALL ECONOMIC DEVELOPMENT CORPORATION'S PROJECT TO EXPEND FUNDS IN ACCORDANCE WITH AN ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BY AND BETWEEN THE CORPORATION AND YUNA HOLDINGS, LLC, TO PROMOTE AND DEVELOP NEW OR EXPANDED BUSINESS ENTERPRISES; CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT; AND PROVIDING FOR SEVERABILITY.

* * * * *

WHEREAS, the Tomball Economic Development Corporation (the "TEDC"), created pursuant to the Development Corporation Act, now Chapter 501 of the Texas Local Government Code, as amended (the "Act"), desires to adopt projects and provide incentives for economic development within the City; and

WHEREAS, the Board of Directors of the TEDC had adopted as a specific project the expenditure of the estimated amount of One Hundred and Seventy Four Thousand and Sixty One Dollars ($174,061.00) found by the Board to be required or suitable to promote a new business development by Yuna Holdings, LLC; and

WHEREAS, pursuant to the Act, the TEDC may not undertake such project without the approval of Tomball City Council; and

WHEREAS, City Council finds and determines that such project promotes new or expanded business enterprises and is in the best interests of the citizenry; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS:

Section 1. The facts and matters set forth in the preamble of this Resolution are hereby found to be true and correct.

Section 2. The City Council hereby authorizes and approves the adoption, by the Board of Directors of the Tomball Economic Development Corporation, as a specific project for the economic development of the City, an expenditure of the estimated amount of One Hundred and Seventy Four Thousand and Sixty One Dollars ($174,061.00) to Yuna Holdings, LLC, in accordance with an economic development agreement by and between the TEDC and Yuna Holdings, LLC, to promote and develop a new or expanded business enterprises, to be located at 2815 HWY 249, Tomball, Texas 77377.

Section 3. In the event any clause, phrase, provision, sentence, or part of this Resolution or the application of the same to any person or circumstance shall for any reason be adjudged

invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Resolution as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

PASSED AND APPROVED on first reading this _____ day of _____, 202__.

PASSED, APPROVED, AND RESOLVED on second and final reading this _____ day of _____, 202__.

_____
Lori Klein Quinn, Mayor

ATTEST:

_____
City Secretary

Regular City Council
Agenda Item
Data Sheet

Meeting Date: September 2, 2025

Topic:

Approve, on First Reading, Resolution No. 2025-43-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Performance Agreement by and between the Corporation and Everwood Reserve Properties, LLC to make direct incentives to, or expenditures for, assistance with infrastructure costs to be required or suitable for the promotion of new or expanded business enterprise related to the construction of an assisted living and memory care facility to be located at 13011 Medical Complex Dr., Tomball, Texas 77375. The estimated amount of expenditures for such Project is an amount not to exceed $54,102.00.

Background:

On August 19, 2025, the Tomball Economic Development Corporation (TEDC) Board of Directors unanimously approved, as a Project of the Corporation, a performance agreement with Everwood Reserve Properties, LLC for assistance with infrastructure costs related to the construction of an assisted living and memory care facility to be located at 13011 Medical Complex Dr., Tomball, Texas 77375.

Targeted infrastructure projects that will promote or develop new or expanded business enterprises are authorized expenditures under the Development Corporation Act.

The Tomball City Council has final approval authority over all programs and expenditures of the TEDC. Final approval of this project requires the adoption of Resolution No. 2025-43-TEDC after two separate readings.

Origination: Tomball Economic Development Corporation Board of Directors

Recommendation: Approval of Resolution No. 2025-43-TEDC on First Reading

Party(ies) responsible for placing this item on agenda: Kelly Violette

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: _____ If yes, specify Account Number: #Project Grants

If no, funds will be transferred from account # _____ To account # _____

Signed _____ Approved by _____

Staff Member-TEDC Date Executive Director-TEDC Date

TOMBALL
ECONOMIC DEVELOPMENT CORP.

TO: Honorable Mayor and City Council

FROM: Kelly Violette
Executive Director

MEETING DATE: September 2, 2025

SUBJECT: Everwood Reserve Properties, LLC

ITEM TYPE: Action

The Tomball Economic Development Corporation has received a request from Andrea Ameen, Chief Executive Officer of Everwood Reserve Properties, LLC, for assistance with infrastructure costs related to the development of a proposed assisted living and memory care facility.

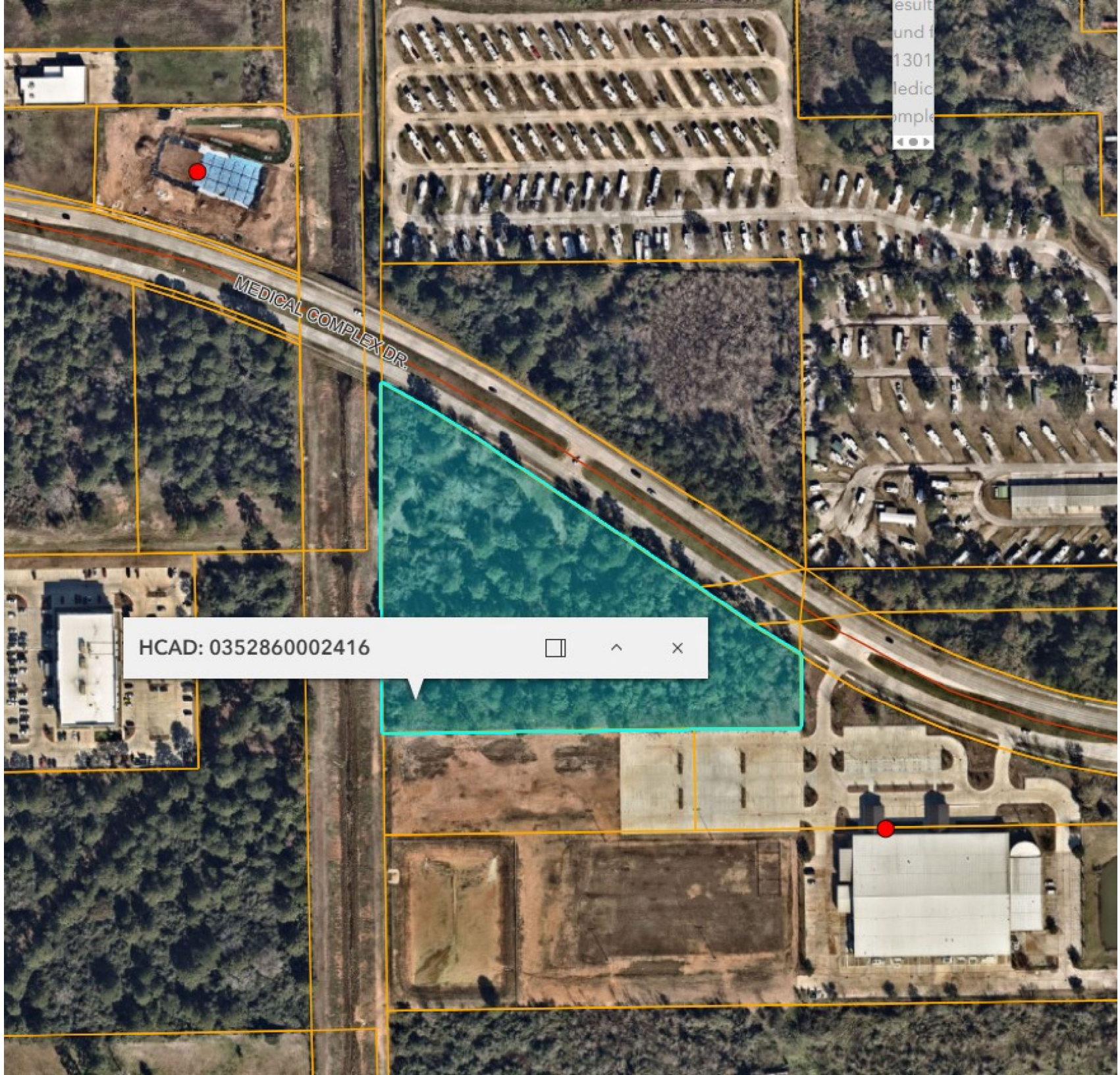
Everwood Reserve Properties, LLC proposes to develop approximately 7.12 acres located at 13011 Medical Complex Dr., Tomball, Texas 77375. The development will consist of two 10,200 square feet units that will serve a total of 32 residents with 16 bedrooms each. The estimated capital investment for the project is just under $8.4 million.

The eligible infrastructure improvements include water, sanitary sewer, storm drainage, electric utilities and related site improvements totaling approximately $832,332.00.

Targeted infrastructure that will promote the development and expansion of business enterprise is a permissible project as outlined in Texas Economic Development Legislation. If this project is approved, it will go to the Tomball City Council for final approval by resolution at two separate readings.

An economic impact analysis is included with the agreement to show the impact of this project on Tomball's economy. Per the analysis, the 5-year net benefit of this project on Tomball's economy is $184,403.00.

If the agreement between the TEDC and Everwood Reserve Properties, LLC is approved as a Project of the Corporation, the grant funding amount will not exceed $54,102.00, based on 6.5% of the actual expenditures for the eligible infrastructure improvements.


MEDICAL COMPLEX DR
HCAD: 0352860002416

Everwood Reserve Properties, LLC
5900 Balcones Drive, Suite 100
Austin, TX 78731

Date: July 30, 2025

Tomball Economic Development
ATTN: Tiffani Wooten
29201 Quinn Road, Suite B
Tomball, TX 77375

RE: Everwood Reserve – Request for Grant

Dear Ms. Wooten,

My name is Andrea Ameen, and I am part of the team at Everwood Reserve Properties LLC. We would like to formally request a grant for the infrastructure and site construction costs to develop the currently vacant +/-7.12 acre tract located at 13011 Medical Complex Dr., Tomball, TX 77375, into a small assisted living and memory care community for seniors in the area.

Everwood Reserve will be a small assisted living and memory care community serving a total of 32 residents across 2 beautiful homes with 16 bedrooms each. We will develop the currently vacant lot into a beautiful home for grandmas and grandpas to live out their final years in comfort and with dignity. There is currently a large need for more assisted living and memory care in the Tomball area. A recent market analysis that we conducted through a third party projected that there are currently 150 beds needed in assisted living and memory care currently, and we are hoping to serve the community and fill this need (Senior Haven Investments, National Investment Center MAP study).

Our location in the Medical District ensures that residents will have easy access to healthcare and related services. The close proximity also opens up many opportunities for community partnership. We plan to create partnerships with local healthcare providers, hospice companies, nonprofit organizations, and other businesses to serve the residents of our homes. This will contribute economic growth to the local area.

Everwood Reserve will provide luxury, boutique services that will help us stand apart from local competition. We will provide a new type of service, blending empathy with execution to provide the very best care with the highest quality building and amenities. Everwood Reserve will bridge

this gap by providing the amenities found in larger facilities and staff to resident ratios of 1:4 to 1:6 during the day.

Each of the 2 homes will be approximately 10,200 sq. ft. and provide ample living and recreational space for grandmas and grandpas to enjoy their latter years. Each home will feature an open living and dining area with a large fireplace, 20 foot ceilings, and floor-to-ceiling windows along the walls throughout. The kitchens will be open but secured, and we will employ a private chef to prepare scratch meals each day. There will also be a salon in each home, additional sitting rooms, and a library. There will be a total of 6 covered back patios in the shared secured yard, along with covered patios in the front of each home. We will provide memory care, so we anticipate most of our residents will have dementia or need end of life care.

We will also build a community garden and walking paths on the property. We will be installing infrastructure to ensure our residents are secure and safe at all times. The property will provide a high-end aesthetic to the area.

About Everwood Reserve Properties, LLC.
My husband, Aaron Ameen, and I are the founders of Everwood Reserve Properties LLC. We created the company with this new development in mind. Between us we bring expertise in real estate, business development, human development theory, program management, people management, and caregiver training. We built a portfolio of rental properties in various markets around the country. We both have experienced the difficulty of finding high quality senior care and memory care when caring for our own parents and grandparents. That gave us the motivation to embark on this project.

We have seasoned partners on our team, including experienced assisted living operators, a physician's assistant to bring clinical expertise, and a team of assisted living owners who also run an investment fund for the industry. We have also hired a local builder, Boatman Construction, to complete the project. Our team of experts will ensure that our project is on budget and on-time. We look forward to elevating the assisted living industry and bringing the first flagship Everwood homes to Tomball.

Overview of the Project and Benefits to Tomball
This development will improve infrastructure on currently unimproved, vacant land in Tomball's Medical District. We will bring over infrastructure for electricity, where there is currently a gap in lines between Cherry St and School St along the south side of Medical Complex Drive. We will also be bringing over a sanitary sewer line from across the road. We will add paving for parking.

The project will provide a high quality senior living community for end of life care and those with dementia, which is becoming more and more prevalent in our population. The population of Tomball includes over 20% seniors, and the city is seeing increased growth (US Census Bureau, 2025). Currently, according to a demographic analysis we performed through Haven Senior Investments (using data from the National Investment Center MAP study), there are

already 150 beds needed within 6 miles of our location. Our community will contribute to solving this current and future housing need.

In addition to providing a much needed service, our business will create partnerships with surrounding businesses, contributing to economic growth. We will develop partnerships with local retailers and service providers. We also plan to connect family members to appropriate service providers. These partnerships will contribute business to local companies.

Infrastructure, Project Cost, and Timing
Our total project cost is around $6.9M. Below is a breakdown of our project costs.

Project Costs	
Land: +/- 7.12 acres	$1,100,000
Civil Engineering	$35,000.00
Architect	$57,500.00
Sitework and Building Cost	$5,721,888.00
Insurance and Fees	$84,893
Total Project Cost (estimated)	**$6,999,281**

Our total construction timeline is 10-12 months with groundbreaking in September after we close on September 9th. Our anticipated opening is between October and November of 2026.

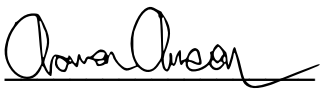
We look forward to a future in Tomball.

Sincerely,

Andrea Ameen



Aaron Ameen



Everwood Reserve Properties LLC - Impact Report

Scenario 1 with Client Data

Project Type: New Construction - Office
Industry: Health Care
Prepared By: Tomball EDC

Purpose & Limitations

This report presents the results of an economic and fiscal analysis undertaken by Tomball EDC using Impact DashBoard, a customized web application developed by Impact DataSource, LLC.

Impact DashBoard utilizes estimates, assumptions, and other information developed by Impact DataSource from its independent research effort detailed in a custom user guide prepared for Tomball EDC.

This report, generated by the Impact DashBoard application, has been prepared by Tomball EDC to assist economic development stakeholders in making an evaluation of the economic and fiscal impact of business activity in the community. This report does not purport to contain all of the information that may be needed to conclude such an evaluation. This report is based on a variety of assumptions and contains forward-looking statements concerning the results of operations of the subject firm. Tomball EDC made reasonable efforts to ensure that the project-specific data entered into Impact DashBoard reflects realistic estimates of future activity. Estimates of future activity involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those expressed or implied in this report.

Tomball EDC and Impact DataSource make no representation or warranty as to the accuracy or completeness of the information contained herein, and expressly disclaim any and all liability based on or relating to any information contained in, or errors or omissions from, this information or based on or relating to the use of this information.

Introduction

This report presents the results of an economic impact analysis performed using Impact DashBoard, a model developed by Impact DataSource. The report estimates the impact that a potential project will have on the local economy and estimates the costs and benefits for local taxing districts over a 10-year period.

Economic Impact Overview

The table below summarizes the economic impact of the project over the first 10 years in terms of job creation, salaries paid to workers, and taxable sales.

SUMMARY OF ECONOMIC IMPACT OVER 10 YEARS IN CITY OF TOMBALL

IMPACT	DIRECT	SPIN_OFF	TOTAL
Jobs	26.0	7.2	**33.2**
Annual Salaries/Wages at Full Ops (Yr 2)	$1,146,804	$324,700	**$1,471,504**
Salaries/Wages over 10 Years	$5,678,024	$1,607,643	**$7,285,667**
Taxable Sales/Purchases in City of Tomball	$1,884,847	$20,096	**$1,904,943**

Totals may not sum due to rounding

The Project may result in new residents moving to the community and potentially new residential properties being constructed as summarized below.

SUMMARY OF POPULATION IMPACT OVER 10 YEARS IN CITY OF TOMBALL			
IMPACT	DIRECT	SPIN_OFF	TOTAL
Workers who will move to City of Tomball	0.8	0.2	**1.0**
New residents in City of Tomball	2.0	0.6	**2.6**
New residential properties constructed in City of Tomball	0.1	0.0	**0.1**
New students to attend local school district	0.4	0.1	**0.5**

Totals may not sum due to rounding

The new taxable property to be supported by the Project over the next 10 years is summarized in the following table.

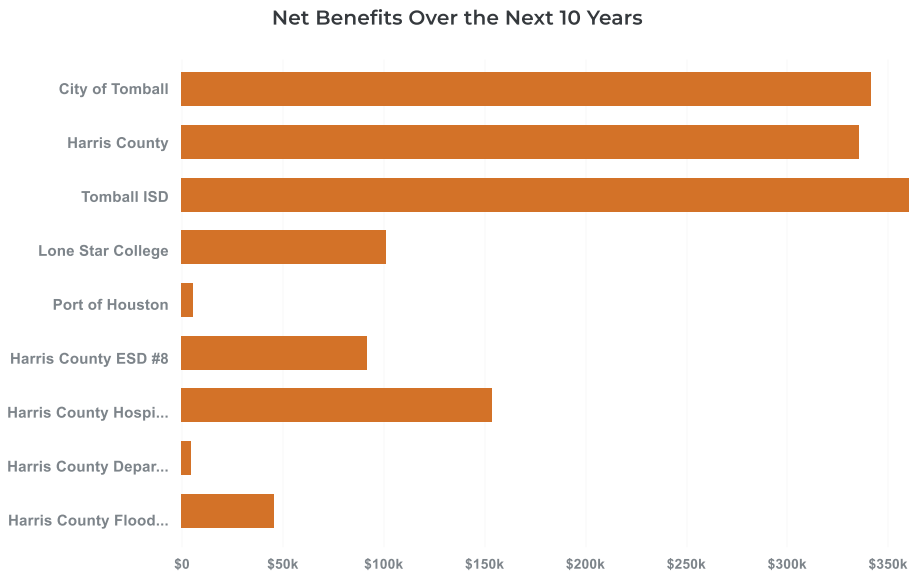
SUMMARY OF TAXABLE PROPERTY OVER THE FIRST 10 YEARS IN CITY OF TOMBALL							
YR.	NEW RESIDENTIAL PROPERTY	LAND	BUILDINGS...	FF&E	INVENTORIES	NON_RESIDENTIAL PROPERTY	TOTAL PROPERTY
1	$38,722	$1,150,000	$6,999,281	$250,000	$0	*$8,399,281*	**$8,438,003**
2	$46,678	$1,173,000	$7,139,267	$225,000	$0	*$8,537,267*	**$8,583,944**
3	$47,611	$1,196,460	$7,282,052	$200,000	$0	*$8,678,512*	**$8,726,123**
4	$48,563	$1,220,389	$7,427,693	$175,000	$0	*$8,823,082*	**$8,871,646**
5	$49,535	$1,244,797	$7,576,247	$150,000	$0	*$8,971,044*	**$9,020,578**
6	$50,525	$1,269,693	$7,727,772	$125,000	$0	*$9,122,465*	**$9,172,990**
7	$51,536	$1,295,087	$7,882,327	$100,000	$0	*$9,277,414*	**$9,328,950**
8	$52,567	$1,320,989	$8,039,974	$75,000	$0	*$9,435,962*	**$9,488,529**
9	$53,618	$1,347,408	$8,200,773	$50,000	$0	*$9,598,182*	**$9,651,799**
10	$54,690	$1,374,356	$8,364,789	$50,000	$0	*$9,789,145*	**$9,843,835**

Fiscal Impact Overview

The Project will generate additional benefits and costs, a summary of which is provided below. The source of specific benefits and costs are provided in greater detail for each taxing district on subsequent pages.

FISCAL NET BENEFITS OVER THE NEXT 10 YEARS				
	BENEFITS	COSTS	NET BENEFITS	PRESENT VALUE*
City of Tomball	$633,370	($291,348)	$342,021	$269,343
Harris County	$392,933	($56,989)	$335,944	$257,742
Tomball ISD	$969,490	($608,873)	$360,617	$276,575
Lone Star College	$101,268	$0	$101,268	$77,656
Port of Houston	$5,788	$0	$5,788	$4,438
Harris County ESD #8	$92,002	$0	$92,002	$70,550
Harris County Hospital District	$153,860	$0	$153,860	$117,985
Harris County Department of Education	$4,517	$0	$4,517	$3,463
Harris County Flood Control	$46,088	$0	$46,088	$35,342
Total	**$2,399,316**	**($957,210)**	**$1,442,106**	**$1,113,094**

*The Present Value of Net Benefits expresses the future stream of net benefits received over several years as a single value in today's dollars. Today's dollar and a dollar to be received at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of 5.0% to make the dollars comparable.



Public Support Overview

A summary of the total Public Support modeled in this analysis is shown below.

VALUE OF PUBLIC SUPPORT UNDER CONSIDERATION		
	NON-TAX INCENTIVE	TOTAL
City of Tomball	$54,102	$54,102
Harris County	$0	$0
Tomball ISD	$0	$0
Lone Star College	$0	$0
Port of Houston	$0	$0
Harris County ESD #8	$0	$0
Harris County Hospital District	$0	$0
Harris County Department of Education	$0	$0
Harris County Flood Control	$0	$0
Total	**$54,102**	**$54,102**

City of Tomball Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by City of Tomball over the next 10 years of the Project.

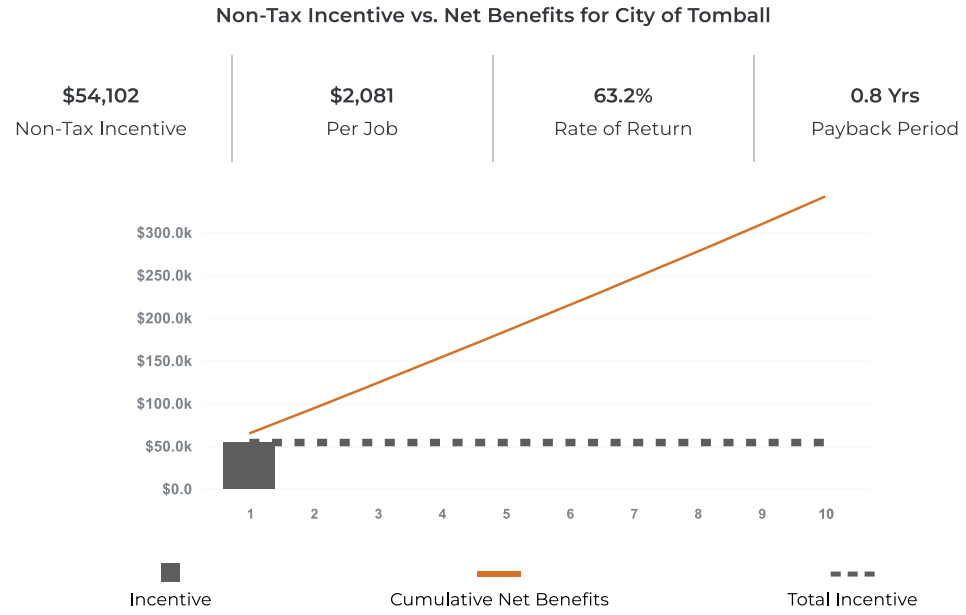
NET BENEFITS OVER 10 YEARS: CITY OF TOMBALL			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Sales Taxes	$36,277	$1,821	$38,099
Real Property Taxes	$300,146	$0	$300,146
FF&E Property Taxes	$4,709	$0	$4,709
Inventory Property Taxes	$0	$0	$0
New Residential Property Taxes	$0	$1,662	$1,662
Hotel Occupancy Taxes	$1,366	$0	$1,366
Building Permits and Fees	$0	$0	$0
Utility Revenue	$166,170	$15,597	$181,768
Utility Franchise Fees	$9,544	$892	$10,436
Miscellaneous Taxes and User Fees	$87,015	$8,170	$95,184
Benefits Subtotal	**$605,227**	**$28,142**	**$633,370**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
Cost of Government Services	($83,366)	($7,804)	($91,170)
Cost of Utility Services	($183,012)	($17,167)	($200,179)
Costs Subtotal	**($266,377)**	**($24,971)**	**($291,348)**
Net Benefits	**$338,850**	**$3,171**	**$342,021**

Annual Fiscal Net Benefits for City of Tomball



Non-Tax Incentives

The graph below depicts the non-tax incentives modeled in this analysis versus the cumulative net benefits to City of Tomball. The intersection indicates the length of time until the incentives are paid back.

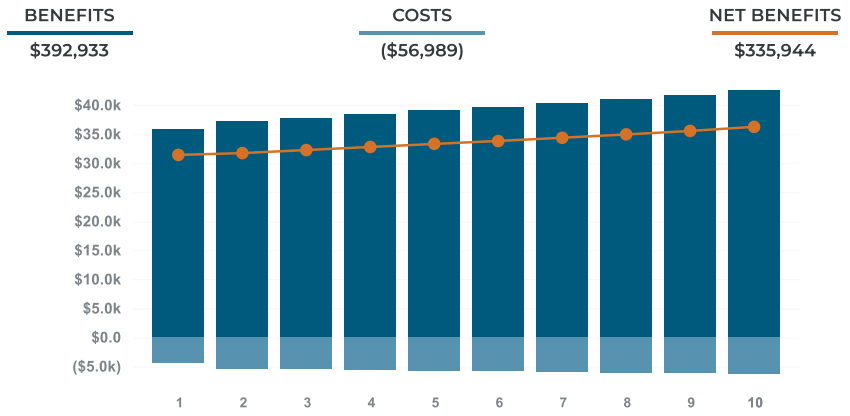


Harris County Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: HARRIS COUNTY			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$343,803	$0	$343,803
FF&E Property Taxes	$5,394	$0	$5,394
Inventory Property Taxes	$0	$0	$0
New Residential Property Taxes	$0	$13,421	$13,421
Hotel Occupancy Taxes	$390	$0	$390
Miscellaneous Taxes and User Fees	$15,719	$14,206	$29,925
Benefits Subtotal	**$365,306**	**$27,627**	**$392,933**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
Cost of Government Services	($30,034)	($26,955)	($56,989)
Costs Subtotal	**($30,034)**	**($26,955)**	**($56,989)**
Net Benefits	**$335,272**	**$671**	**$335,944**

Annual Fiscal Net Benefits for Harris County

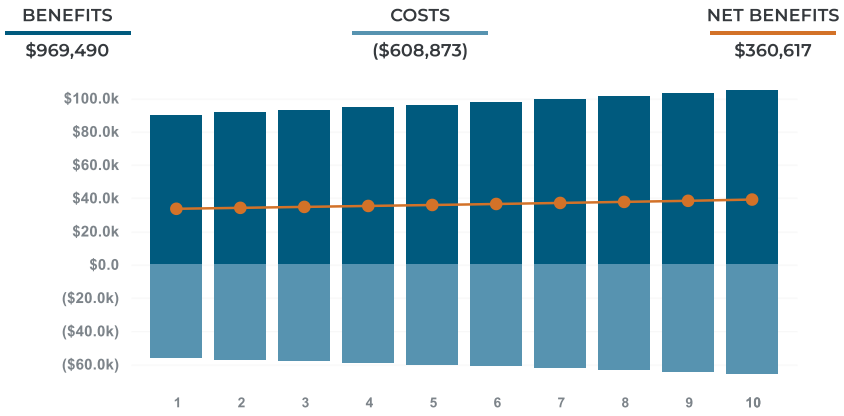


Tomball ISD Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Tomball ISD over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: TOMBALL ISD			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$948,451	$0	$948,451
FF&E Property Taxes	$14,881	$0	$14,881
Inventory Property Taxes	$0	$0	$0
New Residential Property Taxes	$0	$1,461	$1,461
Addtl. State & Federal School Funding	$0	$4,697	$4,697
Benefits Subtotal	**$963,331**	**$6,158**	**$969,490**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
Cost to Educate New Students	$0	($3,948)	($3,948)
Reduction in State School Funding	($604,009)	($916)	($604,925)
Costs Subtotal	**($604,009)**	**($4,864)**	**($608,873)**
Net Benefits	**$359,323**	**$1,294**	**$360,617**

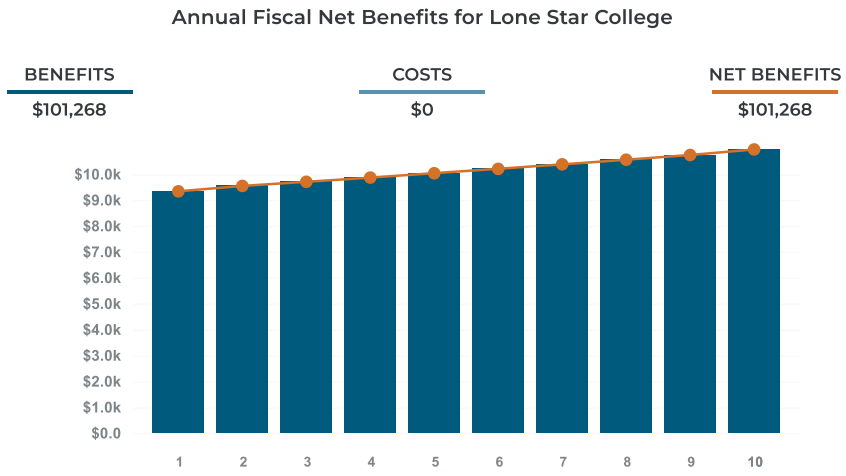
Annual Fiscal Net Benefits for Tomball ISD



Lone Star College Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Lone Star College over the next 10 years of the Project.

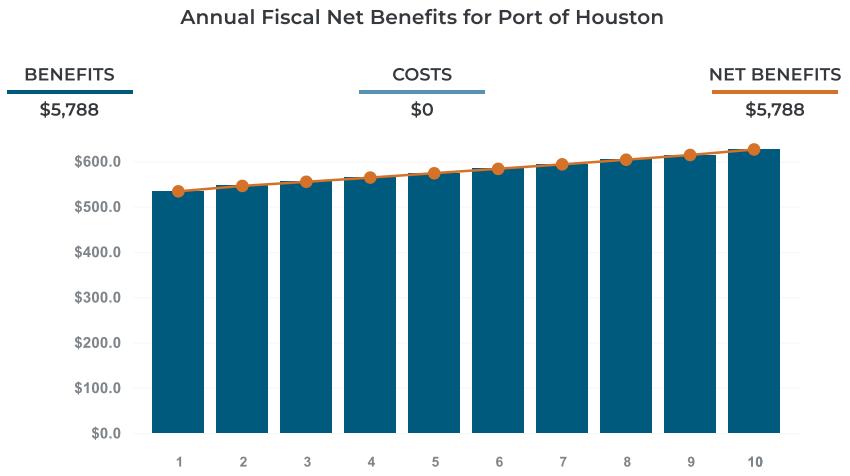
NET BENEFITS OVER 10 YEARS: LONE STAR COLLEGE			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$96,014	$0	$96,014
FF&E Property Taxes	$1,506	$0	$1,506
Inventory Property Taxes	$0	$0	$0
New Residential Property Taxes	$0	$3,748	$3,748
Benefits Subtotal	**$97,520**	**$3,748**	**$101,268**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$97,520**	**$3,748**	**$101,268**



Port of Houston Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Port of Houston over the next 10 years of the Project.

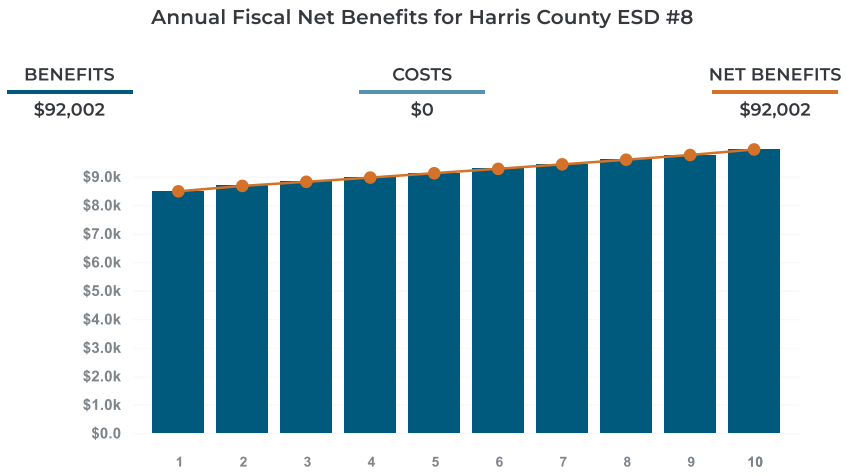
NET BENEFITS OVER 10 YEARS: PORT OF HOUSTON			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$5,488	$0	$5,488
FF&E Property Taxes	$86	$0	$86
Inventory Property Taxes	$0	$0	$0
New Residential Property Taxes	$0	$214	$214
Benefits Subtotal	**$5,574**	**$214**	**$5,788**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$5,574**	**$214**	**$5,788**



Harris County ESD #8 Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County ESD #8 over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: HARRIS COUNTY ESD #8			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$87,228	$0	$87,228
FF&E Property Taxes	$1,369	$0	$1,369
Inventory Property Taxes	$0	$0	$0
New Residential Property Taxes	$0	$3,405	$3,405
Benefits Subtotal	**$88,597**	**$3,405**	**$92,002**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$88,597**	**$3,405**	**$92,002**



Harris County Hospital District Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County Hospital District over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: HARRIS COUNTY HOSPITAL DISTRICT			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$145,877	$0	$145,877
FF&E Property Taxes	$2,289	$0	$2,289
Inventory Property Taxes	$0	$0	$0
New Residential Property Taxes	$0	$5,694	$5,694
Benefits Subtotal	**$148,166**	**$5,694**	**$153,860**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$148,166**	**$5,694**	**$153,860**

Annual Fiscal Net Benefits for Harris County Hospital District



Harris County Department of Education Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County Department of Education over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: HARRIS COUNTY DEPARTMENT OF EDUCATION			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$4,282	$0	$4,282
FF&E Property Taxes	$67	$0	$67
Inventory Property Taxes	$0	$0	$0
New Residential Property Taxes	$0	$167	$167
Benefits Subtotal	**$4,349**	**$167**	**$4,517**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$4,349**	**$167**	**$4,517**

Annual Fiscal Net Benefits for Harris County Department of Education



Harris County Flood Control Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County Flood Control over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: HARRIS COUNTY FLOOD CONTROL			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$43,697	$0	$43,697
FF&E Property Taxes	$686	$0	$686
Inventory Property Taxes	$0	$0	$0
New Residential Property Taxes	$0	$1,706	$1,706
Benefits Subtotal	**$44,383**	**$1,706**	**$46,088**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$44,383**	**$1,706**	**$46,088**

Annual Fiscal Net Benefits for Harris County Flood Control



Methodology

Overview of Methodology

The Impact DashBoard model combines project-specific attributes with community data, tax rates, and assumptions to estimate the economic impact of the Project and the fiscal impact for local taxing districts over a 10-year period.

The economic impact as calculated in this report can be categorized into two main types of impacts. First, the direct economic impacts are the jobs and payroll directly created by the Project. Second, this economic impact analysis calculates the spin-off or indirect and induced impacts that result from the Project. Indirect jobs and salaries are created in new or existing area firms, such as maintenance companies and service firms, that may supply goods and services for the Project. In addition, induced jobs and salaries are created in new or existing local businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to new workers and their families.

The economic impact estimates in this report are based on the Regional Input-Output Modeling System (RIMS II), a widely used regional input-output model developed by the U. S. Department of Commerce, Bureau of Economic Analysis. The RIMS II model is a standard tool used to estimate regional economic impacts. The economic impacts estimated using the RIMS II model are generally recognized as reasonable and plausible assuming the data input into the model is accurate or based on reasonable assumptions. Impact DataSource utilizes adjusted county-level multipliers to estimate the impact occurring at the sub-county level.

Two types of regional economic multipliers were used in this analysis: an employment multiplier and an earnings multiplier. An employment multiplier was used to estimate the number of indirect and induced jobs created or supported in the area. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs. The employment multiplier shows the estimated number of total jobs created for each direct job. The earnings multiplier shows the estimated amount of total salaries paid to these workers for every dollar paid to a direct worker. The multipliers used in this analysis are listed below:

623312 ASSISTED LIVING FACILITIES FOR THE ELDERLY		CITY OF TOMBALL
Employment Multiplier	(Type II Direct Effect)	1.2765
Earnings Multiplier	(Type II Direct Effect)	1.2831

Most of the revenues estimated in this study result from calculations relying on (1) attributes of the Project, (2) assumptions to derive the value of associated taxable property or sales, and (3) local tax rates. In some cases, revenues are estimated on a per new household, per new worker, or per new school student basis.

The company or Project developer was not asked, nor could reasonably provide data for calculating some other revenues. For example, while the city will likely receive revenues from fines paid on speeding tickets given to new workers, the company does not know the propensity of its workers to speed. Therefore, some revenues are calculated using an average revenue approach.

This approach uses relies on two assumptions:

1. The taxing entity has two general revenue sources: revenues from residents and revenues from businesses.
2. The taxing entity will collect (a) about the same amount of miscellaneous taxes and user fees from each new household that results from the Project as it currently collects from existing households on average, and (b) the same amount of miscellaneous taxes and user fees from the new business (on a per worker basis) will be collected as it collects from existing businesses.

In the case of the school district, some additional state and federal revenues are estimated on a per new school student basis consistent with historical funding levels.

Additionally, this analysis sought to estimate the additional expenditures faced by local jurisdictions to provide services to new households and new businesses. A marginal cost approach was used to calculate these additional costs.

This approach relies on two assumptions:

1. The taxing entity spends money on services for two general groups: revenues from residents and revenues from businesses.
2. The taxing entity will spend slightly less than its current average cost to provide local government services (police, fire, EMS, etc.) to (a) new residents and (b) businesses on a per worker basis.

In the case of the school district, the marginal cost to educate new students was estimated based on a portion of the school's current expenditures per student and applied to the headcount of new school students resulting from the Project.

Additionally, this analysis seeks to calculate the impact on the school district's finances from the Project by generally, and at a summary level, mimicking the district's school funding formula.

According to the Texas Education Agency, any property added to local tax rolls, and the local taxes that this generates, reduces the amount of state funding equivalent to local taxes collected for maintenance and operations. The school district retains local taxes received for debt services and the corresponding state funding is not reduced. However, according to the Texas Education Agency, the school district will receive state aid for each new child that moves to the District. The additional revenues for the school district are calculated in this analysis.

About Impact DataSource

Established in 1993, Impact DataSource is an Austin, Texas-based economic consulting firm. Impact DataSource provides high-quality economic research, specializing in economic and fiscal impact analyses. The company is highly focused on supporting economic development professionals and organizations through its consulting services and software. Impact DataSource has conducted thousands of economic impact analyses of new businesses, retention and expansion projects, developments, and activities in all industry groups throughout the U.S.

For more information on Impact DataSource, LLC and our product Impact DashBoard, please visit our website www.impactdatasource.com

AGREEMENT

THE STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

This Agreement (the "Agreement") is made and entered into by and between the **Tomball Economic Development Corporation**, an industrial development corporation created pursuant to Tex. Rev. Civ. Stat. Ann. Art. 5190.6, Section 4B, located in Harris County, Texas (the "TEDC"), and **Everwood Reserve Properties, LLC** (the "Company"), 619 W. Main Street, Suite 1013, Tomball, TX 77375.

W I T N E S S E T H :

WHEREAS, it is the established policy of the TEDC to adopt such reasonable measures from time-to-time as are permitted by law to endeavor to attract industry, create and retain primary jobs, expand the growth of the City of Tomball (the "City"), and thereby enhance the economic stability and growth of the City; and

WHEREAS, the Company proposes to develop a 7.12-acre tract of land within the City, located at 13011 Medical Complex Drive, Tomball, Texas 77375 (the "Property"), more particularly described in Exhibit "A," attached hereto and made a part hereof; and

WHEREAS, the Company plans to expend over Eight Million Dollars ($8,399,281) to construct two 10,200 square foot assisted living and memory care facility (the "Improvements") on the site, more particularly described in Exhibit "B," attached hereto and made a part hereof; and

DRAFT

WHEREAS, the Company also proposes to create twenty-six (26) new full-time employment positions in Tomball in conjunction with the opening of its business operations on the Property; and

WHEREAS, the TEDC agrees to provide to the Company the sum of Fifty-Four Thousand One Hundred and Two Dollars ($54,102.00), or an amount equal to up to Six and a Half percent (6.5%) of actual construction costs if less than the sum stated above, to assist in the construction of infrastructure necessary to promote and develop new business enterprises on the Property. The infrastructure found by the Board of Directors of TEDC to be required to develop the Property are certain drainage facilities and related improvements, site improvements, water, sanitary sewer, and electric, utilities to the exterior of the buildings (the "Infrastructure Improvements"), identified and described in Exhibit "C," attached hereto and made a part hereof; and

WHEREAS, the Company has agreed, in exchange and as consideration for the funding, to satisfy and comply with certain terms and conditions; and

NOW, THEREFORE, in consideration of the premises and the mutual benefits and obligations set forth herein, including the recitals set forth above, the TEDC and the Company agree as follows:

1.

The Company covenants and agrees that it will construct and maintain two 10,200 square foot assisted living and memory care facilities (the "Improvements") identified and described in Exhibit "B," attached hereto and made a part hereof. In conjunction with the development of the Property, the Company further agrees to construct the Improvements contemplated by this

DRAFT

Agreement, in accordance with the requirements of the ordinances of the City and the plans and specifications approved by the City. The Company further represents and agrees that it will certify the costs of the construction of such Infrastructure Improvements to the TEDC prior to construction.

2.

Construction of the Improvements on the Property, including construction of the Infrastructure Improvements, must commence within 180 days from the date of this Agreement (the "Start Date"), and the Company shall notify the TEDC of such Start Date. The construction of the Improvements to the Property, including construction of the Infrastructure Improvements, shall be completed, and all necessary occupancy permits from the City shall be obtained within eighteen (18) months from the Effective Date of this agreement. Extensions of these deadlines due to extenuating circumstances or uncontrollable delay may be granted by the Board of Directors of the TEDC at its sole discretion.

3.

The Company further covenants and agrees that the Improvements described in Paragraph 1 hereof will be occupied and that the assisted living and memory care facility will be maintained on the property for a term of at least five (5) years.

4.

The Company further covenants and agrees that the Company or any owner or leasee of the Improvements does not and will not knowingly employ an undocumented worker. An "undocumented worker" shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States; or (b) authorized under the law to be employed in that manner in the United States.

DRAFT

5.

In consideration of the Company's representations, promises, and covenants, TEDC agrees to reimburse the Company for the actual cost of the Infrastructure Improvements up to the amount of Fifty-Four Thousand One Hundred and Two Dollars ($54,102.00), or an amount equal to up to Six and a Half percent (6.5%) of actual construction costs if less than the sum stated above. The TEDC agrees to reimburse the Company for such amount within thirty (30) days of receipt of a letter from the Company requesting such payment and including: (a) certification of the costs of constructing the Infrastructure Improvements; (b) a copy of the City's occupancy permit for the Improvements to the Property; (c) verification from the City acknowledging that all necessary plats, permits, plans, and specifications have been received, reviewed, and approved; (d) certification that the Infrastructure Improvements have been constructed in accordance with the approved plans and specifications; and (e) an affidavit stating that all contractors and subcontractors providing work and/or materials in the construction of the Infrastructure Improvements have been paid and any and all liens and claims regarding such work have been released.

6.

It is understood and agreed by the parties that, in the event of a default by the Company on any of its obligations under this Agreement, the Company shall reimburse the TEDC the full amount paid to the Company by the TEDC, with interest at the rate equal to the 90-day Treasury Bill plus one-half percent (½%) per annum, within thirty (30) days after the TEDC notifies the Company of the default. It is further understood and agreed by the parties that if the Company, or any owner or lessee of the Improvements, is convicted of a violation under 8 U.S.C. Section 1324a(f), the Company will reimburse the TEDC the full amount paid to the Company, with

DRAFT

interest at the rate equal to the 90-day Treasury Bill plus one-half percent (½%) per annum, within thirty (30) days after the TEDC notifies the Company of the violation.

The Company shall also reimburse the TEDC for any and all reasonable attorney's fees and costs incurred by the TEDC as a result of any action required to obtain reimbursement of such funds. Such reimbursement shall be due and payable thirty (30) days after the Company receives written notice of default.

7.

This Agreement shall inure to the benefit of and be binding upon the TEDC and the Company, and upon the Company's successors and assigns, lessees, affiliates, and subsidiaries, and shall remain in force whether the Company sells, leases, assigns, or in any other manner disposes of, either voluntarily or by operation of law, all or any part of the Property and the agreements herein contained shall be held to be covenants running with the Property for so long as this Agreement, or any extension thereof, remains in effect.

8.

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by (i) depositing the same in the United States mail, addressed to the party to be notified, postage prepaid, registered or certified mail, return receipt requested; or (ii) by delivering the same in person to such party; or (iii) by overnight or messenger delivery service that retains regular records of delivery and receipt; or (iv) by facsimile; provided a copy of such notice is sent within one (1) day thereafter by another method provided above. The initial addresses of the parties for the purpose of notice under this Agreement shall be as follows:

If to City: Tomball Economic Development Corporation
401 W. Market Street
Tomball, Texas 77375
Attn: President, Board of Directors

DRAFT

If to Company: Everwood Reserve Properties, LLC
619 W. Main Street, Suite 1013
Tomball, TX 77375
Attn: Andrea Ameen
CEO, Everwood Reserve Properties, LLC

9.

This Agreement shall be performable and enforceable in Harris County, Texas, and shall be construed in accordance with the laws of the State of Texas.

10.

Except as otherwise provided in this Agreement, this Agreement shall be subject to change, amendment or modification only in writing, and by the signatures and mutual consent of the parties hereto.

11.

The failure of any party to insist in any one or more instances on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant, or condition, or right with respect to further performance.

12.

This Agreement shall bind and benefit the respective Parties and their legal successors and shall not be assignable, in whole or in part, by any party without first obtaining written consent of the other party.

DRAFT

13.

In the event any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporation, or circumstance, shall be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be deemed to be independent of and severable from the remainder of this Agreement, and the validity of the remaining parts of this Agreement shall not be affected thereby.

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the parties on this _____ day of _____ 2025 (the "Effective Date").

Everwood Reserve Properties, LLC

By: _____
Name: Andrea Ameen
Title: CEO

ATTEST:

By: _____
Name: _____
Title: _____

TOMBALL ECONOMIC DEVELOPMENT CORPORATION

By: _____
Name: Lisa Covington
Title: President, Board of Directors

DRAFT

ATTEST:

By: _____
Name: Bill Sumner Jr.
Title: Secretary, Board of Directors

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the _____ day of _____ 2025, by Andrea Ameen, CEO, Everwood Reserve Properties, LLC for and on behalf of said company.

_____
Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the _19th__ day of _August____ 2025, by Lisa Covington, President of the Board of Directors of the Tomball Economic Development Corporation, for and on behalf of said Corporation.

_____
Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

DRAFT

Exhibit A

Legal Description of Property

All that certain 7.1292 acres of land situated in the Jesse Pruett Survey, Abstract No. 629, Harris County, Texas, being the residue of that certain called 15.541 acres of land conveyed to Genye Allen and Jacquelyn D. Marshall, as described in the deed recorded under Clerk's File No. P124644 of the Harris County Official Public Records of Real Property (H.C.O.P.R.R.P.), and being out of Lots 163, 167 and 171, FIVE ACRES TRACTS TOMBALL TOWNSITE, according to the map or plat thereof as recorded in Volume 2, Page 65 of the Harris County Map Records, said 7.1292 acres of land being more particularly described by metes and bounds.

Property Address: 13011 Medical Complex Dr., Tomball, TX 77375

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Exhibit B

Description of Improvements

Construction of two 10,200 square foot assisted living and memory care facilities.

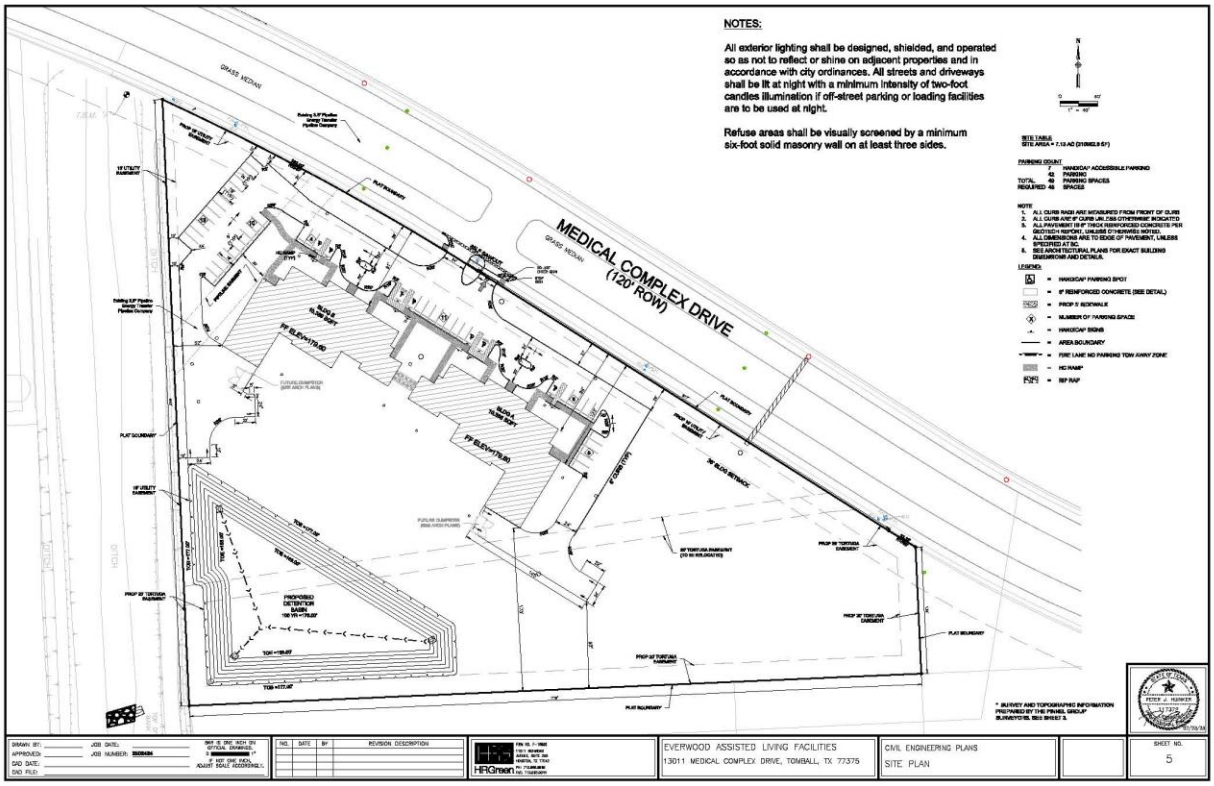




Exhibit C

Description of Infrastructure Improvements

Infrastructure Cost Breakdown	
Site Prep, clearing, detention	293,789.00
New Public ROW	
Storm Drainage - Storm sewer w/ lift station	224,492.00
Sanitary Sewer	93,544.00
Water	125,757.00
Telecommunications	
Electric	$90,000.00
Other (pavement striping/ADA)	$4,750.00
Total	**$832,332.000**

RESOLUTION NO. 2025-43-TEDC

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, AUTHORIZING AND APPROVING THE TOMBALL ECONOMIC DEVELOPMENT CORPORATION'S PROJECT TO EXPEND FUNDS IN ACCORDANCE WITH AN ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BY AND BETWEEN THE CORPORATION AND EVERWOOD RESERVE PROPERTIES, LLC, TO PROMOTE AND DEVELOP NEW OR EXPANDED BUSINESS ENTERPRISES; CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT; AND PROVIDING FOR SEVERABILITY.

* * * * *

WHEREAS, the Tomball Economic Development Corporation (the "TEDC"), created pursuant to the Development Corporation Act, now Chapter 501 of the Texas Local Government Code, as amended (the "Act"), desires to adopt projects and provide incentives for economic development within the City; and

WHEREAS, the Board of Directors of the TEDC had adopted as a specific project the expenditure of the estimated amount of Fifty Four Thousand One Hundred and Two Dollars ($54,102.00) found by the Board to be required or suitable to promote a new business development by Everwood Reserve Properties, LLC; and

WHEREAS, pursuant to the Act, the TEDC may not undertake such project without the approval of Tomball City Council; and

WHEREAS, City Council finds and determines that such project promotes new or expanded business enterprises and is in the best interests of the citizenry; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS:

Section 1. The facts and matters set forth in the preamble of this Resolution are hereby found to be true and correct.

Section 2. The City Council hereby authorizes and approves the adoption, by the Board of Directors of the Tomball Economic Development Corporation, as a specific project for the economic development of the City, an expenditure of the estimated amount of Fifty Four Thousand One Hundred and Two Dollars ($54,102.00) to Everwood Reserve Properties, LLC, in accordance with an economic development agreement by and between the TEDC and Everwood Reserve Properties, LLC, to promote and develop a new or expanded business enterprises, to be located at 13011 Medical Complex Dr., Tomball, Texas 77375.

Section 3. In the event any clause, phrase, provision, sentence, or part of this Resolution or the application of the same to any person or circumstance shall for any reason be adjudged

invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Resolution as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

PASSED AND APPROVED on first reading this _____ day of _____, 202__.

PASSED, APPROVED, AND RESOLVED on second and final reading this _____ day of _____, 202__.

_____
Lori Klein Quinn, Mayor

ATTEST:

_____
City Secretary

Regular City Council
Agenda Item
Data Sheet

Meeting Date: September 2, 2025

Topic:

Approve, on First Reading, Resolution No. 2025-44-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Performance Agreement by and between the Corporation and Republic Business Park, LP to make direct incentives to, or expenditures for, assistance with infrastructure costs required or suitable for the promotion of new or expanded business enterprise related to the construction of a multibuilding office/warehouse park to be located at 920 S. Persimmon Street, Tomball, Texas 77375. The estimated amount of expenditures for such Project is an amount not to exceed $227,152.00.

Background:

On August 19, 2025, the Tomball Economic Development Corporation (TEDC) Board of Directors unanimously approved, as a Project of the Corporation, an economic development performance agreement with Republic Business Park, LP to make direct incentives to, or expenditures for, assistance with infrastructure costs required or suitable for the promotion of new or expanded business enterprise related to the construction of a multibuilding office/warehouse park to be located at 920 S. Persimmon Street, Tomball, Texas 77375. The Tomball City Council has final approval authority over all programs and expenditures of the Corporation.

Origination: Tomball Economic Development Corporation Board of Directors

Recommendation: Approval of Resolution No. 2025-44-TEDC

Party(ies) responsible for placing this item on agenda: Kelly Violette

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: _____ If yes, specify Account Number: #Project Grants

If no, funds will be transferred from account # _____ To account # _____

Signed _____ Approved by _____

Staff Member-TEDC Date Executive Director-TEDC Date

TOMBALL
ECONOMIC DEVELOPMENT CORP.

TO: Honorable Mayor and City Council

FROM: Kelly Violette
Executive Director

MEETING DATE: September 2, 2025

SUBJECT: Republic Business Park, LP

ITEM TYPE: Action

The TEDC has received a request from Jonathan Sellers, Developer, Republic Business Park, LP, for grant funding assistance for a proposed multibuilding office/warehouse development.

Republic Business Park, LP is a project of the parent company, Revko Commercial Real Estate, LLC, which builds and manages first-class buildings and properties with above industry standard amenities, construction techniques and materials. Currently, Revko Commercial Real Estate, LLC owns and manages over a million square feet of office/warehouse space in the Greater Houston area.

The development will consist of fourteen separate pre-engineered metal buildings totaling 71,900 square feet on a 5-acre site. The front row will consist of four 4,200 square foot buildings, followed by eight 4,900 square foot office warehouse buildings, and completed with two 9,100 square foot buildings at the rear of the park. Potential tenants will have the option to lease or purchase the single user building. The estimated capital investment for the project is over $8.6 million.

The eligible infrastructure improvements include water, sanitary sewer, storm drainage, electric and gas utilities and related site improvements totaling approximately $2,065,020.00. This includes an upgraded 18-inch Sanitary Sewer line that will serve multiple tracts stretching to Medical Complex Drive.

Targeted infrastructure that will promote the development and expansion of business enterprise is a permissible project as outlined in Texas Economic Development Legislation. If this project is approved, it will go to the Tomball City Council for final approval by resolution at two separate readings.

An economic impact analysis is included with the agreement to show the impact of this project on Tomball's economy. Per the analysis, the estimated 5-year net benefit of this project is $789,611.00.

If the agreement between the TEDC and Republic Business Park, LP, is approved as a Project of the Corporation, the grant funding amount will not exceed $227,152.00, based on 11% of the actual expenditures for the eligible infrastructure improvements.


RUBY CANYON LANE
WILD BLUEBONNET WAY
WEEZY TRL
S PERSIMMON ST
SAM RABURN DRIVE
BIG LONGHORN LANE
PRICKLY PEAR DRIVE
S PITCHFORD RD
FIVE T LN
AM RABURN DR
RABURN RANCH LN

REPUBLIC BUSINESS PARK, LP

August 15, 2025

Dear TEDC Board of Directors,

On behalf of Republic Business Park, LP we respectfully submit this request for grant funding from the TEDC for the completion of the 71,900 square foot Republic Business Park. Our development, management and ownership team consist of the following individuals:

Jon Sellers – Over 20 years of experience in commercial real estate development, specializing in industrial and business park projects across Texas. And a local Tomball Resident

Cole Mulder – Extensive background in construction management and project coordination, with a focus on delivering large-scale developments on time and within budget.

Currently own, manage, and develop over 1 million square feet of office and warehouse space across 150 acres in the Greater Houston area. Our business model focuses on building and managing first-class buildings and properties with above-industry-standard amenities, construction techniques, and materials—while maintaining rents consistent with current market rates.

We view our partners as valued family, recognizing that mutual success comes from working together toward shared goals. By supporting one another in achieving business objectives, we help create workplaces that are safe, secure, and designed to foster productivity. This collaborative approach not only strengthens the businesses we serve but also enhances the well-being of their employees and the surrounding community.

Our mission in developing Republic Business Park is to meet the evolving needs of both new and established businesses by providing modern, state-of-the-art facilities that support growth, productivity, and long-term success within the community. We will be offering flexible suite sizes ranging from 4,200 square feet to 9,100 square feet for our clients. With this range of building sizes, we can meet the demands of a variety of businesses; from the small business that are growing from their home garages to the established businesses looking for a location to base their business operations.

Republic Business Park will feature 14 separate pre-engineered metal buildings designed for single-tenant use. The front row will consist of four 4,200-square-foot buildings, followed by eight 4,900-square-foot office/warehouse buildings, and completed with two 9,100-square-foot buildings at the rear of the park. Each building will showcase a clean, modern, and architecturally appealing design. The park will also feature professionally landscaped areas, creating a welcoming environment for businesses, employees, and visitors. Conveniently located within the City of Tomball, the site is less than a mile from Main Street, offering excellent accessibility for both clients and the community.

REPUBLIC BUSINESS PARK, LP

We are seeking grant funding for approved installations at our project, including infrastructure, landscaping, and development Services.

Drawing on our market knowledge, we anticipate continued significant residential growth in the northwest portion of Houston—particularly in Tomball—driven by major new home developments. This growth will naturally increase demand for quality commercial space to support the expanding business community. The Business Park is positioned to meet that need, offering flexible, clean, and cost-effective spaces that allow both new and established businesses to thrive while serving the needs of the area's growing population

We welcome any questions you may have about Republic Business Park. Please feel free to contact us at. We are grateful for this opportunity and look forward to receiving your assistance. Thank you for your consideration.

Sincerely,



Jonathan Sellers
RevKo Commercial Real Estate, LLC
18803 Hamish Rd, STE F,
Tomball, TX 77377

Republic Business Park - Impact Report

Scenario 2 with Client Data

Project Type: New Construction - Industrial
Prepared By: Tomball EDC

Purpose & Limitations

This report presents the results of an economic and fiscal analysis undertaken by Tomball EDC using Impact DashBoard, a customized web application developed by Impact DataSource, LLC.

Impact DashBoard utilizes estimates, assumptions, and other information developed by Impact DataSource from its independent research effort detailed in a custom user guide prepared for Tomball EDC.

This report, generated by the Impact DashBoard application, has been prepared by Tomball EDC to assist economic development stakeholders in making an evaluation of the economic and fiscal impact of business activity in the community. This report does not purport to contain all of the information that may be needed to conclude such an evaluation. This report is based on a variety of assumptions and contains forward-looking statements concerning the results of operations of the subject firm. Tomball EDC made reasonable efforts to ensure that the project-specific data entered into Impact DashBoard reflects realistic estimates of future activity. Estimates of future activity involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those expressed or implied in this report.

Tomball EDC and Impact DataSource make no representation or warranty as to the accuracy or completeness of the information contained herein, and expressly disclaim any and all liability based on or relating to any information contained in, or errors or omissions from, this information or based on or relating to the use of this information.

Introduction

This report presents the results of an economic impact analysis performed using Impact DashBoard, a model developed by Impact DataSource. The report estimates the impact that a potential project will have on the local economy and estimates the costs and benefits for local taxing districts over a 10-year period.

Economic Impact Overview

The table below summarizes the economic impact of the project over the first 10 years in terms of job creation, salaries paid to workers, and taxable sales.

SUMMARY OF ECONOMIC IMPACT OVER 10 YEARS IN CITY OF TOMBALL			
IMPACT	DIRECT	SPIN_OFF	TOTAL
Jobs	120.0	67.0	**187.0**
Annual Salaries/Wages at Full Ops (Yr 5)	$6,885,138	$3,427,119	**$10,312,257**
Salaries/Wages over 10 Years	$27,327,003	$13,602,180	**$40,929,183**
Taxable Sales/Purchases in City of Tomball	$32,264,435	$170,027	**$32,434,462**

Totals may not sum due to rounding

The Project may result in new residents moving to the community and potentially new residential properties being constructed as summarized below.

SUMMARY OF POPULATION IMPACT OVER 10 YEARS IN CITY OF TOMBALL			
IMPACT	DIRECT	SPIN_OFF	TOTAL
Workers who will move to City of Tomball	3.6	2.0	**5.6**
New residents in City of Tomball	9.4	5.2	**14.6**
New residential properties constructed in City of Tomball	0.5	0.3	**0.8**
New students to attend local school district	1.8	1.0	**2.8**

Totals may not sum due to rounding

The new taxable property to be supported by the Project over the next 10 years is summarized in the following table.

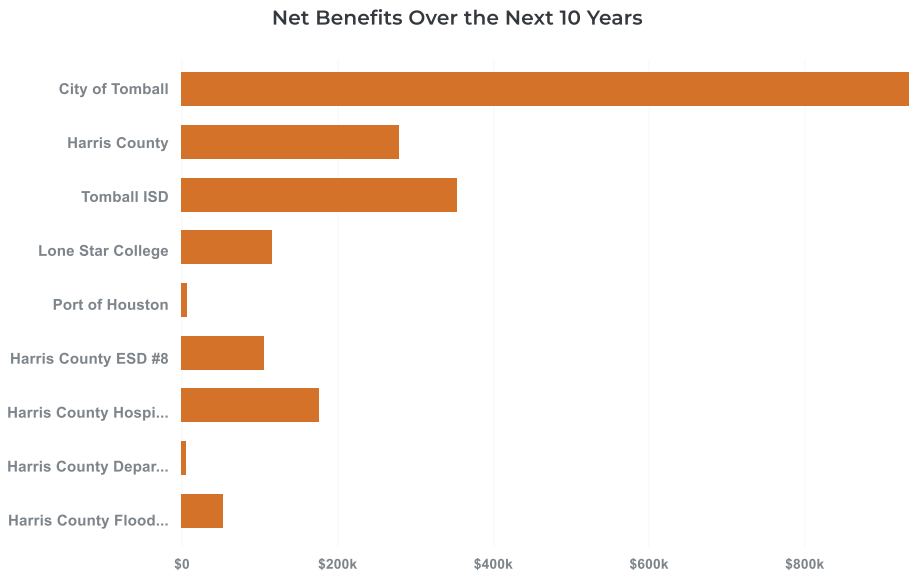
SUMMARY OF TAXABLE PROPERTY OVER THE FIRST 10 YEARS IN CITY OF TOMBALL							
YR.	NEW RESIDENTIAL PROPERTY	LAND	BUILDINGS...	FF&E	INVENTORIES	NON_RESIDENTIAL PROPERTY	TOTAL PROPERTY
1	$128,936	$1,100,815	$3,700,000	$1,100,815	$500,000	*$6,401,630*	**$6,530,566**
2	$219,191	$1,122,831	$6,474,000	$990,734	$500,000	*$9,087,565*	**$9,306,756**
3	$245,933	$1,145,288	$6,603,480	$880,652	$500,000	*$9,129,420*	**$9,375,353**
4	$262,254	$1,168,194	$6,735,550	$770,571	$500,000	*$9,174,314*	**$9,436,567**
5	$279,129	$1,191,558	$6,870,261	$660,489	$500,000	*$9,222,307*	**$9,501,436**
6	$284,712	$1,215,389	$7,007,666	$550,408	$0	*$8,773,462*	**$9,058,174**
7	$290,406	$1,239,696	$7,147,819	$440,326	$0	*$8,827,842*	**$9,118,248**
8	$296,214	$1,264,490	$7,290,776	$330,245	$0	*$8,885,510*	**$9,181,725**
9	$302,138	$1,289,780	$7,436,591	$220,163	$0	*$8,946,534*	**$9,248,673**
10	$308,181	$1,315,576	$7,585,323	$220,163	$0	*$9,121,062*	**$9,429,243**

Fiscal Impact Overview

The Project will generate additional benefits and costs, a summary of which is provided below. The source of specific benefits and costs are provided in greater detail for each taxing district on subsequent pages.

FISCAL NET BENEFITS OVER THE NEXT 10 YEARS				
	BENEFITS	COSTS	NET BENEFITS	PRESENT VALUE*
City of Tomball	$2,222,586	($1,288,024)	$934,562	$781,003
Harris County	$568,578	($289,330)	$279,248	$215,106
Tomball ISD	$963,464	($609,414)	$354,050	$271,601
Lone Star College	$116,336	$0	$116,336	$88,967
Port of Houston	$6,649	$0	$6,649	$5,085
Harris County ESD #8	$105,690	$0	$105,690	$80,826
Harris County Hospital District	$176,752	$0	$176,752	$135,170
Harris County Department of Education	$5,189	$0	$5,189	$3,968
Harris County Flood Control	$52,946	$0	$52,946	$40,490
Total	**$4,218,190**	**($2,186,768)**	**$2,031,422**	**$1,622,216**

*The Present Value of Net Benefits expresses the future stream of net benefits received over several years as a single value in today's dollars. Today's dollar and a dollar to be received at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of 5.0% to make the dollars comparable.



Public Support Overview

A summary of the total Public Support modeled in this analysis is shown below.

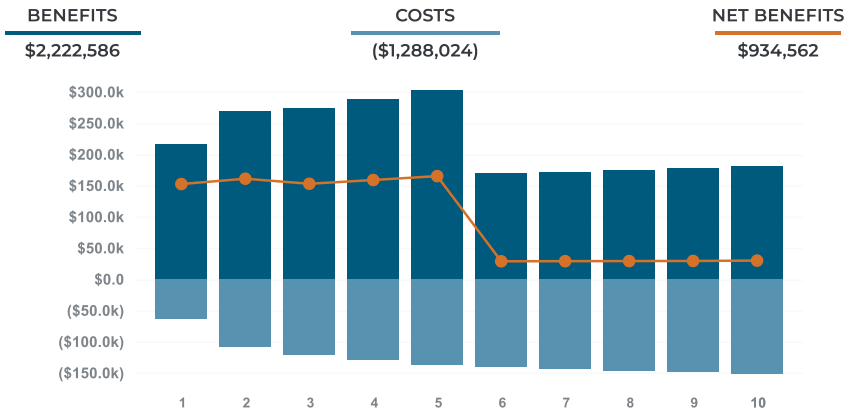
VALUE OF PUBLIC SUPPORT UNDER CONSIDERATION		
	NON-TAX INCENTIVE	TOTAL
City of Tomball	$227,152	$227,152
Harris County	$0	$0
Tomball ISD	$0	$0
Lone Star College	$0	$0
Port of Houston	$0	$0
Harris County ESD #8	$0	$0
Harris County Hospital District	$0	$0
Harris County Department of Education	$0	$0
Harris County Flood Control	$0	$0
Total	**$227,152**	**$227,152**

City of Tomball Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by City of Tomball over the next 10 years of the Project.

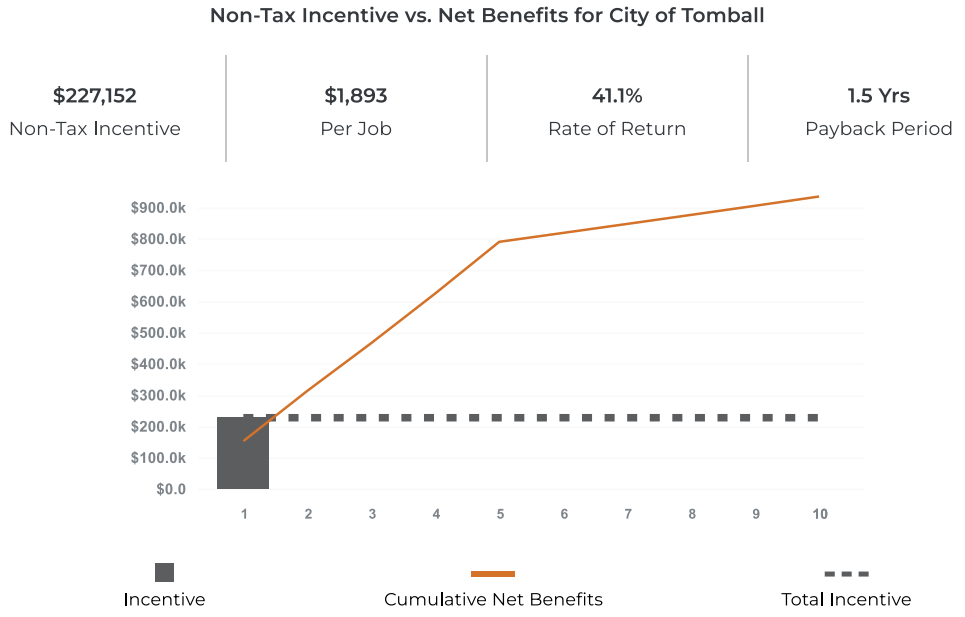
NET BENEFITS OVER 10 YEARS: CITY OF TOMBALL			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Sales Taxes	$638,457	$10,232	$648,689
Real Property Taxes	$265,409	$0	$265,409
FF&E Property Taxes	$20,735	$0	$20,735
Inventory Property Taxes	$8,409	$0	$8,409
New Residential Property Taxes	$0	$8,803	$8,803
Hotel Occupancy Taxes	$0	$0	$0
Building Permits and Fees	$0	$0	$0
Utility Revenue	$720,971	$82,624	$803,595
Utility Franchise Fees	$41,407	$4,726	$46,133
Miscellaneous Taxes and User Fees	$377,536	$43,277	$420,812
Benefits Subtotal	**$2,072,924**	**$149,662**	**$2,222,586**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
Cost of Government Services	($361,703)	($41,341)	($403,044)
Cost of Utility Services	($794,042)	($90,938)	($884,980)
Costs Subtotal	**($1,155,746)**	**($132,278)**	**($1,288,024)**
Net Benefits	**$917,178**	**$17,384**	**$934,562**

Annual Fiscal Net Benefits for City of Tomball



Non-Tax Incentives

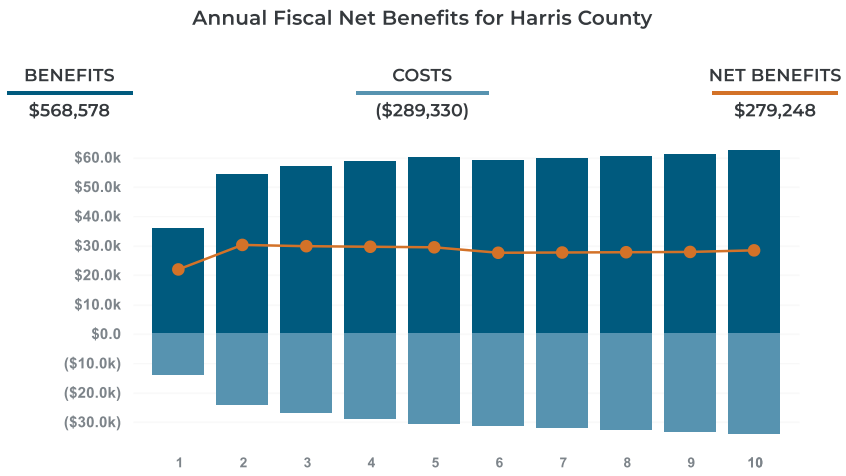
The graph below depicts the non-tax incentives modeled in this analysis versus the cumulative net benefits to City of Tomball. The intersection indicates the length of time until the incentives are paid back.



Harris County Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: HARRIS COUNTY			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$304,013	$0	$304,013
FF&E Property Taxes	$23,751	$0	$23,751
Inventory Property Taxes	$9,632	$0	$9,632
New Residential Property Taxes	$0	$79,173	$79,173
Hotel Occupancy Taxes	$0	$0	$0
Miscellaneous Taxes and User Fees	$68,200	$83,808	$152,008
Benefits Subtotal	**$405,597**	**$162,981**	**$568,578**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
Cost of Government Services	($130,311)	($159,020)	($289,330)
Costs Subtotal	**($130,311)**	**($159,020)**	**($289,330)**
Net Benefits	**$275,286**	**$3,961**	**$279,248**

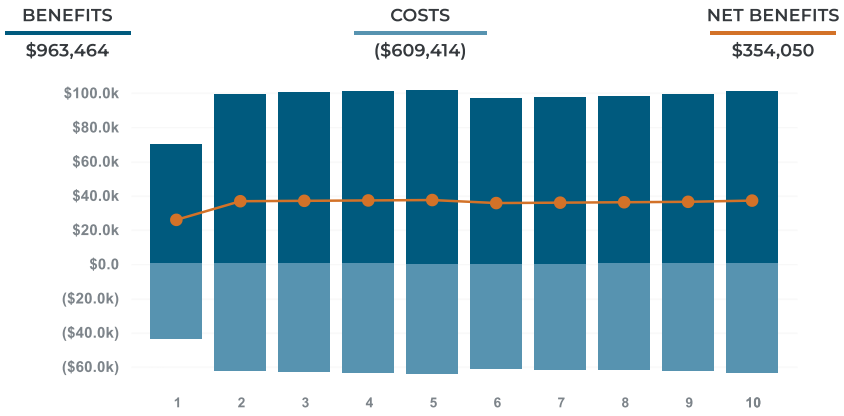


Tomball ISD Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Tomball ISD over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: TOMBALL ISD			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$838,682	$0	$838,682
FF&E Property Taxes	$65,523	$0	$65,523
Inventory Property Taxes	$26,573	$0	$26,573
New Residential Property Taxes	$0	$7,755	$7,755
Addtl. State & Federal School Funding	$0	$24,931	$24,931
Benefits Subtotal	**$930,778**	**$32,686**	**$963,464**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
Cost to Educate New Students	$0	($20,954)	($20,954)
Reduction in State School Funding	($583,598)	($4,862)	($588,460)
Costs Subtotal	**($583,598)**	**($25,816)**	**($609,414)**
Net Benefits	**$347,180**	**$6,870**	**$354,050**

Annual Fiscal Net Benefits for Tomball ISD



Lone Star College Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Lone Star College over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: LONE STAR COLLEGE			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$84,902	$0	$84,902
FF&E Property Taxes	$6,633	$0	$6,633
Inventory Property Taxes	$2,690	$0	$2,690
New Residential Property Taxes	$0	$22,111	$22,111
Benefits Subtotal	**$94,225**	**$22,111**	**$116,336**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$94,225**	**$22,111**	**$116,336**

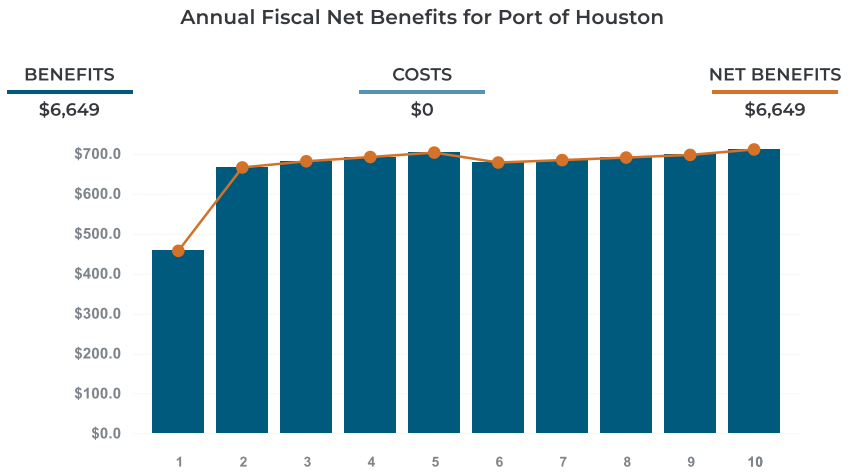
Annual Fiscal Net Benefits for Lone Star College



Port of Houston Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Port of Houston over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: PORT OF HOUSTON			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$4,853	$0	$4,853
FF&E Property Taxes	$379	$0	$379
Inventory Property Taxes	$154	$0	$154
New Residential Property Taxes	$0	$1,264	$1,264
Benefits Subtotal	**$5,386**	**$1,264**	**$6,649**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$5,386**	**$1,264**	**$6,649**



Harris County ESD #8 Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County ESD #8 over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: HARRIS COUNTY ESD #8			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$77,133	$0	$77,133
FF&E Property Taxes	$6,026	$0	$6,026
Inventory Property Taxes	$2,444	$0	$2,444
New Residential Property Taxes	$0	$20,087	$20,087
Benefits Subtotal	**$85,603**	**$20,087**	**$105,690**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$85,603**	**$20,087**	**$105,690**

Annual Fiscal Net Benefits for Harris County ESD #8



Harris County Hospital District Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County Hospital District over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: HARRIS COUNTY HOSPITAL DISTRICT			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$128,994	$0	$128,994
FF&E Property Taxes	$10,078	$0	$10,078
Inventory Property Taxes	$4,087	$0	$4,087
New Residential Property Taxes	$0	$33,593	$33,593
Benefits Subtotal	**$143,159**	**$33,593**	**$176,752**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$143,159**	**$33,593**	**$176,752**

Annual Fiscal Net Benefits for Harris County Hospital District



Harris County Department of Education Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County Department of Education over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: HARRIS COUNTY DEPARTMENT OF EDUCATION			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$3,787	$0	$3,787
FF&E Property Taxes	$296	$0	$296
Inventory Property Taxes	$120	$0	$120
New Residential Property Taxes	$0	$986	$986
Benefits Subtotal	**$4,202**	**$986**	**$5,189**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$4,202**	**$986**	**$5,189**

Annual Fiscal Net Benefits for Harris County Department of Education



Harris County Flood Control Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County Flood Control over the next 10 years of the Project.

NET BENEFITS OVER 10 YEARS: HARRIS COUNTY FLOOD CONTROL			
BENEFITS	PROJECT	HOUSEHOLDS	TOTAL
Real Property Taxes	$38,640	$0	$38,640
FF&E Property Taxes	$3,019	$0	$3,019
Inventory Property Taxes	$1,224	$0	$1,224
New Residential Property Taxes	$0	$10,063	$10,063
Benefits Subtotal	**$42,883**	**$10,063**	**$52,946**
COSTS	PROJECT	HOUSEHOLDS	TOTAL
None Estimated	$0	$0	$0
Costs Subtotal	**$0**	**$0**	**$0**
Net Benefits	**$42,883**	**$10,063**	**$52,946**

Annual Fiscal Net Benefits for Harris County Flood Control



Methodology

Overview of Methodology

The Impact DashBoard model combines project-specific attributes with community data, tax rates, and assumptions to estimate the economic impact of the Project and the fiscal impact for local taxing districts over a 10-year period.

The economic impact as calculated in this report can be categorized into two main types of impacts. First, the direct economic impacts are the jobs and payroll directly created by the Project. Second, this economic impact analysis calculates the spin-off or indirect and induced impacts that result from the Project. Indirect jobs and salaries are created in new or existing area firms, such as maintenance companies and service firms, that may supply goods and services for the Project. In addition, induced jobs and salaries are created in new or existing local businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to new workers and their families.

The economic impact estimates in this report are based on the Regional Input-Output Modeling System (RIMS II), a widely used regional input-output model developed by the U. S. Department of Commerce, Bureau of Economic Analysis. The RIMS II model is a standard tool used to estimate regional economic impacts. The economic impacts estimated using the RIMS II model are generally recognized as reasonable and plausible assuming the data input into the model is accurate or based on reasonable assumptions. Impact DataSource utilizes adjusted county-level multipliers to estimate the impact occurring at the sub-county level.

Two types of regional economic multipliers were used in this analysis: an employment multiplier and an earnings multiplier. An employment multiplier was used to estimate the number of indirect and induced jobs created or supported in the area. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs. The employment multiplier shows the estimated number of total jobs created for each direct job. The earnings multiplier shows the estimated amount of total salaries paid to these workers for every dollar paid to a direct worker. The multipliers used in this analysis are listed below:

238990 ALL OTHER SPECIALTY TRADE CONTRACTORS		CITY OF TOMBALL
Employment Multiplier	(Type II Direct Effect)	1.5586
Earnings Multiplier	(Type II Direct Effect)	1.4978

Most of the revenues estimated in this study result from calculations relying on (1) attributes of the Project, (2) assumptions to derive the value of associated taxable property or sales, and (3) local tax rates. In some cases, revenues are estimated on a per new household, per new worker, or per new school student basis.

The company or Project developer was not asked, nor could reasonably provide data for calculating some other revenues. For example, while the city will likely receive revenues from fines paid on speeding tickets given to new workers, the company does not know the propensity of its workers to speed. Therefore, some revenues are calculated using an average revenue approach.

This approach uses relies on two assumptions:

1. The taxing entity has two general revenue sources: revenues from residents and revenues from businesses.
2. The taxing entity will collect (a) about the same amount of miscellaneous taxes and user fees from each new household that results from the Project as it currently collects from existing households on average, and (b) the same amount of miscellaneous taxes and user fees from the new business (on a per worker basis) will be collected as it collects from existing businesses.

In the case of the school district, some additional state and federal revenues are estimated on a per new school student basis consistent with historical funding levels.

Additionally, this analysis sought to estimate the additional expenditures faced by local jurisdictions to provide services to new households and new businesses. A marginal cost approach was used to calculate these additional costs.

This approach relies on two assumptions:

1. The taxing entity spends money on services for two general groups: revenues from residents and revenues from businesses.
2. The taxing entity will spend slightly less than its current average cost to provide local government services (police, fire, EMS, etc.) to (a) new residents and (b) businesses on a per worker basis.

In the case of the school district, the marginal cost to educate new students was estimated based on a portion of the school's current expenditures per student and applied to the headcount of new school students resulting from the Project.

Additionally, this analysis seeks to calculate the impact on the school district's finances from the Project by generally, and at a summary level, mimicking the district's school funding formula.

According to the Texas Education Agency, any property added to local tax rolls, and the local taxes that this generates, reduces the amount of state funding equivalent to local taxes collected for maintenance and operations. The school district retains local taxes received for debt services and the corresponding state funding is not reduced. However, according to the Texas Education Agency, the school district will receive state aid for each new child that moves to the District. The additional revenues for the school district are calculated in this analysis.

About Impact DataSource

Established in 1993, Impact DataSource is an Austin, Texas-based economic consulting firm. Impact DataSource provides high-quality economic research, specializing in economic and fiscal impact analyses. The company is highly focused on supporting economic development professionals and organizations through its consulting services and software. Impact DataSource has conducted thousands of economic impact analyses of new businesses, retention and expansion projects, developments, and activities in all industry groups throughout the U.S.

For more information on Impact DataSource, LLC and our product Impact DashBoard, please visit our website www.impactdatasource.com

AGREEMENT

THE STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

This Agreement (the "Agreement") is made and entered into by and between the Tomball Economic Development Corporation, an industrial development corporation created pursuant to Tex. Rev. Civ. Stat. Ann. Art. 5190.6, Section 4B, located in Harris County, Texas (the "TEDC"), and **Republic Business Park, LP** (the "Company"), 18803 Hamish Rd. Suite F, Tomball, TX, 77377.

W I T N E S S E T H :

WHEREAS, it is the established policy of the TEDC to adopt such reasonable measures from time-to-time as are permitted by law to endeavor to attract industry, create and retain primary jobs, expand the growth of the City of Tomball (the "City"), and thereby enhance the economic stability and growth of the City; and

WHEREAS, the Company proposes to develop a 5-acre tract of land within the City, located at 920 S. Persimmon Street, Tomball, Texas 77375 (the "Property"), more particularly described in Exhibit "A," attached hereto and made a part hereof; and

WHEREAS, the Company intends to make an investment of over Eight Million Dollars ($8,601,630) in land, buildings, equipment, targeted infrastructure, and other improvements necessary to develop fourteen (14) pre-engineered metal office/warehouse buildings ranging in size from 4,200 square feet to 9,100 square feet (the "Project"); and

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WHEREAS, the Company also proposes to create One Hundred Twenty Jobs (120) new full-time employment positions in Tomball in conjunction with the opening of its business operations on the Property; and

WHEREAS, the TEDC agrees to provide to the Company the sum of up to Two Hundred and Twenty-Seven Thousand One Hundred and Fifty-Two Dollars ($227,152), or an amount equal to eleven (11) percent of actual costs if less than the sum stated above, to assist in the construction of targeted infrastructure improvements (the "Infrastructure Improvements"), identified and described in Exhibit "B," attached hereto and made a part hereof; and

WHEREAS, the Company has agreed, in exchange and as consideration for the funding, to satisfy and comply with certain terms and conditions; and

NOW, THEREFORE, in consideration of the premises and the mutual benefits and obligations set forth herein, including the recitals set forth above, the TEDC and the Company agree as follows:

1.

The Company hereby covenants and agrees that it will construct and maintain on the Property fourteen (14) pre-engineered metal office/warehouse buildings (the "Improvements") identified and depicted on Exhibit "C," attached hereto and made a part hereof. In conjunction with the development of the Property, the Company further agrees to construct the Infrastructure Improvements contemplated by this Agreement, in accordance with the requirements of the ordinances of the City and the plans and specifications approved by the City. The Company further represents and agrees that it will certify the costs of the construction of such Infrastructure Improvements to the TEDC prior to construction.

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2.

The construction of the Improvements to the Property, including construction of the Infrastructure Improvements shall be completed, and all necessary permits from the City shall be obtained, within Eighteen (18) months from the Effective Date of this Agreement. Extensions of these deadlines due to extenuating circumstances or uncontrollable delay may be granted by the Board of Directors of the TEDC at its sole discretion.

3.

This Agreement shall become enforceable upon the Effective Date and shall remain in effect for five (5) years, unless terminated or cancelled earlier (the "Term"). The Term may be extended through a written amendment to this Agreement executed by the Parties.

4.

The Company further covenants and agrees that the Company or any owner or leasee of the Improvements does not and will not knowingly employ an undocumented worker. An "undocumented worker" shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States; or (b) authorized under the law to be employed in that manner in the United States.

5.

In consideration of the Company's representations, promises, and covenants, TEDC agrees to reimburse the Company for the actual cost of the Infrastructure Improvements up to the amount of Two Hundred Twenty-Seven Thousand One Hundred and Fifty-Two Dollars ($227,152), or an amount equal to eleven (11%) percent of actual costs if less than the sum stated above upon completion of construction and occupancy of each office/warehouse space. The TEDC agrees to reimburse the Company for such amount within thirty (30) days of receipt of a letter from the

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Company requesting such payment and including: (a) certification of the cost of constructing the Infrastructure Improvements; (b) a copy of the City's occupancy permit for the improvements to the Property; (c) certification that the Infrastructure Improvements have been constructed in accordance with the approved plans and specifications; (d) an affidavit stating that all contractors and subcontractors providing work and/or materials in the construction of the Improvements have been paid and any and all liens and claims regarding such work have been released; and (e) Proof of payment to all vendors, contractors and subcontractors providing work and/or materials in the construction of the Improvements, proof of payment must include copies of canceled checks and/or credit card receipts and copies of paid invoices from all vendors, contractors and subcontractors.

6.

It is understood and agreed by the parties that, in the event of a default by the Company on any of its obligations under this Agreement, the Company shall reimburse the TEDC the full amount paid to the Company by the TEDC, with interest at the rate equal to the 90-day Treasury Bill plus ½% per annum, within 120 days after the TEDC notifies the Company of the default. It is further understood and agreed by the parties that if the Company, or any owner or lessee of the Improvements, is convicted of a violation under 8 U.S.C. Section 1324a(f), the Company will reimburse the TEDC the full amount paid to the Company, with interest at the rate equal to the 90-day Treasury Bill plus ½% per annum, within 120 days after the TEDC notifies the Company of the violation.

The Company shall also reimburse the TEDC for any and all reasonable attorney's fees and costs incurred by the TEDC as a result of any action required to obtain reimbursement of

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such funds. Such reimbursement shall be due and payable thirty (30) days after the Company receives written notice of default.

7.

This Agreement shall inure to the benefit of and be binding upon the TEDC and the Company, and upon the Company's successors and assigns, lessees, affiliates, and subsidiaries, and shall remain in force whether the Company sells, leases, assigns, or in any other manner disposes of, either voluntarily or by operation of law, all or any part of the Property and the agreements herein contained shall be held to be covenants running with the Property for so long as this Agreement, or any extension thereof, remains in effect.

8.

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by (i) depositing the same in the United States mail, addressed to the party to be notified, postage prepaid, registered or certified mail, return receipt requested; or (ii) by delivering the same in person to such party; or (iii) by overnight or messenger delivery service that retains regular records of delivery and receipt; or (iv) by facsimile; provided a copy of such notice is sent within one (1) day thereafter by another method provided above. The initial addresses of the parties for the purpose of notice under this Agreement shall be as follows:

If to City: Tomball Economic Development Corporation
401 W. Market Street
Tomball, Texas 77375
Attn: President, Board of Directors

If to Company: Republic Business Park, LP
18803 Hamish Rd., Ste. F
Tomball, TX, 77377
Attn: Jonathan Sellers, Developer

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9.

This Agreement shall be performable and enforceable in Harris County, Texas, and shall be construed in accordance with the laws of the State of Texas.

10.

Except as otherwise provided in this Agreement, this Agreement shall be subject to change, amendment or modification only in writing, and by the signatures and mutual consent of the parties hereto.

11.

The failure of any party to insist in any one or more instances on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant, or condition, or right with respect to further performance.

12.

This Agreement shall bind and benefit the respective Parties and their legal successors and shall not be assignable, in whole or in part, by any party without first obtaining written consent of the other party.

13.

In the event any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporation, or circumstance, shall be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be

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deemed to be independent of and severable from the remainder of this Agreement, and the validity of the remaining parts of this Agreement shall not be affected thereby.

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the parties on this _____ day of _____ 2025 (the "Effective Date").

Republic Business Park, LP

By: _____
Name: Jonathan Sellers
Title: Developer

ATTEST:

By: _____
Name: _____
Title: _____

TOMBALL ECONOMIC DEVELOPMENT CORPORATION

By: _____
Name: Lisa Covington
Title: President, Board of Directors

ATTEST:

By: _____
Name: William E. Sumner Jr.
Title: Secretary, Board of Directors

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ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the _____ day of _____ 2025, by Jonathan Sellers, Developer, Republic Business Park, LP for and on behalf of said company.

_____
Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the __19th_ day of _August_____ 2025, by Lisa Covington, President of the Board of Directors of the Tomball Economic Development Corporation, for and on behalf of said Corporation.

_____
Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

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Exhibit A

Legal Description of Property

LOT 267, of TOMBALL OUTLOTS (also known as Five Acres Tract, Tomball Townsite), a subdivision in Harris County, Texas, according to the map or plat thereof recorded in Volume 4, Page 75, of the Map Records of Harris County, Texas.

Exhibit B

Description of Infrastructure Improvements

Targeted Infrastructure	Cost
Site Preparations	$ 482,570.00
New Public ROW	$ 423,000.00 (**Installation of approximately 1,247 linear feet of 18-inch Persimmon sanitary sewer pipeline**)
Storm Drainage	$ 321,000.00
Sanitary Sewer	$ 159,000.00
Water	$ 294,250.00
Telecommunications/Internet	$ 59,360.00
Electric	$ 325,840.00
Gas	$ -
Total	$ 2,065,020.00



Exhibit C
Description of Improvements

Fourteen (14) pre-engineered metal office/warehouse buildings ranging in size from 4,200 sq. ft. to 9,100 sq. ft. on approximately 5 acres of land located at 920 S. Persimmon Street.

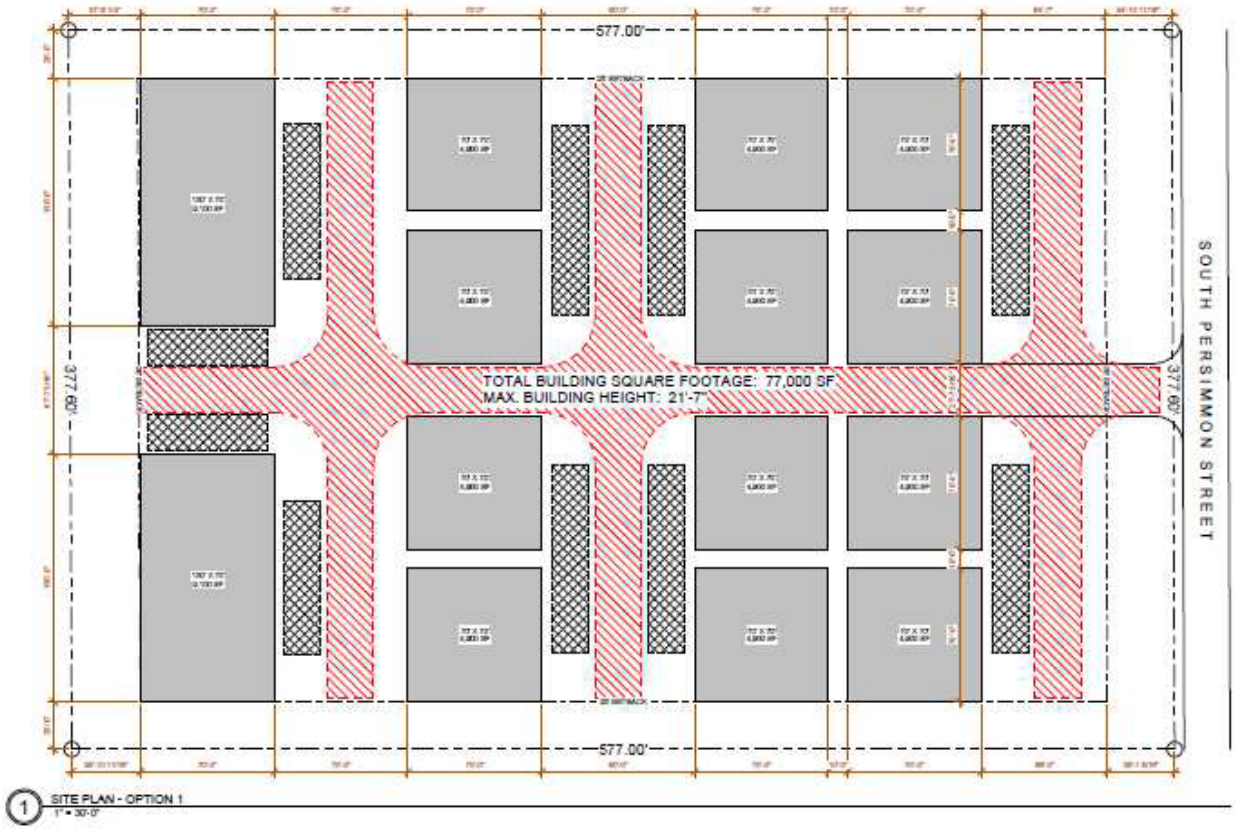


Exhibit C Continued
Description of Improvements





RESOLUTION NO. 2025-44-TEDC

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, AUTHORIZING AND APPROVING THE TOMBALL ECONOMIC DEVELOPMENT CORPORATION'S PROJECT TO EXPEND FUNDS IN ACCORDANCE WITH AN ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BY AND BETWEEN THE CORPORATION AND REPUBLIC BUSINESS PARK, LP, TO PROMOTE AND DEVELOP NEW OR EXPANDED BUSINESS ENTERPRISES; CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT; AND PROVIDING FOR SEVERABILITY.

* * * * *

WHEREAS, the Tomball Economic Development Corporation (the "TEDC"), created pursuant to the Development Corporation Act, now Chapter 501 of the Texas Local Government Code, as amended (the "Act"), desires to adopt projects and provide incentives for economic development within the City; and

WHEREAS, the Board of Directors of the TEDC had adopted as a specific project the expenditure of the estimated amount of Two Hundred Twenty Seven Thousand One Hundred and Fifty Two Dollars ($227,152.00), found by the Board to be required or suitable to promote a new business development by Republic Business Park, LP; and

WHEREAS, pursuant to the Act, the TEDC may not undertake such project without the approval of Tomball City Council; and

WHEREAS, City Council finds and determines that such project promotes new or expanded business enterprises and is in the best interests of the citizenry; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS:

Section 1. The facts and matters set forth in the preamble of this Resolution are hereby found to be true and correct.

Section 2. The City Council hereby authorizes and approves the adoption, by the Board of Directors of the Tomball Economic Development Corporation, as a specific project for the economic development of the City, an expenditure of the estimated amount of Two Hundred Twenty Seven Thousand One Hundred and Fifty Two Dollars ($227,152.00), to Republic Business Park, LP in accordance with an economic development agreement by and between the TEDC and Republic Business Park, LP to promote and develop a new or expanded business enterprises, located at 920 S. Persimmon Street, Tomball, Texas 77375.

Section 3. In the event any clause, phrase, provision, sentence, or part of this Resolution or the application of the same to any person or circumstance shall for any reason be adjudged

invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Resolution as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

PASSED AND APPROVED on first reading this _____ day of _____, 202__.

PASSED, APPROVED, AND RESOLVED on second and final reading this _____ day of _____, 202__.

_____
Lori Klein Quinn, Mayor

ATTEST:

_____
City Secretary

City Council Meeting
Agenda Item
Data Sheet

Meeting Date: September 2, 2025

Topic:

Executive Session: The City Council will meet in Executive Session as Authorized by Title 5, Chapter 551, Government Code, the Texas Open Meetings Act, for the Following Purpose(s):

- Sec. 551.072 – Deliberations regarding Real Property
- Sec. 551.074 – Personnel Matters; Deliberation of the Appointment, Employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee:
    - Associate Judges
    - Associate Prosecutor
    - Chief Prosecutor

Background:

Origination: David Esquivel, City Manager

Recommendation:

Party(ies) responsible for placing this item on agenda: David Esquivel, City Manager

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: #_____

If no, funds will be transferred from account: #_____ To Account: #

Signed: Shannon Bennett 8/25/25 **Approved by:** _____
Staff Member Date City Manager Date

City Council Meeting
Agenda Item
Data Sheet

Meeting Date: August 18 ,2025

Topic:

Consideration of and action on the Appointment of and Contracts for the Associate Judges to the Tomball Municipal Court for their term of office August 7, 2025 to August 6, 2027.

Background:

Judge Cindy Bennett-Smith and Judge Blair Bruce currently serve as Associate Judges for the City of Tomball Municipal Court; and their term of office ended August 6, 2025. Judge Bennett-Smith and Judge Blair are seeking reappointment for a two-year term. Associate Judges serve a two-year term, and enter into a contract for judicial services once approved by Council. The contract serves as the framework for services provided by the Associate Judges to the Court.

Two Associate Judges appointment:

Cindy Bennett-Smith, {*add title, i.e. J.D., Esq., etc.}*

Blair Bruce, {*add title, i.e. J.D., Esq., etc.}*

Origination: Tomball Municipal Court

Recommendation:

Appoint Cindy Bennett-Smith and Blair Bruce for a two-year term beginning August 7, 2025 ending August 6, 2027; and approve a two-year contract for Municipal Court – Associate Judge services to run concurrent with their term of service.

Party(ies) responsible for placing this item on agenda: Maria Morris ,Court Administrator

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____ To account # _____

Signed _____ Approved by _____

Staff Member Date City Manager Date

PROFESSIONAL SERVICES CONTRACT FOR
ASSOCIATE MUNICIPAL COURT JUDGE

THIS AGREEMENT is entered into by and between the City of Tomball (hereinafter referred to as "the City"), and Barbara Cindy Bennett Smith, (hereinafter referred to as "the Contractor.").

WHEREAS, the City has determined the need to have Associate Municipal Court Judge services provided on a contract basis, and

WHEREAS, the Contractor has the qualifications to serve as Associate Municipal Court Judge for the City; and

WHEREAS, the parties have agreed to certain terms and conditions for the provision of services Associate Municipal Court Judge service, **by Contractor,**

Now, therefore, in consideration of the mutual promises set forth below, the parties hereto agree as follows:

1. Services. The Contractor will serve as one of the Associate Judges of the City's Municipal Court for the term of this Agreement. The Associate Judge will perform all the duties of the Presiding Judge when the Presiding Judge is absent or unable to perform his or her duties. The Associate Judge reports to and are supervised by the Presiding Judge. The Presiding Judge will establish or approve the schedules and assignment of the Associate Judge as needed to perform duties as magistrate and court docket hearings.

2. Qualifications. During the term of this Contract, the Contractor will remain a licensed member of the State Bar of Texas and meet all the requirements imposed by law to perform the duties of a Municipal Court Judge. All Associate Judges will be required to complete annual training in areas specific to Municipal Court.

3. Payment. The City will pay the Contractor as follow: $350 per docket (court session),$350 for training as one docket, $200 per out of county magistration call, $150 per in county magistration call, and $150 per blood warrant. The City will pay for the registration and the CLE credit required for the Contractor's annual training. The Contractor shall submit an invoice of fees at the end of each month. The City shall remit payment to the Contractor within thirty (30) days of receipt of the Contractor's invoice.

4. Term. This contract is effective upon the latest date of the dates executed by the parties and will expire on August 6, 2027. Upon expiration, this contract may be renewed for a two-year period only by written approval of both parties.

5. Termination. This Agreement may be terminated for any reason by either party giving sixty (60) days written notice.

6. Independent Contractor. The Contractor will perform the duties of this Contract as an independent contractor of the City and not as an employee. As such, The Contractor is not

entitled to any medical, disability, sick leave, vacation, retirement, or other benefits received by City employees. The Contractor is responsible for the payment of federal income taxes, social security payments, and other governmental impositions arising from this Contract. The City will pay for registration of required annual judge training.

6. Assignment. The Contractor may not assign this Contract without the prior written consent of the City.

7. Law Governing and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. In the event any suit, arbitration, or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be exclusively in Harris County. If either party files and prosecutes a lawsuit relating to this Contract, neither party will be entitled to the award of attorney's fees.

8. Entire Agreement. This Contract represents the entire agreement between the City and the Contractor and supersedes all prior negotiations, representations, or contracts, either written or oral. This Contract may be amended only by written instrument signed by both parties.

9. Prior Contracts. Any prior agreement relating between the parties relating to the same matter is terminated on the effective date of this Contract.

CITY OF TOMBALL

_____
David Esquivel

City Manager

Date: _____

Barbara Cindy Bennett Smith

_____
Barbara Cindy Bennett Smith

Date: _____

ATTEST/SEAL:

_____
Thomas Harris,III
City Secretary

PROFESSIONAL SERVICES CONTRACT FOR
ASSOCIATE MUNICIPAL COURT JUDGE

THIS AGREEMENT is entered into by and between the City of Tomball (hereinafter referred to as "the City"), and Blair Bruce, (hereinafter referred to as "the Contractor.").

WHEREAS, the City has determined the need to have Associate Municipal Court Judge services provided on a contract basis, and

WHEREAS, the Contractor has the qualifications to serve as Associate Municipal Court Judge for the City; and

WHEREAS, the parties have agreed to certain terms and conditions for the provision of services Associate Municipal Court Judge service, **by Contractor,**

Now, therefore, in consideration of the mutual promises set forth below, the parties hereto agree as follows:

1. Services. The Contractor will serve as one of the Associate Judges of the City's Municipal Court for the term of this Agreement. The Associate Judge will perform all the duties of the Presiding Judge when the Presiding Judge is absent or unable to perform his or her duties. The Associate Judge reports to and are supervised by the Presiding Judge. The Presiding Judge will establish or approve the schedules and assignment of the Associate Judge as needed to perform duties as magistrate and court docket hearings.

2. Qualifications. During the term of this Contract, the Contractor will remain a licensed member of the State Bar of Texas and meet all the requirements imposed by law to perform the duties of a Municipal Court Judge. All Associate Judges will be required to complete annual training in areas specific to Municipal Court.

3. Payment. The City will pay the Contractor as follow: $350 per docket (court session),$350 for training as one docket, $200 per out of county magistration call, $150 per in county magistration call, and $150 per blood warrant. The City will pay for the registration and the CLE credit required for the Contractor's annual training. The Contractor shall submit an invoice of fees at the end of each month. The City shall remit payment to the Contractor within thirty (30) days of receipt of the Contractor's invoice.

4. Term. This contract is effective upon the latest date of the dates executed by the parties and will expire on August 6, 2027. Upon expiration, this contract may be renewed for a two-year period only by written approval of both parties.

5. Termination. This Agreement may be terminated for any reason by either party giving sixty (60) days written notice.

6. Independent Contractor. The Contractor will perform the duties of this Contract as an independent contractor of the City and not as an employee. As such, The Contractor is not

entitled to any medical, disability, sick leave, vacation, retirement, or other benefits received by City employees. The Contractor is responsible for the payment of federal income taxes, social security payments, and other governmental impositions arising from this Contract. The City will pay for registration of required annual judge training.

6. Assignment. The Contractor may not assign this Contract without the prior written consent of the City.

7. Law Governing and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. In the event any suit, arbitration, or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be exclusively in Harris County. If either party files and prosecutes a lawsuit relating to this Contract, neither party will be entitled to the award of attorney's fees.

8. Entire Agreement. This Contract represents the entire agreement between the City and the Contractor and supersedes all prior negotiations, representations, or contracts, either written or oral. This Contract may be amended only by written instrument signed by both parties.

9. Prior Contracts. Any prior agreement relating between the parties relating to the same matter is terminated on the effective date of this Contract.

CITY OF TOMBALL **BLAIR BRUCE**

_____ _____

David Esquivel Blair Bruce

City Manager

Date: _____ Date: _____

ATTEST/SEAL:

_____

Thomas Harris,III
City Secretary

City Council Meeting
Agenda Item
Data Sheet

Meeting Date: September 2, 2025

Topic:

Consideration of and Action on a Contract for Chief Prosecutor Grant Stevens, appointed to the Municipal Court on September 16, 2024, for a term beginning October 1, 2024, and ending September 30, 2026.

Background:

The Chief Municipal Court Prosecutor is not an employee of the city. The Chief Municipal Court Prosecutor serves on a contract basis to represent the State in misdemeanor cases involving offenses under the Texas Penal Code, such as traffic offenses and violations of City ordinances. Chief Prosecutor current appointment expires September 30, 2026

The appointment of the Chief Prosecutor is subject to the execution of a contract with the City. This contract is retroactive to his September 16, 2024 appointment, ensuring that the two-year term runs concurrent with his current appointment.

Origination: Tomball Municipal Court

Recommendation:

Approved a two-year term Contract to run concurrent with his current appointment.

Party(ies) responsible for placing this item on agenda: Maria Morris, Court Administrator

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: X No: _____ If yes, specify Account Number: #100-122-6303

If no, funds will be transferred from account # _____ To account # _____

Signed _____ Approved by _____

Staff Member Date City Manager Date

PROFESSIONAL SERVICES AGREEMENT FOR CHIEF MUNICIPAL COURT PROSECUTOR

THIS AGREEMENT is entered into by and between the City of Tomball (hereinafter referred to as "the City") and Grant Stevens (hereinafter referred to as "the Contractor").

WHEREAS, the City has determined the need to have Chief Municipal Court Prosecutor services provided on a contract basis, and

WHEREAS, the Contractor has the qualifications to serve as Chief Municipal Court Prosecutor for the City; and

WHEREAS, the parties have agreed to certain terms and conditions for the provision of Chief Municipal Court service,

Now, therefore, in consideration of the mutual promises set forth below, the parties hereto agree as follows:

1. **Services.** The Contractor shall be responsible for all aspects of prosecution, including:

    a. scheduling of Associate Municipal Court Prosecutors;
    b. working with Court personnel to develop standing orders and policies;
    c. creating and maintaining files;
    d. making decisions on criminal cases and recommendations with respect to the criminal cases:
    e. trial preparation and related matters;
    f. prosecuting misdemeanor and criminal traffic cases committed in the City's jurisdiction;
    g. representing the City at arraignments, pretrial hearings, bench and jury trials; and appeals originating from the Tomball Municipal Court
    h. conducting plea bargaining negotiations and making appropriate plea offers;
    i. making sentencing recommendations and decisions to the court;
    j. preparing and presenting legal memoranda, subpoenas, jury instructions and other related materials;
    k. performing administrative and support service functions related to the prosecution;
    l. consult with, advise and train the officers of the Tomball Police Department on all matters relating to criminal law and procedure; and
    m. be available by email or telephone to discuss questions from Tomball Police Department and City staff.

2. **Qualifications.** During the term of this Contract, the Contractor will remain a licensed member of the State Bar of Texas and meet all the requirements imposed by law to perform the duties of Chief Municipal Court Prosecutor. The Chief Municipal Court Prosecutor must have criminal law experience.

3. **Payment.** The City shall pay the Contractor as follow: $425.00 per docket(court session) court session for the term of this Agreement. Additionally, the City will pay for the

registration and the CLE credit annual Prosecutor training and $425 for training as one court docket. The Contractor shall provide the City his/her/its Taxpayer Identification Number prior to or along with the first billing. Contractor shall submit an invoice for fees and expenses to Client at the end of each month. The City shall remit payment to Contractor within thirty (30) days of receipt of Contractor invoice.

4. **Term**. This contract is effective on the date executed by the parties and continues through September 30, 2026. Upon expiration, this contract may be renewed for two-year periods only by written approval of both parties.

5. **Termination.** This Agreement may be terminated for convenience by either party giving sixty (60) days written notice.

6. **Independent Contractor.** The Contractor will perform the duties of this Agreement t as an independent contractor of the City and not as an employee. As such, the Contractor is not entitled to any medical, disability, sick leave, vacation, retirement, or other benefits received by City employees. The Contractor is responsible for the payment of federal income taxes, social security payments, and other governmental impositions arising from this Contract.

7. **Assignment.** The Contractor shall not assign or subcontract any portion of the services contemplated by this Agreement without the prior written consent of the City.

8. **Entire Agreement.** This Contract represents the entire agreement between the City and the Contractor and supersedes all prior negotiations, representations, or contracts, either written or oral. This Contract may be amended only by written instrument signed by both parties.

9. **Law Governing and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. In the event any suit, arbitration, or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be exclusively in Harris County. If either party files and prosecutes a lawsuit relating to this Contract, neither party will be entitled to the award of attorney's fees.

10. **Prior Contracts.** Any prior agreement relating between any parties relating to the same matter is terminated on the effective date of this Contract.

[*signature page follows*]

CITY OF TOMBALL

_____
David Esquivel
City Manager

Date: _____

GRANT STEVENS, Attorney at Law

_____
Grant Stevens, Esq.

Date: _____

ATTEST/SEAL:

_____
Thomas Harris III
City Secretary

City Council Meeting
Agenda Item
Data Sheet

Meeting Date: August 18, 2025

Topic:

Consideration of and action on the Appointment of and Contracts for the Associate Prosecutor to the Tomball Municipal Court for a two (2) year term, August 7, 2025 through August 6, 2027.

Background:

Attorney Erik Berglund currently serves as Associate Prosecutor for the City of Tomball Municipal Court; and his term of office ended August 6, 2025. Mr. Berglund is seeking reappointment for a two-year term. The Associate Prosecutor serves a two-year term, and enter into a contract for prosecutorial services once approved by Council. The contract provides a framework for services provided by the Associate Prosecutor.

Associate Prosecutor appointment:

Erik Berglund, Esq.

Origination: Tomball Municipal Court

Recommendation:

Appoint Erik Berglund to a two-year term beginning August 7, 2025 ending August 6, 2027; and approve a two-year contract for Municipal Court – Associate Prosecutor services to run concurrent with his term of service.

Party(ies) responsible for placing this item on agenda: Maria Morris, Court Administrator

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: #_____

If no, funds will be transferred from account #_____ To account #_____

Signed _____ Approved by _____

Staff Member Date City Manager Date

PROFESSIONAL SERVICES AGREEMENT FOR ASSOCIATE MUNICIPAL COURT PROSECUTOR

THIS AGREEMENT is entered into by and between the City of Tomball, and Erik Berglund, hereinafter referred to as "the Contractor."

WHEREAS, the City has determined the need to have Associate Municipal Court Prosecutor services provided on a contract basis, and

WHEREAS, the parties have agreed to certain terms and conditions for the provision of services by Contractor, now, therefore, in consideration of the mutual promises set forth below, the parties hereto agree as follows:

1. **Services.** The Contractor shall be responsible for all aspects of prosecution, including:

   - working with Court personnel to develop standing orders and policies;
   - making files, decisions on criminal cases and recommendations with respect to the criminal cases;
   - trial preparation and related matters;
   - prosecuting misdemeanor and criminal traffic cases committed in the City's jurisdiction;
   - representing the City at arraignments, pretrial hearings, bench and jury trials;
   - conducting plea bargaining negotiations and making appropriate plea offers;
   - making sentencing recommendations and decisions to the court;
   - preparing and presenting legal memoranda, subpoenas, jury instructions and other related materials;
   - performing administrative and support service functions related to the prosecution

   Additionally, Contractor shall be available to consult with, advise and train the officers of the Tomball Police Department on all matters relating to criminal law and procedure. The Contractor must be available by email or telephone to discuss questions from police and staff.

1. **Qualifications.** During the term of this Contract, the Contractor will remain a licensed member of the State Bar of Texas and meet all the requirements imposed by law to perform the duties of Municipal Court Prosecutor. The Chief Municipal Court Prosecutor must have criminal law experience.

2. **Payment.** The City shall pay the Contractor $325.00 for each assigned court session in a Fiscal year. All services performed, including arraignments, juvenile dockets, jury trials, bench trials and appeals are in included in the original agreement. The City will pay for the registration and the CLE credit annual Prosecutor training and $325 training will count as one court session. This fee shall include all overhead, costs and expenses of the Contractor. The Contractor shall provide the City his/her/its Taxpayer Identification Number prior to or along with the first billing. Contractor shall submit an invoice for fees and expenses to Client at the end of each month.

3. **Term.** This contract is effective upon the latest date of the dates executed by the parties and will expire on August 7, 2027. Upon expiration, this contract may be renewed for two-year periods by written approval of both parties.

4. **Termination.** This Agreement may be terminated for convenience by either party giving sixty (60) days written notice.

5. **Independent Contractor.** Erik Berglund will perform the duties of this contract as an independent contractor of the City and not as an employee. As such**.** Erik Berglund is not entitled to any medical, disability, sick leave, vacation, retirement, or other benefits received by City employees. Erik Berglund is responsible for the payment of federal income taxes, social security payments, and other governmental impositions arising from this Contract.

6. **Assignment.** The Contractor shall not assign or subcontract any portion of the services contemplated by this Agreement without the prior written consent of the City.

7. **Entire Agreement.** This Contract represents the entire agreement between the City and Erik Berglund and supersedes all prior negotiations, representations, or contracts, either written or oral. This Contract may be amended only by written instrument signed by both parties.

8. **Law Governing and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. In the event any suit, arbitration, or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be exclusively in Harris County. If either party files and prosecutes a lawsuit relating to this Contract, neither party will be entitled to the award of attorney's fees.

9. **Prior Contracts.** Any prior agreement relating between any parties relating to the same matter is terminated on the effective date of this Contract.

CITY OF TOMBALL

_____
David Esquivel
City Manager

Date: _____

ERIK BERGLUND, Attorney at Law

By: _____

Title: _____

Date: _____

ATTEST/SEAL:

_____
Thomas Harris, III
City Secretary