

CITY OF ANGLETON, TEXAS CONSENT

To: NBH Bank (“**Lender**”)

From: The City of Angleton, a municipal corporation and a home-rule city in the State of Texas (the “**City**”)

RE: That certain Reimbursement Agreement No. 20190910-018, dated August 10, 2019 (the “**Reimbursement Agreement**”), between the City and Angleton Green Trails, LLC, a Texas limited liability company (“**Green Trails**”)

THIS CITY CONSENT (this “**Consent**”) is delivered by the undersigned to the Lender in connection with (i) that certain assignment and sale agreement (the “**Assignment and Sale Agreement**”) by and between Green Trails and Texas PID Financing I, LLC (the “**Developer**”), in substantially the form attached hereto as **Exhibit A**, pursuant to which Green Trails will assign to the Developer all of Green Trails’ rights to be paid any and all amounts payable to Green Trails by the City pursuant to the Reimbursement Agreement and all amounts paid by the City thereunder (the “**Developer Assignment**”), and (ii) that certain Credit Agreement (the “**Credit Agreement**”), by and between the Developer and the Lender, in substantially the form attached hereto as **Exhibit B**, pursuant to which Developer will assign to the Lender the Reimbursements (as defined in the Credit Agreement) paid by the City pursuant to the Reimbursement Agreement (the “**Lender Assignment**”). The City hereby acknowledges the following information to and for the benefit of the Lender and upon which Lender may rely in connection with the Developer Assignment and the Lender Assignment. Capitalized terms not defined herein shall have the meaning ascribed to such terms in the Reimbursement Agreement.

Section 1. In conformity with and pursuant to the requirements of Section 7.07 of the Reimbursement Agreement, the City hereby acknowledges and consents to (i) Green Trails’ assignment to the Developer of the Developer Assignment pursuant to the Assignment and Sale Agreement and (ii) Developer’s assignment to the Lender of the Lender Assignment pursuant to the Credit Agreement.

Section 2. The Reimbursement Agreement is in full force and effect and is a valid and binding obligation of the City.

Section 3. To the current and actual knowledge of the undersigned, on the date of this Consent, no current defaults exist under any provision of the Reimbursement Agreement.

Section 4. The Reimbursement Agreement contains the entire understanding and agreement between the City and Green Trails concerning the matters set forth therein and has not been amended or modified.

Section 5. The City agrees to pay to the Lender all Developer Advances as set forth (and as defined) in the Reimbursement Agreement, plus interest, owed to Green Trails pursuant to the Reimbursement Agreement in accordance with Section 9 below. The City hereby acknowledges and agrees that in the event of any default by Green Trails under the Reimbursement Agreement, the City will continue to reimburse the approved and accepted Developer Advances listed in Section 6 immediately below, together with interest thereon, to the

Lender from Net Assessments from the Project that have accumulated in the PID Revenue Fund, as such moneys become available, pursuant to the terms of the Reimbursement Agreement and to the extent required by the Reimbursement Agreement.

Section 6. The accepted qualified Project expenditures as of the date of this Consent are \$_____.

Section 7. As of the date of this Consent, the total amount of Developer Advances that have been reimbursed by the City to Green Trails pursuant to the terms of the Reimbursement Agreement is \$_____, which amount is to be applied against and deducted from the accepted qualified Project expenditures listed in Section 6 above.

Section 8. The City agrees to remit all amounts required to be remitted by it to Green Trails pursuant to the Reimbursement Agreement into an account designated by the Lender. Lender will provide the account information and appropriate deposit instruction required for such deposits in writing to the City within 10 days following the approval of this Consent. Lender may from time to time, but not more often than once each calendar year, designate an alternative account for such deposit upon 30 days written notice to the City after the original account designation.

Section 9. This Consent shall be binding upon the City, its successors and assigns, and this Consent shall inure to Lender's benefit and the benefit of Lender's successors and assigns.

Section 10. The execution, delivery and performance of this Consent by the City and the consummation by it of the transactions contemplated hereby, have been approved by all necessary action on the part of the City, and this Consent constitutes the legal, valid and binding obligation of the City enforceable in accordance with its terms.

Section 11. The City executes this Consent for the benefit of the Lender and acknowledges and agrees that the Lender is a third-party beneficiary of the Reimbursement Agreement and that the Lender may exercise any and all rights and privileges granted to Green Trails in the Reimbursement Agreement and shall be entitled to directly enforce the provisions of the Reimbursement Agreement (including, without limitation, the obligation of the City to reimburse the Developer Advances, together with interest thereon) as if it were a party thereto.

[Signature Page Follows]

Dated: _____, 2021.

CITY OF ANGLETON,
a municipal corporation and a home-rule city in the
State of Texas

By: _____
Name: _____
Title: _____

NBH BANK,
as Lender

By: _____
Name: _____
Title: _____

Exhibit A

Form of Assignment and Sale Agreement

ASSIGNMENT AND SALE AGREEMENT

This Assignment and Sale Agreement, dated as of [], 2021 (this “Agreement”), is between Angleton Green Trails, LLC, a Texas limited liability company (the “Seller”), and Texas PID Financing I, LLC, a Delaware limited liability company (the “Buyer”).

W I T N E S S E T H :

WHEREAS, the City of Angleton (the “City”), a municipal corporation and a home-rule city in the State of Texas, has created the Green Trails Public Improvement District (the “PID”);

WHEREAS, the Seller intends to construct (or cause to be constructed) and is constructing (or is causing to be constructed) a residential development within the PID, consisting of 50 single-family lots, and other related improvements (collectively, the “PID Improvements”);

WHEREAS, the City previously entered into that certain Reimbursement Agreement No. 20190910-018, dated as of August 10, 2019 (the “Reimbursement Agreement”), with Seller, pursuant to which the City has agreed to reimburse the Seller for certain amounts advanced by the Seller to finance the development and construction of PID Improvements; and

WHEREAS, the Seller desires to sell to the Buyer, and the Buyer desires to purchase from the Seller, all of the Seller’s rights to be paid any and all amounts payable to the Seller by the City pursuant to the Reimbursement Agreement and all amounts paid by the City thereunder (collectively, the “Reimbursements”).

NOW, THEREFORE, in consideration of the premises and of the commitments made hereunder the parties hereto agree as follows:

1. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Seller hereby sells to the Buyer, without recourse, the Reimbursements.

2. It is the express intent of the parties hereto that the transfer of the Reimbursements by the Seller to the Buyer as provided in this Agreement be, and be construed as, an absolute sale of the Reimbursements. It is, further, not the intention of the parties that such transfer be deemed the grant of a security interest in the Reimbursements by the Seller to the Buyer to secure a debt or other obligation of the Seller. In the event, however, that, notwithstanding the intent of the parties, the Reimbursements are held to be the property of the Seller, or if for any other reason this Agreement is held or deemed to create a security interest in the Reimbursements, then this Agreement shall constitute a security agreement. Without derogating from the intent of the parties as set forth above, the Seller hereby grants to the Buyer, to secure all of the Seller’s obligations hereunder, a security interest in all of the Seller’s right, title, and interest, if any, whether now owned or hereafter acquired, in and to the Reimbursements and all proceeds thereof.

3. This Agreement shall be governed and construed in accordance with the laws of the State of Texas.

IN WITNESS whereof this Assignment and Sale Agreement has been entered into the date first above written.

ANGLETON GREEN TRAILS, LLC

By: _____
Name: _____
Title: _____

TEXAS PID FINANCING I, LLC

By: _____
Name: _____
Title: _____

Exhibit B

Form of Credit Agreement

CREDIT AGREEMENT

dated [], 2021

by and between

TEXAS PID FINANCING I, LLC,
as Borrower

and

NBH BANK,
as Lender

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CREDIT AGREEMENT

This CREDIT AGREEMENT, dated [], 2021 (as the same may be amended and supplemented from time to time, this “**Agreement**”), is by and between TEXAS PID FINANCING I, LLC (including its successors and permitted assigns hereunder, the “**Borrower**”), and NBH BANK (including its successors and assigns, the “**Lender**”).

RECITALS

WHEREAS, Chapter 372, Texas Local Government Code, as amended (the “**Act**”), authorizes Texas cities or counties to establish public improvement districts and to levy and collect special assessments pursuant to a special assessment plan to pay or reimburse the costs of public improvements therein;

WHEREAS, pursuant to the Act, the City of Angleton (“**City of Angleton**”) has previously created the Green Trails Public Improvement District (the “**Angleton Public Improvement District**” or “**Green Trails PID**”);

WHEREAS, pursuant to the Act, the City of Tomball (“**City of Tomball**”) has previously created the Yaupon Trails Public Improvement District (“**Yaupon Trails PID**”), the Copper Cove Public Improvement District (“**Copper Cove PID**”), the Grand Junction Public Improvement District (“**Grand Junction PID**”), and the Timber Trails Public Improvement District (“**Timber Trails PID**,” and collectively, the “**Tomball Public Improvement Districts**”);

WHEREAS, the City of Angleton and the City of Tomball have entered into the Development Agreements (as defined herein) to provide for the reimbursement to the Developers (as defined herein) of the costs of public improvements constructed with the Angleton Public Improvement District and the Tomball Public Improvement Districts, respectively;

WHEREAS, the Developers have sold their right, title and interest in the Development Agreements to the Borrower pursuant to the Assignment and Sale Agreements (as defined herein);

WHEREAS, the Borrower has requested that the Lender provide financing to (a) provide funds to reimburse the costs incurred in constructing the public improvements within the Angleton Public Improvement District and the Tomball Public Improvement Districts and (b) pay transaction costs incurred by Borrower in connection with this transaction, and the Lender is willing, upon the terms and subject to the conditions set forth below, to provide such financing by making available to the Borrower a credit facility with a maximum aggregate principal amount equal to the Commitment Amount (as defined herein);

WHEREAS, the Loans (as defined herein) made by the Lender to the Borrower shall be payable from and secured solely by the Reimbursements (as defined herein), without recourse to any other assets, funds or monies of the Borrower, to the extent set forth in this Agreement and on parity with the lien of any Additional Debt (as defined herein) hereafter issued; and

WHEREAS, all obligations of the Borrower to repay the Lender for the Loans and to pay all other amounts payable to the Lender arising under or pursuant to this Agreement and the Note (as defined herein) are created hereunder, and will be evidenced by this Agreement and the Note.

NOW, THEREFORE, in consideration of the foregoing Recitals and other consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce the Lender to make available to the Borrower the Commitment Amount, the Borrower and the Lender hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.4 Certain Defined Terms. In addition to the terms defined in the recitals, which recitals are incorporated herein and made a part hereof for all purposes, and elsewhere in this Agreement, the following terms shall have the following meanings:

“Additional Debt” means additional debt secured by the Reimbursement that is on parity with the lien of the Loans, only with the written consent of the Lenders as permitted under Section 2.9 hereof.

“Advance Request” means the advance request in the form set forth in Exhibit C attached hereto.

“Affiliate” means, with respect to a specified Person, another Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such first Person. A Person shall be deemed to control another Person for the purposes of this definition if such first Person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of the second Person, whether through the ownership of voting securities, common directors, trustees or officers.

“Agreement” has the meaning set forth in the recitals hereto.

“Angleton Developer” means Angleton Green Trails, LLC.

“Applicable Law” means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case, whether or not having the force of law.

“Assignment and Sale Agreement,” collectively, means the Assignment and Sale Agreements by and between the Developers and the Borrower dated the date hereof, pursuant to which the Developers have assigned their rights, title and interest to the Reimbursements to the Borrower.

“Authorized Denominations” means denominations of \$100,000 or integral multiples of \$100 in excess thereof.

“Authorized Officer” means, with respect to the Borrower, the President, CEO, Chief Financial Officer, or other designated officer of the Borrower as set forth in a certificate of the Borrower provided on the Effective Date hereof and such other officers as the Borrower shall inform the Lender of such authority in form and substance satisfactory to the Lender after the Effective Date hereof.

“Bankruptcy Code” means the United States Bankruptcy Code, as it may be amended from time to time (Title 11 of the United States Code), and any successor statute thereto.

“Borrower” has the meaning set forth in the introductory paragraph hereof.

“Business Day” means any day on which commercial banks are not authorized to or required to close in the state of Texas.

“Capitalized Interest Amount” means, with respect to any Loan, the Funding Date for which occurs prior to May 1 in the applicable Funding Year, the amount of interest that will accrue on the Loan Amount for such Loan from such Funding Date to May 1 of such Funding Year, as calculated in accordance with Section 2.4(d) below.

“Certificates of Occupancy” means a document from a City certifying that a building is in compliance with applicable building codes and other laws and indicating it to be in a condition suitable for occupancy.

“Change” has the meaning set forth in Section 2.3(b).

“City Consent Certificates” means the certificates executed by the City of Angleton or the City of Tomball, as applicable, and the Lender, in form and content reasonably acceptable to Lender, which include, among other things, a certification by each Developer that it is not in default under its respective Development Agreement, an acknowledgement by each City of the assignment of the Reimbursements by the Borrower to the Lender hereunder and the total amount of Reimbursable Project Improvements as of the date thereof, in each case as more fully described in the applicable City Consent Certificate.

“City” or **“Cities”** means the City of Angleton and/or the City of Tomball.

“City of Angleton” has the meaning set forth in the Recitals.

“City of Tomball” has the meaning set forth in the Recitals.

“Code” means the Internal Revenue Code of 1986, as amended, and, where appropriate, any statutory predecessor or any successor thereto.

“Collateral” means all right, title and interest of the Borrower in and to the Reimbursements made by the City of Angleton or the City of Tomball under the Development Agreements.

“Collateral Documents” means, collectively, the Security Agreement, the Assignment and Sale Agreements and the UCC-1 financing statement filed pursuant to this Agreement.

“Commitment Amount” means, initially \$4,371,000, and, thereafter, as may be reduced and/or terminated in accordance with the provisions of this Agreement.

“Controlled Group” means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the Borrower or any Subsidiary or Affiliate, are treated as a single employer under Section 414 of the Code.

“Costs of Issuance Amount” means, with respect to each Loan after the Initial Loan, an amount equal to one percent (1%) of the Loan Amount.

“Costs of Issuance Fund” has the meaning set forth in Section 2.7(c).

“Debt” of any Person means at any date, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) the face amount of all letters of credit issued for the account of such Person and without duplication, all drafts drawn thereunder and all reimbursement or payment obligations with respect to letters of credit, surety bonds and other similar instruments issued by such Person, (d) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business, including intercompany transactions, (e) all obligations of such Person as lessee under capital leases, (f) all indebtedness created or arising under any conditional sale or other title retention agreement, or incurred as financing, in either case with respect to property acquired by the Person (even though the rights and remedies of the seller or bank under such agreement in the event of default are limited to repossession or sale of such property), (g) all Debt of others secured by a lien on any asset of such Person, whether or not such Debt is assumed by such Person, (h) all guaranties of such Person of Debt of other Persons; (i) all obligations of such Person under any Swap Contract, (j) with respect to Borrower, the Obligations; and (k) all liabilities under Title IV of ERISA; *provided, however*, that Debt shall not include trade payables arising in the ordinary course of business.

“Debtor Relief Laws” means the Bankruptcy Code, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect.

“Default” means any event or condition which, with notice, the passage of time or any combination of the foregoing, would constitute an Event of Default.

“Default Rate” means the Interest Rate plus 3.0%.

“Defaulted Interest Payment” has the meaning set forth in Section 2.4(d).

“Development Agreements” means, collectively, (a) the development agreements by and between the Tomball Developers and the City of Tomball and (b) the reimbursement agreement by and between the Angleton Developer and the City of Angleton, in each case as listed on Exhibit B attached hereto.

“Developers” means, collectively, the Tomball Developers and the Angleton Developer.

“Dollar” and **“\$”** mean lawful money of the United States.

“Effective Date” has the meaning to such term in the introductory paragraph of Article III hereof.

“Environmental Laws” means any and all federal, state, and local laws, regulations, judicial decisions, orders, decrees, plans, rules, permits, licenses, and other governmental restrictions and requirements pertaining to health, safety, or the environment, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601, et seq., the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901, et seq., the Occupational Safety and Health Act, 29 U.S.C. § 651, et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Clean Water Act, 33 U.S.C. § 1251, et seq., and the Toxic Substances Control Act, 15 U.S.C. § 2601, et seq., as the same may be amended or supplemented from time to time.

“Environmental Liability” means, as to any Person, all liabilities, obligations, responsibilities, Remedial Actions, losses, damages, punitive damages, consequential damages, treble damages, costs, and expenses (including, without limitation, all reasonable fees, disbursements and expenses of counsel, expert and consulting fees and costs of investigation and feasibility studies), fines, penalties, sanctions, and interest incurred as a result of any claim or demand, by any Person, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute, including any Environmental Law, permit, order or agreement with any Governmental Authority or other Person, arising from environmental, health or safety conditions or the Release or threatened Release of a Hazardous Material into the environment, resulting from the past, present, or future operations of such Person or its Affiliates.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute of similar import, and regulations thereunder, in each case as in effect from time to time. References to Sections of ERISA shall be construed also to refer to any successor Sections.

“ERISA Event” means (a) a reportable event (as defined in ERISA) with respect to a Plan; (b) a withdrawal by the Borrower or any member of the Controlled Group from a Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by the Borrower or any member of the Controlled Group or notification that a Plan is in reorganization; (d) the filing of a notice of intent to terminate a Plan, the treatment of a Plan amendment as a termination under Section 4041 or 4041A of ERISA, or the commencement of proceedings by the PBGC to terminate

a Plan; (e) an event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan; or (f) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Borrower or any member of the Controlled Group.

“Event of Default” with respect to this Agreement has the meaning set forth in Section 7.1.

“Excess Reimbursements” means the amount of Reimbursements received in excess of the amount necessary to pay principal of and interest on the Loans as the same comes due.

“Excluded Tax” means, with respect to the Lender, (a) taxes imposed on or measured by its overall net income (however denominated), and franchise taxes imposed on it (in lieu of net income taxes), by the jurisdiction (or any political subdivision thereof) under the Applicable Law of which the Lender or such other recipient is organized or in which its principal office is located, and (b) any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction in which the Lender is located.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

“Fiscal Year” means the twelve-month fiscal period of Borrower ending December 31 of each year. Subsequent changes of the Fiscal Year of Borrower shall not change the term “Fiscal Year” unless the Lender shall consent in writing to such change.

“FRB” means the Board of Governors of the Federal Reserve System of the United States, together with any successors thereof.

“Funded Amount” means, with respect to any Loan, an amount equal to the difference between (a) the Loan Amount, as calculated in accordance with the definition thereof, *minus* (b) the Capitalized Interest Amount, if any, *minus* (c) the Costs of Issuance Amount.

“Funding Cutoff Date” means January 31 of each calendar year, or, if such day is not a Business Day, the next succeeding Business Day.

“Funding Date” means each date on which the Lender makes a Loan to the Borrower hereunder.

“Funding Year” means, with respect to each Loan, the year in which the applicable Funding Date occurs.

“Generally Accepted Accounting Principles” or **“GAAP”** means generally accepted accounting principles in effect from time to time in the United States and applicable to entities such as the Borrower.

“Governmental Approval” means an authorization, consent, approval, license or exemption of, registration or filing with, or report to, any Governmental Authority.

“Governmental Authority” means any nation or the government of the United States or any state or political subdivision thereof or any other nation or political subdivision thereof or any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, central bank, service, district or other instrumentality of any governmental entity or other entity exercising executive, legislative, judicial, taxing, regulatory, fiscal, monetary or administrative powers or functions of or pertaining to government, or any arbitrator, mediator or other Person with authority to bind a party at law.

“Hazardous Material” means any substance, product, waste, pollutant, material, chemical, contaminant, constituent, or other material which is or becomes listed, regulated, or addressed under any Environmental Law, including, without limitation, asbestos, petroleum, and polychlorinated biphenyls.

“Indemnified Parties” means the Lender and its respective Affiliates, officers, directors, employees, attorneys and agents.

“Indemnified Taxes” means Taxes other than Excluded Taxes.

“Initial Loan” means \$1,340,000.

“Intellectual Property” means (a)(i) patents and patent rights, (ii) trademarks, trademark rights, trade names, trade name rights, corporate names, business names, trade styles, service marks, logos and general intangibles of like nature and (iii) copyrights, in each case whether registered, unregistered or under pending registration and, in the case of any such that are registered or under pending registration, whether registered or under pending registration under the laws of the United States or any other country, (b) reissues, continuations, continuations-in-part and extensions of any Intellectual Property referred to in clause (a), and (c) rights relating to any Intellectual Property referred to in clause (a) or (b), including rights under applications (whether pending under the laws of the United States or any other country) or licenses relating thereto.

“Interest Rate” means 4.50% per annum, which is the rate applicable to the Loans and computed as provided in Section 2.4 hereof.

“Lender” has the meaning set forth in the recitals hereto.

“Lender Affiliates” means, with respect to the Lender, (a) any other Person who, directly or indirectly, including through one or more intermediaries, is in control of, or controlled by, or is under common control with, the Lender or (b) any other Person who is a director, officer, employee, managing member or general partner of (i) the Lender or (ii) any such other Person described in clause (a) above. For the purposes of this definition, control of a Person shall mean the power, direct or indirect, (i) to vote more than 50% of the securities having ordinary voting power for the election of directors of such Person or (ii) to direct or cause the direction of the management and policies of such Person, whether by contract or otherwise.

“Lender Notice” shall have the meaning set forth in Section 2.8(d) hereto.

“Lien” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or otherwise), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, and any financing lease having substantially the same economic effect as any of the foregoing) or other encumbrance, registration, defect or cloud on title or similar right of others, or any agreement to give any of the foregoing.

“Loans” means each loan, including the Initial Loan, made by the Lender to the Borrower pursuant to this Agreement.

“Loan Amount” means, with respect to each Loan, an amount equal to the sum of, for each Project, the product of (i) the number of Certificates of Occupancy issued for such Project in any calendar year preceding the calendar year in which the Funding Cutoff Date occurs and which are not already accounted for in the calculation of any prior Loan Amount and (ii) the amount shown opposite such Project for the applicable Funding Year for such Project as provided in the schedule immediately below.

	<u>“Funding Year”</u>						
<u>“Project”</u>	2022	2023	2024	2025	2026	2027	2028
Copper Cove PID	\$18,200	\$17,300	\$16,400	\$15,500	\$14,500	\$13,400	\$12,300
Grand Junction PID	\$16,700	\$15,900	\$15,000	\$14,200	\$13,200	\$12,300	\$11,300
Green Trails PID	\$10,100	\$9,700	\$9,200	\$8,700	\$8,100	\$7,500	\$6,900
Timber Trails PID (40ft Lots)	\$17,500	\$16,600	\$15,700	\$14,800	\$13,900	\$12,900	\$11,800
Timber Trails PID (50ft Lots)	\$21,800	\$20,700	\$19,700	\$18,500	\$17,300	\$16,100	\$14,800

“Margin Stock” has the meaning ascribed to such term in Regulation U and/or Regulation X promulgated by the FRB, as now and hereafter from time to time in effect.

“Material Adverse Change” means any material or adverse change in the business, operations, properties, assets, liability, condition (financial or otherwise) or prospects of the Borrower which, in the reasonable determination of the Lender, calls into question the Borrower’s ability to perform the Obligations hereunder.

“Material Adverse Effect” means (a) a Material Adverse Change in, or a material adverse effect on, the operations, business, assets, properties, liabilities (actual or contingent), condition (financial or otherwise) or prospects of the Borrower, taken as a whole; (b) a material impairment of the rights and remedies of the Lender under this Agreement, the Note or any other Related Document, or of the ability of the Borrower to perform the Obligations under this Agreement, the Note and any other Related Document to which it is a party; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability of Obligations under this Agreement, the Note or any other Related Document to which Borrower is a party.

“Maturity Date” means the earlier of: (a) the date on which an Event of Default occurs; or (b) May 1, 2036; *provided, however*, that the Maturity Date may be extended by the Lender in accordance with Section 2.11.

“Note” has the meaning set forth in Section 2.

“Obligated Party” means the Borrower or any other Person who is or becomes party to any agreement that guarantees or secures payment and performance of the Obligations or any part thereof.

“Obligations” means all unpaid principal of and accrued and unpaid interest (including, without limitation, interest that accrues on any Defaulted Interest Payment and interest that accrues after the commencement of an insolvency proceeding with respect to the Borrower, regardless of whether allowed or allowable in whole or in part as a claim in such insolvency proceeding) on the Note evidencing the Loans, all other fees, expenses and charges payable or reimbursable hereunder to the Lender (including, without limitation, any amounts to reimburse the Lender for any advances or expenditures by it under any of such documents and interest and fees accrued during the pendency of any bankruptcy, insolvency, receivership or similar proceeding), Swap Contract Obligations payable to Lender Affiliates, and all other payment obligations of the Borrower or an Obligated Party to the Lender arising under or in relation to this Agreement or the other Related Documents, in each case, whether now existing or hereafter arising, due or to become due, direct or indirect, absolute or contingent, and howsoever evidenced, held or acquired.

“OFAC” means the U.S. Department of the Treasury’s Office of Foreign Assets Control, and any successor thereto.

“Operating Agreement” means the Limited Liability Company Agreement of the Borrower, dated as of [], 2021.

“Outstanding Loan Balance” means, as of any date of determination, an amount equal to the difference between:

(a) the sum of (i) the Initial Loan plus (ii) the Loan Amount for any subsequent Loans made by the Lender to the Borrower hereunder; minus

(b) the aggregate amount of any principal payments made to the Lender and applied to the repayment of the Loans pursuant to this Agreement through and including such date.

“Participant” has the meaning set forth in Section 8.5(b) hereof.

“Patriot Act” means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), as amended from time to time, and any successor statute.

“Payment Date” means the first calendar day of May of each year or, if such day is not a Business Day, the next succeeding Business Day.

“Permitted Liens” means Liens in favor of the Lender on the Collateral pursuant to this Agreement.

“Person” means any individual, corporation, not for profit corporation, partnership, limited liability company, joint venture, association, professional association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other form of entity.

“PBGC” means the Pension Benefit Guaranty Corporation or any successor thereto.

“Plan” means, with respect to the Borrower and each Subsidiary at any time, an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and either (i) is maintained, or has within the preceding five plan years been maintained, by a member of the Controlled Group for employees of a member of the Controlled Group of which the Borrower or such Subsidiary is a part, (ii) is maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group of which the Borrower or such Subsidiary is a part is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions.

“Project” means the applicable Angleton Public Improvement District or Tomball Public Improvement Districts listed under the column “Project” in the table set forth in the definition of the term “Loan Amount.”

“Reimbursable Project Improvements” means the qualified project improvements set forth in the Development Agreements.

“Reimbursements” means the reimbursement payments, together with accrued interest thereon, made by the City of Angleton and the City of Tomball, as applicable, to the Developers under the Development Agreements, which amounts have been assigned by the Developers to the Borrower pursuant to the Assignment and Sale Agreements; provided, however, that, solely with respect to Yaupon Trails LTD LLC, **“Reimbursements”** means 50% of the reimbursement payments, together with accrued interest thereon, made by the City of Tomball to Yaupon Trails LTD LLC under the applicable Development Agreement.

“Related Documents” means collectively, this Agreement, the Note, the Collateral Documents, and any and all other agreements, documents, or instruments entered into by Borrower in connection with the transactions contemplated by this Agreement, together with all alterations, amendments, changes, extensions, modifications, refinancings, refundings, renewals, replacements, restatements, or supplements, of or to any of the foregoing.

“Release” means, as to any Person, any release, spill, emissions, leaking, pumping, injection, deposit, disposal, disbursement, leaching, or migration of Hazardous Materials into the indoor or outdoor environment or into or out of property owned by such Person, including, without limitation, the movement of Hazardous Materials through or in the air, soil, surface water, ground water, or property.

“Remedial Action” means all actions required to (a) clean up, remove, treat, or otherwise address Hazardous Materials in the indoor or outdoor environment, (b) prevent the Release or threat of Release or minimize the further Release of Hazardous Materials so that they do not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment, or (c) perform pre-remedial studies and investigations and post-remedial monitoring and care.

“Risk-Based Capital Guidelines” means (a) the risk-based capital guidelines in effect in the United States on the Effective Date, including transition rules, and (b) the corresponding capital regulations promulgated by regulatory authorities outside the United States including transition rules, and any amendments to such regulations adopted prior to the Effective Date.

“Revenue Fund” has the meaning set forth in Section 2.7(a).

“Sanctioned Country” means, at any time, any country or territory which is itself the subject or target of any comprehensive Sanctions.

“Sanctioned Person” means, at any time, (a) any Person or group listed in any Sanctions-related list of designated Persons maintained by OFAC or the U.S. Department of State, the United Nations Security Council, the European Union or any EU member state, (b) any Person or group operating, organized or resident in a Sanctioned Country, (c) any agency, political subdivision or instrumentality of the government of a Sanctioned Country, or (d) any Person 50% or more owned, directly or indirectly, by any of the above.

“Sanctions” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State or (b) the United Nations Security Council, the European Union or Her Majesty’s Treasury of the United Kingdom.

“Security Agreement” means that certain Security Agreement, dated the date hereof, as amended, modified or supplemented from time to time, made by Borrower in favor of the Lender.

“State” means the State of Texas.

“Subsidiary” of a Person means (a) any corporation more than 50% of the outstanding securities having ordinary voting power of which shall at the time be owned or controlled, directly or indirectly, by such Person or by one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries, or (b) any partnership, limited liability company, association, joint venture or similar business organization more than 50% of the ownership interests having ordinary voting power of which shall at the time be so owned or controlled; provided that the Borrower shall have no subsidiary.

“**Surplus Fund**” has the meaning set forth in Section 2.7(b).

“**Swap Contract**” means (a) any and all rate swap transactions, basis swaps, total return swaps, credit derivative transactions, forward rate transactions, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, cap transactions, floor transactions, collar transactions, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “**Master Agreement**”), including any such obligations or liabilities under any Master Agreement.

“**Taxes**” means all present and future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees, liabilities or other charges imposed by any applicable Governmental Authority, including any interest, fines, additions to tax or penalties applicable thereto.

“**Tomball Developers**” means, collectively, Yaupon Trails LTD LLC, Tomball Timber Trails, LLC, Tomball Grand Junction, LLC and Tomball Copper Cove, LLC.

“**UCC**” means the Uniform Commercial Code of the State, as amended.

“**United States**” means the United States of America.

“**Unused Fee**” means, annually and in arrears, an amount equal to the product of: (a) the difference between (i) the Commitment Amount *minus* (ii) the aggregate principal amount of Loans made by the Lender hereunder *multiplied* by (b) 0.25% per annum, as computed in Section 2.9.

Section 1.5 Computation of Time Periods; Central Time. In this Agreement, in the computation of a period of time from a specified date to a later specified date, unless otherwise specified herein, the word “from” means “from and including” and the words “till” and “until” each mean “to but excluding.” Unless specified otherwise, all references to time shall mean Central Time (daylight or standard, as applicable).

Section 1.6 Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with Generally Accepted Accounting Principles consistently applied.

Section 1.7 Construction. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise (a) any definition of or reference to any agreement,

instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof and (d) all references herein to Articles, Sections and Exhibits shall be construed to refer to Articles and Sections of, and Exhibits to, this Agreement.

Section 1.8 UCC. Any terms that are defined in the UCC and used, but not specifically defined, in this Agreement shall be construed and defined in accordance with the UCC.

ARTICLE II

COMMITMENTS AND LOAN FACILITY

Section 2.1 Loan Facility; Initial Loan. Subject to the terms and conditions hereof, the Lender agrees to make available to the Borrower this credit agreement providing for Loans with a total aggregate principal amount not exceeding the Commitment Amount. On the Effective Date, the Lender shall make the Initial Loan and apply the proceeds thereof as follows: (i) pay (a) Kline Alvarado Veio, PC, the Lender's legal fees and costs in the amount of \$30,000, (b) Orrick, Herrington & Sutcliffe LLP the Borrower's legal fees and costs in the amount of \$87,420, (c) Development Planning & Financing Group, Inc. in the amount of \$[] and (d) Piper Sandler & Co. in the amount of \$[] and (ii) deposit the remaining funds in the amount of \$[] with the Borrower in accordance with wiring instructions provided by the Borrower.

Section 2.2 The Loans. The Loans funded by the Lender hereunder shall be represented by a promissory note, dated as of the date hereof and substantially in the form of Exhibit A hereto, issued in the maximum aggregate principal amount equal to the Commitment Amount (the "*Note*"). The Borrower may, from time to time, request that the Lender make a Loan hereunder by submitting an Advance Request. Each Advance Request must be provided to the Lender not later than 10 Business Days after the Funding Cutoff Date (or such later date as may be agreed to by the Lender in its sole discretion) and shall include the following:

- (a) the Loan Amount and the proposed Funding Date for such Loan;
- (b) a Certificate of Occupancy issued by a City in any calendar year preceding the calendar year in which the Funding Cutoff Date occurs for each building used to determine the Loan Amount and which is not already accounted for in any prior Loan; and
- (c) the calculation of the Loan Amount, including the Capitalized Interest Amount, if any, and the Costs of Issuance Amount, and any supporting documentation submitted in connection with such calculation, as reasonably requested by the Lender.

Upon receipt of an Advance Request that complies with the provisions of this Section 2.2, and in the absence of an ongoing Event of Default, Lender will, on the applicable Funding Date (i) pay the Funded Amount to the Borrower in accordance with wiring instructions provided by the Borrower; (ii) deposit into the Revenue Fund the Capitalized Interest Amount, if any; and (iii)

deposit into the Costs of Issuance Fund the Costs of Issuance Amount. After the issuance of the Initial Loan, any subsequent Loans will be evidenced by the Lender revising and updating the Note as contemplated in the form of the Note provided in Exhibit A hereto, a copy of which will be provided within 10 Business Days to the Borrower upon the payment of each subsequent Loan. The Note shall be delivered in Authorized Denominations via physical delivery.

Section 2.3 Increased Costs; Capital Adequacy. (a) If, on or after the Effective Date, the adoption of any law or any governmental or quasi-governmental rule, regulation, policy, guideline or directive (whether or not having the force of law), or any change in the interpretation, promulgation, implementation or administration thereof by any governmental or quasi-governmental authority, central bank or comparable agency charged with the interpretation or administration thereof including, notwithstanding the foregoing, all requests, rules, guidelines or directives in connection with Dodd-Frank Wall Street Reform and Consumer Protection Act, or promulgated by the Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) pursuant to Basel III or any successor Basel accord regardless of the date enacted, adopted or issued, or compliance by the Lender with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency:

(i) imposes or increases or deems applicable any reserve, assessment, insurance charge, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by the Lender, or

(ii) imposes any other condition the result of which is to increase the cost to the Lender with respect to this Agreement, the Note or its making, maintenance or funding of the Loans or any security therefor, or reduces any amount receivable by the Lender with respect to this Agreement, the Note, or the making, maintenance or funding of the Loans, or requires the Lender to make any payment calculated by reference to any amount received with respect to this Agreement, the Note, or the making, maintenance or funding of the Loans, by an amount deemed material by the Lender, and the result of any of the foregoing is to increase the cost to the Lender with respect to this Agreement, the Note, or the making, maintenance or funding of the Loans or of participating the same or to reduce the return received by the Lender, as the case may be, in connection with the same, then, to the extent permitted by Applicable Law, such additional amount or amounts may be funded from funds then available in the Revenue Fund after the payment of debt service on the Loans in any year for the purpose of compensating the Lender for such increased cost or reduction in amount received.

(b) If the Lender reasonably determines the amount of capital or liquidity required or expected to be maintained by the Lender or any corporation controlling the Lender is increased as a result of a Change (as hereinafter defined), then, within fifteen (15) days of demand by the Lender, to the extent permitted by Applicable Law: *first*, funds available in the Revenue Fund after the payment of debt service on the Loans in any year; and *second*, funds available in the Surplus Fund to the extent funds in the Surplus Fund are not needed in any year to make debt service payments on the Loans may be used to pay the Lender the amount necessary to compensate for any shortfall in the rate of return on the portion of such increased capital or liquidity which the Lender determines is attributable to this Agreement or the Note, as the case may be, hereunder (after taking into account the Lender's policies as to capital or liquidity adequacy). "**Change**"

means (i) any change after the date of this Agreement in the Risk-Based Capital Guidelines or (ii) any adoption of or change in any other law, governmental or quasi-governmental rule, regulation, policy, guideline, interpretation, or directive (whether or not having the force of law) or in the interpretation, promulgation, implementation or administration thereof after the date of this Agreement which affects the amount of capital or liquidity required or expected to be maintained by the Lender or any corporation controlling the Lender. Notwithstanding the foregoing, for purposes of this Agreement, all requests, rules, guidelines or directives in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act shall be deemed to be a Change regardless of the date enacted, adopted or issued and all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority) pursuant to Basel III or any successor Basel accord or the United States financial regulatory authorities shall be deemed to be a Change regardless of the date adopted, issued, promulgated or implemented.

(c) In connection with any costs imposed upon the Borrower by the Lender pursuant to this Section 2.3, the Lender shall (A) promptly notify the Borrower of such costs and (B) provide the Borrower with a certificate as to such increased cost, increased capital or reduction in return incurred by the Lender as a result of any event mentioned in clause (a) or (b) of this Section 2.3 setting forth, in reasonable detail, the basis for such calculation and the amount of such calculation submitted by the Lender to the Borrower which calculation shall be conclusive (absent manifest error) as to the amount thereof.

(d) *Delay in Requests.* Failure or delay on the part of the Lender to demand compensation pursuant to this Section shall not constitute a waiver of the right to demand such compensation.

(e) *Survival.* The obligations of the Borrower under this Section 2.3 shall survive the termination of this Agreement.

Section 2.4 Payments and Computations.

(a) The Borrower shall pay the entire Outstanding Loan Balance and all other Obligations in full on the Maturity Date.

(b) Principal and interest on the Loans shall be paid by or on behalf of the Borrower to the Lender, in arrears (i) on each Payment Date and (ii) on the Maturity Date; provided that, if any interest accrues or remains payable after the Maturity Date or during the continuance of an Event of Default, such interest shall accrue at the Default Rate until paid in full and shall be payable upon demand by the Lender.

(c) Whenever any payment hereunder shall be due on a day that is not a Business Day, the date for payment thereof shall be extended to the next succeeding Business Day, and any interest payable thereon shall be payable for such extended time. Except as otherwise expressly provided herein, all payments to the Lender hereunder shall be made in Dollars in immediately available funds to the account or accounts of such parties designated in writing to the Borrower and from time to time for such purpose not later than 2:00 p.m. (Central Time) on the

date specified herein. Payments received by the Lender after the applicable date and time set forth in this Section 2.4 shall be considered to have been made on the next succeeding Business Day.

(d) Until the Loans are repaid in full, the Loans shall accrue interest daily in an amount equal to the product of (i) the Outstanding Loan Balance as of such day multiplied by (ii) a rate *per annum* equal to the Interest Rate. All computations of interest payable by the Borrower on the Loans shall be computed on the basis of a 360-day year consisting of twelve 30-day months (30/360). Interest shall accrue during each period during which interest is computed from and including the first day thereof to but excluding the last day thereof. Notwithstanding anything contained herein to the contrary, if, on any Payment Date, the Borrower shall have failed to pay any amount of interest that is due and payable on such date, such unpaid interest amount (the “**Defaulted Interest Payment**”) shall accrue interest at the Default Rate from such Payment Date to the date such Defaulted Interest Payment is paid in full; provided that the interest that accrues on the Defaulted Interest Payment shall not be due and payable until the next succeeding Payment Date.

(e) All amounts paid pursuant to this Agreement shall be nonrefundable except to the extent payments exceed the Obligations under this Agreement and shall be paid in immediately available funds.

(f) The Loans may be prepaid in part or in whole by the Borrower, on any Payment Date from any source of funds, at par, together with accrued interest on the portion of the Outstanding Loan Balance being prepaid to the date of such prepayment.

(g) Borrower will provide Lender five (5) Business Days’ written notice of any planned prepayment to be made pursuant to this Section 2.4.

Section 2.5 Liability of the Borrower. The Borrower and the Lender agree that the obligation of the Borrower to pay the Obligations from Reimbursements is absolute, are obligations payable solely from the Reimbursements, without recourse to any other assets, funds or monies of the Borrower, and the Collateral is irrevocably pledged to punctually pay all such amounts owed hereunder, all in accordance with the terms and conditions hereof, and the Lender shall not be responsible for, among other things, (i) the validity, genuineness or enforceability of this Agreement, the Note, any Collateral or documents, notices or endorsements relating thereto (even if this Agreement or any documents, notices endorsements relating thereto should in fact prove to be in any and all respects invalid, fraudulent or forged), (ii) the use to which the amounts disbursed by the Lender may be put, (iii) any other circumstances or happenings whatsoever, whether or not similar to any of the foregoing, or (iv) the existence of any claim, set off, defense or other right which the Borrower may have at any time against the Lender or any other person or entity, whether in connection with this Agreement, the other Related Documents, the transactions contemplated herein or therein or any unrelated transaction.

Section 2.6 Taxes.

(a) For purposes of this Section, the term “Applicable Law” includes FATCA.

(b) *Payments Free of Taxes.* Any and all payments by or on account of any obligation of the Borrower under any Related Document shall be made without deduction or

withholding for any Taxes, except as required by Applicable Law. If any Applicable Law (as determined in the good faith discretion of an applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by a withholding agent, then the applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law and, if such Tax is an Indemnified Tax, then the sum payable from Reimbursements shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(c) *Payment of Other Taxes by Borrower.* The Borrower shall timely pay to the relevant Governmental Authority in accordance with Applicable Law, or at the option of the Lender timely reimburse it for the payment of, any present or future stamp or documentary taxes, charges or similar levies that arise under the laws of the United States of America and the State of Texas from any payment made or received hereunder or from the execution or delivery or otherwise with respect to this Agreement (hereinafter referred to as “Other Taxes”).

(d) *Indemnification by Borrower.* The Borrower shall indemnify the Lender, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by the Lender or required to be withheld or deducted from a payment to the Lender and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by the Lender, shall be conclusive absent manifest error.

(e) *Evidence of Payments.* Upon the written request of the Lender, the Borrower shall deliver to the Lender the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Lender.

Section 2.7 Flow of Funds.

(a) *Revenue Fund.* There is hereby created the Loan Revenue Fund (the “**Revenue Fund**”) which shall be an account held at Hillcrest Bank, a Lender Affiliate. The Borrower shall direct, or cause to be directed, the City of Angleton and the City of Tomball, as applicable, to make all Reimbursements directly to the Revenue Fund pursuant to the applicable City Consent Certificate. The Revenue Fund shall mean the “**Lender Account**” as defined and described in the City Consent Certificates. On each Payment Date, the Lender shall withdraw from the Revenue Fund and make payments and deposits in the following order of priority:

First, to pay interest (including any Defaulted Interest Payment) and then principal of the Loans for the current year;

Second, to pay the Unused Fee pursuant to the provisions of Section 2.9 hereof; and

Third, deposit to the Surplus Fund any remaining amounts which comprise the Excess Reimbursements for such year.

(b) *Surplus Fund*. There is hereby created the Loan Surplus Fund (the “**Surplus Fund**”) which shall be an account held at the Lender or at Hillcrest Bank, a Lender Affiliate. On any Payment Date, all amounts on deposit in the Surplus Fund shall be used to prepay principal of the Loans in accordance with Section 2.4(f) hereof. Any funds remaining on deposit in the Surplus Fund after payment in full of all principal and interest on the Loans and the payment of any fees owed to the Lender hereunder shall be disbursed in accordance with the written directions of the Borrower.

(c) *Costs of Issuance Fund*. There is hereby created the Costs of Issuance Fund (the “**Costs of Issuance Fund**”) which shall be an account held at the Lender or at Hillcrest Bank, a Lender Affiliate. On any Funding Date, all amounts on deposit in the Costs of Issuance Fund shall be paid to Development Planning & Finance Group, Inc. by wire transfer pursuant to wire instructions provided by Development Planning & Finance Group, Inc.

Section 2.8 Additional Debt. The Borrower may not enter into Additional Debt or other debt obligation without the written consent of the Lender.

Section 2.9 Unused Fee. On each Payment Date commencing on the Payment Date occurring in May 2022, the Borrower shall pay the Lender the Unused Fee. The Unused Fee shall be payable annually in arrears by the Borrower until the date on which the full amount of the Commitment Amount, as determined and limited pursuant to Section 2.10 hereof, is advanced. The Unused Fee shall be calculated from the Effective Date or from the most recent date on which the Unused Fee or any portion thereof has been paid or duly provided for, and shall be computed on the basis of a 360-day year consisting of twelve 30-day months (30/360).

Section 2.10 Termination of Commitment Amount. The Borrower shall have the option, from and after May 1, 2022, to terminate all or a portion of the Commitment Amount that, as of such date, has not been advanced. If, on any date, the Borrower notifies the Lender in writing of (1) the Borrower’s intent to terminate Borrower’s right to receive all or a portion of the remaining unused Commitment Amount, and (2) the amount of the unused Commitment Amount that it desires to terminate, Lender will acknowledge in writing the receipt of such written notification from Borrower, and, from and after the date of such acknowledgment, Borrower will no longer be permitted to request additional Loans attributable to such terminated Commitment Amount, and Lender will no longer be required to make or provide such Loans pursuant to the terms hereof. Such notification and acknowledgement shall be attached to the Note as evidence of Borrower’s termination of the right to receive additional Loans. The Unused Fee shall cease to accrue as of the date of the receipt of such written notification by Lender, and the Borrower shall pay any previously accrued and unpaid Unused Fees on the next succeeding Payment Date.

Section 2.11 Extension of Maturity Date. Upon the occurrence of the Maturity Date, if the aggregate amount of Reimbursements received by the Lender is not sufficient to pay the Obligations in full by such date, then the Lender may, in its sole discretion, extend the then current Maturity Date by delivering written notice thereof to the Borrower and specifying the new date of the Maturity Date; *provided, however*, that, following any extension of the Maturity Date as

contemplated by this Section 2.11, any outstanding Obligations may accrue interest at the Default Rate, as determined by the Lender in its sole discretion, until such amounts have been paid in full.

ARTICLE III

CONDITIONS PRECEDENT TO EFFECTIVENESS AND LOAN FUNDINGS

This Agreement shall become effective on [], 2021 (the “*Effective Date*”).

Section 3.1 Representations. On the Effective Date, (a) there shall exist no Default or Event of Default; (b) all representations and warranties made by the Borrower herein or in any of the Related Documents to which it is a party shall be true and correct in all material respects with the same effect as though such representations and warranties had been made at and as of such time; (c) no material adverse change shall have occurred in the condition (financial or otherwise) or operations of the Borrower between the date of the Borrower’s most recent audited financial statements, if any, and the Effective Date, and no transactions or obligations having a Material Adverse Effect on the ability of the Borrower to perform its obligations hereunder or under the Note and under the other Related Documents, whether or not arising from transactions in the ordinary course of the Borrower’s business, shall have been entered into by the Borrower, subsequent to the date of the Borrower’s most recent audited financial statements; and (d) no transaction or event shall have occurred and no change shall have occurred in the condition (financial or otherwise) or operations of the Borrower between the date of the Borrower’s most recent audited financial statements, if any, and the Effective Date which could reasonably be expected to result in a Material Adverse Effect with respect to the execution and delivery of the Agreement, the issuance of any Note, the security of the Note, or the Borrower’s ability to repay when due its obligations under this Agreement, the Note and the other Related Documents. Notwithstanding the foregoing, the Lender acknowledges that the Borrower is a newly-formed entity formed solely for purposes of entering into this Agreement and the transactions contemplated hereby, and as such, does not have prior financial statements.

Section 3.2 Other Documents. On the Effective Date, the Lender shall have received copies of each of the following documents, which documents shall be in full force and effect on the Effective Date in a form satisfactory to the Lender:

- (a) executed copies of this Agreement and the Note;
- (b) executed or certified copies, as applicable, of the other Related Documents;
- (c) an executed copy of each City Consent Certificate certifying, among others, that qualified Project expenditures have been accepted by the City of Angleton or the City of Tomball in an amount satisfactory to the Lender;
- (d) a UCC-1 financing statement evidencing that the Lender has a first priority perfected Lien on the Collateral;
- (e) the Lender shall have completed its independent business and legal due diligence, including but not limited to financial, legal and insurance reviews, lien searches, and any other searches as may be required by the Lender; and

(f) executed copies of a separate written opinion of counsel(s) to the Borrower relating to customary corporate and enforceability matters with respect to the authority of the Borrower to enter into this Agreement and the Related Documents.

Section 3.3 Supporting Documents of the Borrower. There shall have been delivered to the Lender such information and copies of documents, approvals (if any) and records certified, where appropriate, of corporate and legal proceedings as the Lender may have requested relating to the Borrower's entering into and performing this Agreement and the other Related Documents to which it is a party, and the transactions contemplated hereby and thereby. Such documents shall, in any event, include:

(a) A certificate of the Borrower, in form and substance satisfactory to the Lender, executed by an executive officer of the Borrower, dated the Effective Date, to the effect that, after reasonable inquiry and to the best of such executive officer's actual knowledge, the conditions set forth in this Agreement have been satisfied as of such date and that all actions required to be taken by, and all resolutions required to be adopted by, the Borrower and otherwise required by Applicable Law have been done and adopted in due and strict compliance by the Borrower pursuant to its Operating Agreement and any other organizational documents, the Constitution of the State and any other Applicable Law;

(b) An incumbency and signature certificate with respect to the Authorized Officers of the Borrower who are authorized to execute any documents or instruments on behalf of the Borrower under this Agreement and the other Related Documents to which the Borrower is a party;

(c) The Borrower's Operating Agreement and any organizational documents related to the Borrower, certified by an Authorized Officer thereof that, among other things, such documents are in full force and effect on the Effective Date;

(d) Copies of the resolutions of the Borrower approving the execution and delivery of the Related Documents to which the Borrower is a party, approving the form of the Related Documents to which it is not a party and the other matters contemplated hereby, certified by an Authorized Officer as being true and complete and in full force and effect on the Effective Date; and

(e) Financial information of the Borrower in form and substance satisfactory to the Lender.

Section 3.4 Other Supporting Documents. There shall have been delivered to the Lender such information and copies of documents, approvals (if any) and records (certified, where appropriate) of corporate and legal proceedings as the Lender may have requested relating to the entering into and performance by the Borrower, of each of the Related Documents or the transactions contemplated thereby.

Section 3.5 Other Closing and Post Closing Documents. The Lender shall have received (i) an executed copy of all documents required to be furnished by or to the Borrower, or any other party, as a condition to (A) the execution and delivery of this Agreement and the issuance

of the Note and (B) the due authorization, execution and delivery by the parties thereto (other than the Borrower) of the Related Documents, (ii) any Governmental Approvals required in connection with the documents described in the preceding sub-clause (i), and (iii) certificates of duly authorized officers of such other parties certifying the names, titles and true signatures of such officers authorized to sign the Related Documents.

Section 3.6 Payment of Fees and Expenses. Evidence that the fees and expenses and all other amounts payable hereunder on or prior to the Effective Date shall have been paid by the Borrower.

Section 3.7 Proceedings. The Lender shall have received such other documents, instruments, approvals (and, if requested by the Lender, certified duplicates or executed copies thereof) or opinions as the Lender may reasonably request.

In addition, the Lender shall have made a reasonable determination that, as of the Effective Date, (A) no laws, rules, guidelines, rulings, regulations (or their interpretation or administration) or other action of the United States of America or the State or any political subdivision or authority therein or thereof shall be in effect or shall have occurred that could reasonably be expected to have a Material Adverse Effect with respect to the Borrower's ability to perform its obligations under this Agreement, the Note or any other Related Documents or (B) no change in the status of the business, operations or condition (financial or otherwise) of the Borrower has occurred that could reasonably be expected to have a Material Adverse Effect with respect to the Borrower's ability to perform its obligations under this Agreement, the Note or the other Related Documents. The execution and delivery of this Agreement by the Lender shall be deemed satisfaction of all conditions specified in this Article III or waiver thereof by the Lender.

Section 3.8 Loan Fundings. The obligation of the Lender to make any Loan is subject to the satisfaction of the following conditions precedent:

- (a) Except for the Initial Loan, the Borrower shall furnish the Lender with a duly completed Advance Request in accordance with Section 2.2 above;
- (b) the sum of (i) the Loan Amount and (ii) the aggregate principal amount of Loans previously advanced to the Borrower hereunder would not exceed the Commitment Amount;
- (c) an Event of Default shall not have occurred and be continuing; and
- (d) each representation and warranty set forth in Article IV below shall be true and correct in all material respects as if made on the date of such Loan.

The Lender may waive any conditions to the making of a Loan specified above in this Section 3.8 by written notice thereof to the Borrower. Unless otherwise agreed to in writing by the Lender, no more than one Loan shall be funded during any calendar year.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

In order to induce the Lender to enter into this Agreement, the Borrower makes the following representations and warranties to the Lender as of the Effective Date and as of each Funding Date:

Section 4.1 Organization, Powers, Etc. (a) The Borrower is a limited liability company organized and existing in good standing under the laws of the State of Delaware, and (b) the Borrower (i) has full power and authority to own its properties and carry on its business as now conducted, (ii) has (or, if already executed or adopted, had at the time of execution or adoption) full power and authority to execute (or adopt, if applicable), deliver and perform its obligations under this Agreement and the other Related Documents, to borrow hereunder and to execute, deliver and perform its obligations hereunder and under the Note and the other Related Documents and to repay the Obligations.

Section 4.2 Authorization, Absence of Conflicts, Etc. The execution (or adoption, if applicable), delivery and performance of this Agreement, the Note and the other Related Documents (a) have been duly authorized, executed and delivered or, if applicable, adopted by the Borrower, (b) do not and will not conflict with, or result in violation of, any Applicable Law, or any order, rule or regulation of any court or other Government Authority and (c) do not and will not, to any material extent, conflict with, result in a violation of or constitute a default under any resolution, agreement or instrument to which the Borrower is a party or by which the Borrower or any of its property is bound.

Section 4.3 Governmental Consent or Approval. To the best of Borrower's actual current knowledge, after due inquiry, the execution (or adoption, if applicable), delivery and performance of this Agreement, the Note and the other Related Documents do not and will not require registration with, or the consent or approval of, or any other action by, any federal, state or other Governmental Authority or regulatory body other than those which have been made or given and are in full force and effect; *provided* that no representation is made as to any blue sky or securities law of any jurisdiction.

Section 4.4 Binding Obligations. This Agreement, the Note and the other Related Documents are legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their respective terms, subject to any applicable bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws, judicial discretion and principles of equity relating to or affecting creditors' rights or contractual obligations generally.

Section 4.5 Litigation. Borrower is not involved in, nor is Borrower aware of the threat of, any litigation which could have a Material Adverse Effect, and there are no outstanding or unpaid judgments against Borrower (the "*Unpaid Judgments*").

Section 4.6 Newly Formed Entity. The Borrower is a newly-formed entity formed specifically to enter into this Agreement and the transactions contemplated hereby, and as such, does not have prior operational history or financial statements.

Section 4.7 Related Documents. Each of the Related Documents is in full force and effect. Except as previously disclosed in writing to the Lender prior to the Effective Date, no Event of Default and no event which, with the giving of notice, the passage of time or both, would constitute an Event of Default, presently exists under any of the Related Documents. Except as previously disclosed in writing to the Lender prior to the Effective Date, neither the Borrower nor any other party thereto has waived or deferred performance of any material obligation under any Related Document.

Section 4.8 Incorporation of Representations and Warranties. In addition to the representations and warranties set forth herein, the Borrower hereby makes to the Lender the same representations and warranties as are set forth by the Borrower in each of the other Related Documents, which representations and warranties, as well as the related defined terms contained therein, are hereby incorporated by reference for the benefit of the Lender with the same effect as if each and every such representation and warranty and defined term were set forth herein in its entirety. The representations and statements made by the Borrower herein and therein are true and correct as of the date of this Agreement. No amendment to such representations and warranties or definitions which could reasonably be expected to have a Material Adverse Effect with respect to the ability of the Borrower to meet its obligations hereunder or under the other Related Documents or the rights or security of the Lender hereunder or under the other Related Documents shall be effective to amend such representations and warranties and definitions as incorporated by reference herein without the prior written consent of the Lender.

Section 4.9 Margin Regulations. The Borrower is not engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock, and no part of the proceeds of the Loans or any amounts furnished by the Lender will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock.

Section 4.10 No Event of Default. No Event of Default or Default has occurred and is continuing.

Section 4.11 Security. The Collateral is irrevocably pledged to punctually pay all such amounts owed hereunder, and the Obligations are secured by the Collateral Documents. Upon the execution and delivery of all of the Collateral Documents and the completion of all actions to perfect the security interests so created, the Security Agreement will create a valid first priority security interest in the Collateral described therein securing the Obligations, in favor of the Lender and enforceable in accordance with the terms hereof and thereof.

Section 4.12 Investment Company. The Borrower is not (a) an “investment company” or a Person “controlled” by an “investment company”, within the meaning of the Investment Company Act of 1940.

Section 4.13 Accurate Information. All information, reports and other papers and data generated by the Borrower and furnished to the Lender, at the time the same were so furnished, were accurate in all material respects. Any financial, budget and other projections generated by the Borrower and furnished to the Lender were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of conditions existing at the time of delivery of such financial, budget or other projections

Section 4.14 Tax Liability. The Borrower has filed all tax returns which are required to be filed, and have paid, or made provision for the payment of, all taxes with respect to the periods, property or transactions covered by said returns, or pursuant to any assessment received by Borrower, except such taxes, if any, as are being contested in good faith by appropriate proceedings and as to which adequate reserves have been established and maintained.

Section 4.15 No Proposed Legal Changes. There is no amendment or, to the knowledge of the Borrower, no proposed amendment certified for placement on a statewide or local ballot, to the Constitution of the State or any published administrative interpretation of the Constitution of the State or any Applicable Laws, or any legislation that has passed either house of the State legislature, or any published judicial decision interpreting any of the foregoing, which could reasonably be expected to have a Material Adverse Effect on the ability of the Borrower to perform its obligations hereunder or under the Note and under the other Related Documents.

Section 4.16 Valid Lien. The Borrower's irrevocable pledge of the Collateral is valid, binding and enforceable against Borrower and no further acts, instruments, approvals or consents are necessary for the creation, validity or perfection thereof. The provisions of this Agreement constitute a contract between the Borrower and the Lender and the Lender may, at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel the performance of all duties required to be performed by the Borrower under this Agreement and the Related Documents. No other liens exist with respect to the Collateral.

Section 4.17 ERISA. Each employee benefit plan as to which the Borrower may have any liability complies in all material respects with all applicable requirements of law and regulations, and (a) no reportable event or prohibited transaction (as defined in ERISA) has occurred with respect to any such plan; (b) the Borrower has not withdrawn from any such plan or initiated steps to do so; (c) no steps have been taken to terminate any such plan; and (iv) there are no unfunded liabilities.

Section 4.18 Solvency. The Borrower is solvent, having assets of a fair value which exceeds the amount required to pay its Debts (including contingent, subordinated, unmatured and unliquidated liabilities) as they become absolute and matured, and the Borrower is able to and anticipates that it will be able to meet its Debts as they mature and has adequate capital to conduct its business in which it is engaged.

Section 4.19 Environmental Laws. To the best knowledge of Borrower after due inquiry:

(a) Borrower and all of its properties, assets, and operations are in full compliance with all Environmental Laws.

(b) Borrower has obtained all permits, licenses, and authorizations that are required under applicable Environmental Laws, and all such permits are in good standing and Borrower is in compliance with all of the terms and conditions of such permits;

(c) No Hazardous Materials (except in nominal amount) exist on, about, or within or have been used, generated, stored, transported, disposed of on, or Released from any of the properties or assets of Borrower in violation of applicable Environmental Laws. The use which Borrower makes and intends to make of its properties will not result in the use, generation, storage, transportation, accumulation, disposal, or Release of any Hazardous Material on, in, or from any of their properties or assets;

(d) There are no conditions or circumstances associated with the currently or previously owned or leased properties or operations of Borrower that could reasonably be expected to give rise to any Environmental Liabilities;

(e) No Lien arising under any Environmental Law has attached to any property or revenues of Borrower.

Section 4.20 Binding Effect. This Agreement and the other Related Documents constitute legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally, by general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law. The Note will be duly issued, executed and delivered in conformity with the Applicable Law, and constitute legal, valid and binding special, limited obligations of the Borrower, enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally, by general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law.

Section 4.21 Swap Termination Payments. The Borrower is not a party to any Swap Contract that is related to the Reimbursements.

Section 4.22 Affiliates and Subsidiaries. Other than as disclosed to the Lender on Schedule 4.22 attached hereto, the Borrower has no Subsidiaries or Affiliates.

Section 4.23 Anti-Corruption Laws; Sanctions; Anti-Terrorism Laws.

(a) To the best knowledge of the Authorized Officer signing this Agreement, the Borrower and its officers, employees and agents are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of the Borrower or, to the knowledge of the Borrower, any of its officers or employees is a Sanctioned Person. None of the Transactions contemplated hereby will violate Anti-Corruption Laws or applicable Sanctions.

(b) Neither the making of the Loans hereunder nor the use of the proceeds thereof will violate the PATRIOT Act, the Trading with the Enemy Act, as amended, or any of the foreign assets control regulations of the United States Treasury Department (31 C.F.R., Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto or

successor statute thereto. To the best knowledge of the Authorized Officer signing this Agreement, the Borrower is in compliance in all material respects with the PATRIOT Act.

Section 4.24 Locations. The location of Borrower's chief executive office and its principal place of business are located at 20011 Stuebner Airline, Spring, TX 77379.

ARTICLE V

AFFIRMATIVE COVENANTS OF THE BORROWER

Section 5.1 Affirmative Covenants of the Borrower. So long as the Loans are outstanding and until all Obligations shall have been paid in full, the Borrower hereby covenants and agrees that:

(a) *Notice of Default.* As promptly as practical after the date the Borrower shall have obtained knowledge of the occurrence of a Default or an Event of Default or a breach of this Agreement or any other Related Document, the Borrower will provide notice of the same to the Lender and, in each such case the Borrower will provide to the Lender the written statement of the Borrower setting forth the details of each such event and the action which the Borrower proposes to take with respect thereto.

(b) *Reporting Requirements.* The Borrower will provide the following to the Lender:

(i) within the earlier of two weeks following completion or 270 calendar days after fiscal year end, or, if the audited financial statements of the City of Angleton and the City of Tomball (or alternatively the audited financial statements of the Angleton Public Improvement District and the Tomball Public Improvement Districts, respectively, if separately prepared) are not available within 270 calendar days after fiscal year end, within the two weeks following completion of such audited financial statements, the audited financial statements of the City of Angleton and the City of Tomball (or alternatively the audited financial statements of the Angleton Public Improvement District and the Tomball Public Improvement Districts, respectively, if separately prepared), (B) an annually updated special assessment plan for the Angleton Public Improvement District and the Tomball Public Improvement Districts, and (C), upon request of the Lender, a certification from an Authorized Officer of the Borrower addressed to the Lender stating that (1) neither a Default nor an Event of Default has occurred which was continuing at the end of such Fiscal Year or on the date of such certification, or, if such an event has occurred and was continuing at the end of such Fiscal Year or on the date of such certification, indicating the nature of such event and the action which the Borrower proposes to take with respect thereto and (2) the representations and warranties of the Borrower contained in this Agreement and in each of the other Related Documents are true and correct on and as of the date of such certification as though made on and as of such date;

(ii) within thirty (30) days of fiscal year end (A) the annual budget of the Angleton Public Improvement District and the Tomball Public Improvement Districts, (B) the Annual Certification of Assessed Value for the Angleton Public Improvement District and the

Tomball Public Improvement Districts, and (c) a parcel listing of all completed homes with the Angleton Public Improvement District and the Tomball Public Improvement Districts;

(iii) promptly after process has been served on the Borrower, the Borrower will provide to the Lender written notice of any action, suit or proceeding before any court or other Governmental Authority in which there is a reasonable probability of an adverse decision which could (A) materially adversely affect the ability of the Borrower to perform its obligations hereunder or under this Agreement or any other Related Document or (B) draw into question the validity or enforceability of this Agreement, the Note or any other Related Document;

(iv) as soon as possible after the Borrower acquires knowledge of the occurrence of any event which, in the reasonable judgment of the Borrower, could reasonably be expected to have a Material Adverse Effect on the ability of the Borrower to perform its obligations under this Agreement, the Note or under any other Related Document, the Borrower will provide written notice thereof to the Lender;

(v) the Borrower shall provide the Lender, from time to time, such additional information regarding the financial position, operations, business or prospects of the Borrower as may be in the possession of the Borrower, to the extent such information is related to the Reimbursements as the Lender may reasonably request; and

(vi) such other reasonable financial information requested by the Lender.

(c) *Use of Proceeds.* The Borrower shall use the proceeds of the Loans to (i) reimburse itself for the costs of the public improvements within the Angleton Public Improvement District and the Tomball Public Improvement Districts and (ii) pay transaction costs incurred by Borrower in connection with the Loans.

(d) *Inspections; Discussion.* The Borrower will permit the Lender or its representatives, at any reasonable time during Borrower's normal business hours at the request of the Lender to the extent that the Borrower is not legally precluded from permitting access thereto; to visit the offices of Borrower, and inspect the real properties of the Borrower on an annual basis; examine and make copies of and take abstracts from the records and books of account of the Borrower; and to discuss the affairs, finances and accounts of the Borrower, with the appropriate officers of the Borrower or the Borrower; provided, however, that the Borrower shall not own any real properties.

(e) *Further Assurances.* The Borrower shall take any and all actions necessary or reasonably requested by the Lender to (i) perfect and protect, any lien, pledge or security interest or other right or interest given, or purported to be given to the Lender or any other Person under or in connection with this Agreement or the other Related Documents, (ii) enable the Lender to exercise or enforce their respective rights under or in connection with this Agreement and the other Related Documents or (iii) enable the Lender to assign or pledge its Note to any Federal Reserve Bank.

(f) *Taxes and Liabilities.* The Borrower shall pay all of its Debt and obligations promptly and in accordance with their terms and pay and discharge or cause to be paid and

discharged promptly all taxes, assessments and governmental charges or levies imposed upon it or upon its income and profits, or upon any of its property, real, personal or mixed, or upon any part thereof, before the same shall become in default, which default could reasonably be expected to result in a Material Adverse Effect on the ability of the Borrower to perform its obligations; *provided* that the Borrower shall have the right to defer payment or performance of its obligations to Persons other than the Lender so long as it is contesting in good faith the validity of such obligations by appropriate legal action and no final order or judgment has been entered with respect to such obligations.

(g) *Incorporation of Covenants.* The covenants of the Borrower set forth in each of the Related Documents to which the Borrower is a party are hereby incorporated by reference in this Agreement for the benefit of the Lender. To the extent that any such incorporated provision permits any Person to waive compliance with or consent to such provision or requires that a document, opinion, report or other instrument or any event or condition be acceptable or satisfactory to any Person, for purposes of this Agreement, such compliance shall be waived, or such provision shall be consented to, only if it is waived or consented to, as the case may be, by the Lender and such document, opinion, report or other instrument shall be acceptable or satisfactory to the Lender. No amendment to such covenants (or the defined terms relating thereto) made pursuant to the Related Documents, which could reasonably be expected to have a Material Adverse Effect on the ability of the Borrower to perform its obligations hereunder or under the Note and under the other Related Documents shall be effective to amend such incorporated covenants without the prior written consent of the Lender.

(h) *Disclosure to Participants.* The Borrower shall permit the Lender to disclose any information received by the Lender in connection herewith including, without limitation, the financial information described in Section 5.1(b)(i) hereof, to any Participant.

(i) *Licenses, Permits, Etc.* The Borrower will take all necessary and appropriate action to ensure the continuance in force of all material consents, licenses, permits, orders, decrees, authorizations, registrations, filings and other Governmental Approvals obtained or made in connection with this Agreement, the Note and the other Related Documents and/or necessary to enable and authorize the ongoing performance by the Borrower of this Agreement, the Note and the other Related Documents and all other agreements to be delivered in connection with any thereof.

(j) *ERISA.* Promptly pay and discharge all obligations and liabilities, applicable to the Borrower arising under ERISA of a character which if unpaid or unperformed might result in the imposition of a lien against any of its properties or assets and promptly notify the Lender of the occurrence of any reportable event (as defined in ERISA) which might result in the termination by the PBGC of any Plan or of receipt of any notice from PBGC of its intention to seek termination of any Plan or appointment of a trustee therefor. The Borrower will notify the Lender of its intention to terminate or withdraw from any Plan and will not terminate any such Plan or withdraw therefrom unless it shall be in compliance with all of the terms and conditions of this Agreement after giving effect to any liability to PBGC resulting from such termination or withdrawal.

(k) *Insurance.* The Borrower will maintain insurance with financially sound and reputable insurance companies in such amounts and covering such risks as is usually carried by companies engaged in similar businesses and owning similar properties in the same general areas in which Borrower operates.

(l) *Preservation of Existence and Properties, Scope of Business, Compliance with Law, Payment of Taxes and Claims, Preservation of Enforceability.*

(i) Preserve and maintain its existence as a limited liability company and all of its rights to engage in business in all jurisdictions in which it does business;

(ii) Preserve, protect and obtain all Intellectual Property, if any, and preserve and maintain in good repair, working order and condition, ordinary wear and tear excepted, all of its other property required for the conduct of its business;

(iii) Engage only in businesses in substantially the same fields as the businesses conducted on the Effective Date;

(iv) Comply with Applicable Law, including, without limitation, all Environmental Laws, Anti-Corruption Laws and applicable Sanctions;

(v) Pay or discharge when due all Taxes (other than any the amount or validity of which are currently being contested in good faith by appropriate proceedings and with respect to which adequate reserves in conformity with Generally Accepted Accounting Principles have been provided on the books of the Borrower asserted to be owing the same) and all liabilities that are or might become Liens on any of its properties; and

(vi) Take all action and obtain all consents and Governmental Approvals required so that its obligations under the Related Documents will at all times be legal, valid and binding and enforceable in accordance with their respective terms.

ARTICLE VI

NEGATIVE COVENANTS OF THE BORROWER

Section 6.1 Negative Covenants of the Borrower. So long as any Loan is outstanding and available to the Borrower and until all of the Obligations shall have been paid in full, the Borrower hereby covenants and agrees that it will not:

(a) *Compliance with Laws, Etc.* Violate any laws, rules, regulations, governmental orders or other Governmental Approvals to which it is subject and of which it is aware after diligent inquiry, which violation could reasonably be expected to result in a Material Adverse Effect on the ability of the Borrower to perform its obligations hereunder or under the Note and under the other Related Documents.

(b) *Amendments; Instructions.* (i) The Borrower shall not modify, amend or consent to any modification, amendment or waiver in any material respect of any Related Document (including, but not limited to, the Development Agreements) without the prior written

consent of the Lender, and shall not modify or amend the Operating Agreement or any of its other organizational documents in any way that could reasonably be expected to create a Material Adverse Effect. (ii) The Borrower shall not allow or instruct the City of Angleton or the City of Tomball to make payments of Reimbursements to any party, including the Borrower, other than the Lender so long as any principal or interest amount is owed to the Lender hereunder.

(c) *Liens, Etc.* The Borrower shall not create or suffer to exist any Lien upon or with respect to any Collateral except (i) Liens securing the Loans as required hereunder and (ii) any Lien on the Collateral that is superior to the Lender's Liens on the Collateral.

(d) *Swap Contracts.* Without the prior written consent of the Lender, the Borrower will not enter into any Swap Contract relating to Obligations incurred pursuant to this Agreement.

(e) *Federal Reserve Board Regulations.* The Borrower shall not use any portion of the proceeds of the Loans for the purpose of carrying or purchasing any Margin Stock.

(f) *Use of Lender's Name.* Except as may be required by law (including, but not limited to, federal and state securities laws), the Borrower shall not use the Lender's name in any published materials (other than the Borrower's staff reports, annual statements, audited financial statements, rating agency presentations, the Related Documents, and any documents delivered pursuant thereto) without the prior written consent of the Lender (which consent shall not be unreasonably withheld).

(g) *Accounting Changes.* Change the times of commencement or termination of Fiscal Years or other accounting periods or materially change its accounting practices without first disclosing in writing such change to the Lender.

(h) *No Impairment.* The Borrower will not take any action under any Related Document (including, but not limited to, the Development Agreements) which would materially adversely affect the rights, interests, remedies or security of the Lender under this Agreement or any other Related Document or which could reasonably be expected to result in a Material Adverse Effect.

(i) *Merger or Consolidation.* Shall not merge or consolidate with any Person without the prior written consent of the Lender, which such consent shall not be unreasonably withheld.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

Section 7.1 Events of Default. The occurrence of any of the following events (whatever the reason for such event and whether voluntary, involuntary, or effected by operation of law) shall be an "*Event of Default*" hereunder:

(a) *Payment of Obligations.* The failure of the City of Angleton or the City of Tomball to punctually make Reimbursements to Lender in accordance with the City Consent Certificates to the extent required under the Development Agreements.

(b) *Misrepresentation.* Any material statement, representation, or warranty heretofore or hereafter made by Borrower or any Obligated Party in this Agreement or any other Related Document or in any writing, or any statement or representation made in any certificate, report, or opinion delivered to Lender pursuant to the Related Documents, is false, calculated to mislead, misleading, or erroneous in any materially way at the time made.

(c) *(Reserved).*

(d) *Covenants.* The failure or refusal of Borrower or any Obligated Party to perform, observe, and comply with any covenant or agreement contained in any of the Related Documents, including, but not limited to, failure to provide any of the financial information required pursuant to Section 5.1 hereof.

(e) *Voluntary Debtor Relief.* Borrower or any Obligated Party shall (a) execute an assignment for the benefit of creditors, or (b) become or be adjudicated as bankrupt or insolvent, or (c) generally not, or be unable to, or admit in writing its inability to, pay its Debts generally as they become due, or (d) apply for or consent to the appointment of a conservator, receiver, trustee, liquidator, custodian or other similar official of it or all or a substantial part of its assets, or (e) file a voluntary petition, or commence any other proceeding, or other action, seeking liquidation, reorganization or dissolution, conservatorship, or seek any other arrangement with creditors or to take advantage or seek any other relief under any Debtor Relief Law now or hereafter existing, or (f) file an answer admitting the material allegations of or consenting to, or default in, a petition filed against it in any liquidation, conservatorship, bankruptcy, reorganization, rearrangement, debtor's relief, or other insolvency proceedings, or (g) institute or voluntarily be or become a party to any other judicial proceedings intended to effect a discharge of its Debts, in whole or in part, or a postponement of the maturity or the collection thereof, or a suspension of any of the rights or powers of Lender granted in any of the Related Documents.

(f) *Involuntary Proceedings.* Borrower or any Obligated Party shall involuntarily (a) have an order, judgment, or decree entered against it under any Debtor Relief Law that could suspend or otherwise affect any of the rights granted to Lender in any of the Related Documents, and such order, judgment, or decree is not permanently stayed, vacated, or reversed within ninety (90) days after the entry thereof, or (b) have a petition filed against it or any of its property seeking the benefit or benefits provided for by any Debtor Relief Law that would suspend or otherwise affect any of the rights granted to Lender in any of the Related Documents, and such petition is not discharged within ninety (90) days after the filing thereof.

(g) *Attachment.* The failure to have discharged within a period of ninety (90) days after the commencement thereof any attachment, sequestration, or similar proceedings against Borrower's right to receive Property Tax Rebate Payments.

(h) *Dissolution.* The dissolution of Borrower for any reason whatsoever.

(i) *Related Documents.* Any of the Related Documents ceases to be in full force and effect, or be enforceable by the Lender in accordance with their terms.

(j) *ERISA.* Any reportable event (as defined in ERISA) which the Lender determines in good faith constitutes grounds for the termination of any Plan of the Borrower or for the appointment by the appropriate United States District Court of a trustee to administer or liquidate any such Plan, shall have occurred and be continuing thirty (30) days after written notice to such effect shall have been given to the Borrower by the Lender; or any such Plan shall be terminated; or a trustee shall be appointed by the appropriate United States District Court to administer any such Plan; or the PBGC shall institute proceedings to administer or terminate any such Plan; and in the case of any such event the aggregate amount of vested unfunded liabilities under such Plan shall exceed (either singly or in the aggregate in the case of any such liability arising under more than one such Plan) five percent (5%) of the total assets of the Borrower.

Section 7.2 Rights and Remedies upon Default. Upon the occurrence of an Event of Default hereunder, all Obligations shall accrue and be payable at the Default Rate. Interest accruing at the Default Rate shall be payable to the Lender, from Reimbursements upon demand by the Lender. In addition, the Lender may take one or more of the following actions at any time and from time to time (regardless of whether the actions are taken at the same or different times):

(a) Deliver a written notice to the Borrower that an Event of Default has occurred and is continuing;

(b) either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by a court in any appropriate action or proceeding, take whatever action at law or in equity may appear necessary or desirable to collect the amounts due and payable under the Related Documents or to enforce performance or observance of any obligation, agreement or covenant of the Borrower under the Related Documents, whether for specific performance of any agreement or covenant of the Borrower or in aid of the execution of any power granted to the Lender in the Related Documents;

(c) cure any Default, Event of Default or event of nonperformance hereunder or under any Related Document; *provided, however,* that the Lender shall have no obligation to effect such a cure;

(d) terminate its obligation to make Loans hereunder and reduce the Commitment Amount to zero; and

(e) exercise, or cause to be exercised, any and all remedies as it may have under the Related Documents and as otherwise available at law and at equity, including, but not limited, any and all rights it has with respect to the Collateral.

Section 7.3 No Waiver. No failure on the part of the Lender to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law. No delay or omission by the Lender in the exercise of any right, remedy or power or in the pursuit of any remedy shall impair any such right remedy or power or be construed to be a

waiver of any default on the part of the Lender or to be acquiescence therein. No express or implied waiver by the Lender of any Event of Default shall in any way be a waiver of any future or subsequent Event of Default.

Section 7.4 Discontinuance of Proceedings. In case the Lender shall proceed to invoke any right, remedy or recourse permitted hereunder or under any other Related Document and shall thereafter elect to discontinue or abandon the same for any reason, the Lender shall have the unqualified right so to do and, in such event, the Borrower and the Lender shall be restored to their former positions with respect to the Obligations, this Agreement, the Note and the other Related Documents and otherwise, and the rights, remedies, recourse and powers of the Lender hereunder shall continue as if the same had never been invoked.

Section 7.5 Application of Payments. Notwithstanding anything herein to the contrary, following the occurrence and during the continuance of an Event of Default, and notice thereof to the Borrower by the Lender, all amounts received on account of the Obligations shall be applied by the Lender as follows:

(a) *first*, to payment of that portion of the Obligations constituting fees, indemnities and expenses (including fees and disbursements and other charges of counsel) payable to the Lender in its capacity as such;

(b) *second*, to payment of interest (including any Defaulted Interest Payment) then due and payable under this Agreement;

(c) *third*, to the payment of that portion of the Obligations constituting the Outstanding Loan Balance until the same shall be paid in full;

(d) *fourth*, to the payment of any other Obligations; and

(e) *last*, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by Applicable Law.

ARTICLE VIII

MISCELLANEOUS

Section 8.1 Amendments and Waivers. No amendment, modification, supplement, extension, termination or waiver of any provision of this Agreement or any other Related Document, no approval or consent thereunder, and no consent to any departure by Borrower or any other party therefrom, may in any event be effective unless with the signed, written approval of the Lender.

Section 8.2 Notices. All notices and other communications provided for hereunder shall be in writing (including facsimiles) and mailed or faxed or delivered:

If to the Borrower:

Texas PID Financing I, LLC
c/o Texas PID Investment Holdings, LLC

20011 Stuebner Airline
Spring TX 77379

Attention: William A Benson Jr
Email: will@bensondev.com

If to the Lender:

NBH Bank
7800 E. Orchard Road, Suite 300
Greenwood Village, CO 80111
Attention: Clint Woodman, Director
Email: Clint.Woodman@nbhbank.com

or, as to each party, at such other address as shall be designated by such party in a written notice to the other party. All such notices and communications shall, when mailed or faxed, be effective when deposited in the mails or faxed, respectively, addressed as aforesaid, except that notice to the Lender pursuant to the provisions of Article II hereof shall not be effective until received by the intended party.

Section 8.3 No Waiver; Remedies. No failure on the part of the Lender to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder, preclude any other or further exercise thereof or the exercise of any other right. No notice to or demand on the Borrower in any case shall entitle the Borrower to any other or further notice or demand in similar or other circumstances or constitute a waiver of the right of the Lender to any other or further action in any circumstances without notice or demand. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Section 8.4 Indemnification; Costs.

(a) The Borrower shall pay from funds pledged as Collateral pursuant to this Agreement (i) the Lender for its reasonable documented out-of-pocket expenses incurred in connection with any amendments, modifications or waivers of the provisions of this Agreement and the Related Documents requested by the Borrower (whether or not the transactions contemplated thereby or thereby shall be consummated), and (ii) the Lender for all documented out-of-pocket expenses incurred in connection with the enforcement or protection of their respective rights (A) in connection with this Agreement and the other Related Documents, including their rights under this Section, or (B) in connection with the Loans made hereunder, including all such documented out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of the Loans.

(b) In addition to any and all rights of reimbursement, indemnification, subrogation or any other rights pursuant hereto or under law or equity, the Borrower hereby agrees (to the extent permitted by law) to indemnify and hold harmless, to the fullest extent of the Collateral pledged pursuant to this Agreement, each Indemnified Party from and against any and all claims, damages, losses, liabilities, reasonable costs or expenses whatsoever (including reasonable attorneys' fees) which may incur or which may be claimed against an Indemnified Party

by any Person or entity whatsoever (collectively, the “**Liabilities**”) by reason of or in connection with (i) the execution and delivery of any Related Document; *provided, however*, that all costs and expenses solely related to the negotiation and preparation of the Related Documents (including attorneys’ fees) shall be as set forth in Section 8.4(a) above; and (ii) the use of the proceeds of the Loans; *provided* that the Borrower shall not be required to indemnify an Indemnified Party for any claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful misconduct or gross negligence of such Indemnified Party as determined by a final, non-appealable judgment of a court of competent jurisdiction. If any proceeding shall be brought or threatened against an Indemnified Party by reason of or in connection with the events described in clause (i), (ii) or (iii) as a condition of indemnity hereunder each Indemnified Party shall promptly notify the Borrower in writing and the Borrower at the option of the Indemnified Party shall assume the defense thereof, including the employment of counsel satisfactory to such Indemnified Party and the payment of all reasonable costs of litigation. Nothing under this Section 8.4(b) is intended to limit the Borrower’s payment of the Obligations.

(c) The obligations of the Borrower under this Section 8.4 shall survive the payment of the Obligations and the termination of this Agreement to the extent of any remaining Collateral subsequent to the payment of the Obligations and the termination of this Agreement.

(d) To the fullest extent permitted by applicable law, the Borrower shall not assert, and hereby waives, any claim against any Indemnified Party, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Related Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, the Loans, or the use of the proceeds thereof.

Section 8.5 Successors and Assigns; Participations.

(a) So long as any Obligations are outstanding hereunder, the Borrower may not assign its rights hereunder or thereunder or any interest herein or therein without the prior written consent of the Lender, and any such assignment shall be void. This Agreement will be binding upon and inure to the benefit of the Lender and its respective successors and assigns. The Lender represents that it is not acquiring an interest in the Note with a view to the distribution thereof within the meaning of the Securities Act of 1933, as amended (subject to any requirement that the disposition of the Note must be within the control of the Lender). The Lender may at any time pledge its interest in the Note or any other instrument evidencing its rights as a lender under this Agreement to a Federal Reserve Bank, but no such pledge shall release the Lender from its obligations hereunder or grant to such Federal Reserve Bank the rights of a lender hereunder absent foreclosure of such pledge.

(b) The Lender may from time to time grant participations, with the prior consent of the Borrower, to one or more banks or other financial institutions (each a “**Participant**”) in a portion of the Loans; *provided* that (i) the Lender’s obligations under this Agreement shall remain unchanged; (ii) the Lender shall remain solely responsible to the Participant for the performance of such obligations; (iii) the Participant shall not be a lender hereunder for any purpose; (iv) Borrower shall continue to deal solely and directly with the Lender in connection with the Lender’s rights and obligations under this Agreement; (v) the participation interest shall

be expressed as a percentage of the Loans; and (vi) the consent of the Participant shall not be required for amendments or waivers of provisions of the Related Documents and the Lender shall be empowered to bind such Participant for the purpose of all consents, waiver and amendments; provided that the agreement effecting such participation may provide that the Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in Section 8.1 that affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Section 2.6 (subject to the requirements and limitations therein) to the same extent as if it were a Lender and had acquired its interest by assignment.

Section 8.6 Severability. Any provision of this Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

Section 8.7 Governing Law, Jurisdiction and Waiver of Jury Trial.

(a) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS WITHOUT GIVING EFFECT TO CONFLICTS OF LAWS PROVISIONS.

(b) EACH PARTY HERETO CONSENTS TO AND SUBMITS TO IN PERSONAM JURISDICTION AND VENUE IN THE STATE AND IN THE FEDERAL DISTRICT COURTS WHICH ARE LOCATED IN HARRIS COUNTY, TEXAS. EACH PARTY ASSERTS THAT IT HAS PURPOSEFULLY AVAILED ITSELF OF THE BENEFITS OF THE LAWS OF THE STATE OF TEXAS AND WAIVES ANY OBJECTION TO IN PERSONAM JURISDICTION ON THE GROUNDS OF MINIMUM CONTACTS, WAIVES ANY OBJECTION TO VENUE, AND WAIVES ANY PLEA OF FORUM NON CONVENIENS. THIS CONSENT TO AND SUBMISSION TO JURISDICTION IS WITH REGARD TO ANY ACTION RELATED TO THIS AGREEMENT. REGARDLESS OF WHETHER THE PARTY'S ACTIONS TOOK PLACE IN THE STATE OR ELSEWHERE IN THE UNITED STATES, THIS SUBMISSION TO JURISDICTION IS NONEXCLUSIVE, AND DOES NOT PRECLUDE EITHER PARTY FROM OBTAINING JURISDICTION OVER THE OTHER IN ANY COURT OTHERWISE HAVING JURISDICTION.

(c) THE COVENANTS AND WAIVERS MADE PURSUANT TO THIS SECTION 8.7 SHALL BE IRREVOCABLE AND UNMODIFIABLE, WHETHER IN WRITING OR ORALLY, AND SHALL BE APPLICABLE TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS OF THIS AGREEMENT. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

Section 8.8 Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

Section 8.9 Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

Section 8.10 Integration. This Agreement is intended to be the final agreement between the parties hereto relating to the subject matter hereof and this Agreement and any agreement, document or instrument attached hereto or referred to herein shall supersede all oral negotiations and prior writings with respect to the subject matter hereof. If there is a conflict between this Agreement and any other Related Document, the language within this Agreement shall apply.

Section 8.11 No Fiduciary Relationship. The Borrower acknowledges and agrees that its dealings with the Lender are solely in the nature of a debtor/creditor relationship and that in no event shall the Lender be considered to be a partner or joint venture of the Borrower. Also, the Borrower represents and warrants that it has independently evaluated the business transaction and has not relied upon, nor will it rely upon, the expertise, advice or other comments or statements of the Lender (including their respective agents), if any, in deciding to pursue such undertaking. As the Borrower is experienced in business, in no event shall the Lender owe any fiduciary or similar obligations to it in connection with the subject transaction.

Section 8.12 Electronic Signatures. The parties agree that, with the exception of the Note, the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be “written” or “in writing,” (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or “printouts,” if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, “electronic signature” means a manually-signed original signature that is then transmitted by electronic means; “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a “pdf” (portable document format) or other replicating image attached to an e-mail message; and, “electronically signed document” means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

Section 8.13 Security Interests. The Borrower hereby pledges, assigns and grants to the Lender a continuing first priority security interest in all of Borrower’s right, title and interest in and to all of the Collateral to secure the prompt and complete payment and performance when due of all of the Obligations.

Section 8.14 Borrower Remains Liable. Notwithstanding anything to the contrary contained herein, (a) Borrower and each other Obligated Party shall remain liable for Obligations under the contracts and agreements to which such Person is a party and which are included in the Collateral and shall perform all of its respective duties and obligations thereunder to the same extent as if this Agreement had not been executed, and (b) the Lender shall not have any obligation

or liability under any of the contracts and agreements included in the Collateral by reason of this Agreement, nor shall the Lender be obligated to perform any of the obligations or duties of Borrower or any other Obligated Party thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

Section 8.15 Authorization to File Financing Statements, Etc. Borrower hereby irrevocably authorizes the Lender, at any time and from time to time to prepare and file one or more financing statements (and any continuation statements and amendments thereto) describing the Collateral.

Section 8.16 Patriot Act. The Lender hereby notifies the Borrower that, pursuant to the requirements of the Patriot Act, it may be required to obtain verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow the Lender to identify the Borrower in accordance with the Patriot Act.

Section 8.17 No Rating, DTC or CUSIP. The Loans shall not be (a) assigned a separate rating by any rating agency, (b) registered with the Depository Trust Company or any other securities depository, (c) issued pursuant to any type of offering document or official statement, or (d) assigned a CUSIP number by Standard & Poor's CUSIP Global Services.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Credit Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

TEXAS PID FINANCING I, LLC, as Borrower

By:_____

Name:_____

Title:_____

[COUNTERPART SIGNATURE PAGE TO CREDIT AGREEMENT]

NBH BANK, as Lender

By: _____

Name: _____

Title: _____

EXHIBIT A
FORM OF NOTE

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”), OR UNDER THE SECURITIES LAWS OF ANY STATE OR JURISDICTION. THIS NOTE IS SUBJECT TO CERTAIN TRANSFER RESTRICTIONS AS PROVIDED IN SECTION 8.5 OF THE HEREIN DEFINED AGREEMENT

**PUBLIC IMPROVEMENT DISTRICT
REIMBURSEMENTS LOAN**

DATED DATE: _____, 2021

Up to \$4,371,000

For value received, TEXAS PID FINANCING I, LLC, a Delaware limited liability company (with its successors, the “**Borrower**”), hereby promises to pay from Reimbursements (as defined in the Agreement (defined below)) to NBH BANK (together with its successors and assigns, the “**Lender**”), the aggregate principal amount of \$4,371,000, or, if less, the Outstanding Loan Balance, pursuant to the Credit Agreement, dated as of [], 2021, by and between Borrower and Lender (together with any amendments or supplements thereto, the “**Agreement**”), on the Maturity Date.

The Borrower further promises to pay interest on the unpaid principal amount of the Loans evidenced hereby on the dates, in the amounts and in the manner provided for in the Agreement.

The Loans shall bear interest at the rate and be payable as provided in and calculated in the manner set forth in the Agreement.

Payments of both principal and interest are to be made in lawful money of the United States of America.

Lender shall, and is hereby authorized to, record on the schedule attached as Appendix A hereto, or to otherwise record in accordance with its usual practice, the date and amount of each Loan and the date and amount of each principal payment hereunder. However, regardless of the manner in which Lender records such Loans and principal payments in its usual practice, Borrower shall receive credit for each payment made on the this Note that is received by Lender. Absent manifest error, Lender’s recordation of Loans and payments shall be binding on the Borrower.

This Note evidences indebtedness made by the Lender under, and is subject to the terms and provisions of, the Agreement to which reference is hereby made for a statement of said terms and provisions, including those under which this Note may be paid or become due prior to its due date. This Note is the Note referred to in the Agreement and is entitled to the benefits thereof and of the Related Documents referred to therein. This Note is subject to prepayment, in whole or in part, in accordance with the terms of the Agreement.

Reference is hereby made to the Agreement for a description of the terms on which this Note is issued, all of which are hereby incorporated herein and constitute a contract between the Borrower and the holder of this Note, and by acceptance hereof the holder of this Note assents to said terms and conditions.

This Note is secured solely by the Collateral, without recourse, as described and defined in the Collateral Documents as set forth in the Agreement.

This Note is made under the laws of the State of Texas, and for all purposes shall be governed by and construed in accordance with the laws of said State, without regard to principles of conflicts of law. Capitalized terms not otherwise defined herein have the meaning set forth in the Agreement.

It is hereby certified that all conditions, acts and things required to exist, happen and be performed under the Agreement precedent to and in the issuance of this Note, exist, have happened and have been performed.

The Borrower hereby waives presentment for payment, demand, protest, notice of protest, notice of dishonor and all other notices and demands whatsoever.

IN WITNESS WHEREOF, the Borrower has caused this Note to be signed as of the Dated Date specified above.

TEXAS PID FINANCING I, LLC, as Borrower

By: _____
Name: _____
Title: _____

ASSIGNMENT

For value received, the undersigned does hereby sell, assign and transfer unto _____ the within Note and does hereby irrevocably constitute and appoint _____ attorney to transfer such Note on the register of the Borrower, with full power of substitution in the premises.

Dated: _____

Signature: _____

Note: The signature(s) to this Assignment must correspond with the name(s) as written on the face of the within Note in every particular, without alteration or enlargement or any change whatsoever.

APPENDIX A

RECORDATION OF LOANS AND PAYMENTS

[illegible]

EXHIBIT B

DEVELOPMENT AGREEMENTS

Development Agreement, dated March 16, 2015, between Yaupon Trails LTD LLC and the City of Tomball, Texas.

Development Agreement, dated November 6, 2017, between Tomball Copper Cove, LLC and the City of Tomball, Texas.

Development Agreement, dated March 19, 2018, between Tomball Grand Junction, LLC and the City of Tomball, Texas.

Development Agreement, dated November 5, 2018, between Tomball Timber Trails, LLC and the City of Tomball, Texas.

Reimbursement Agreement No. 20190910-018, dated August 10, 2019, between Angleton Green Trails, LLC and the City of Angleton, Texas.

EXHIBIT C

FORM OF ADVANCE REQUEST

NBH Bank
7800 E. Orchard Road, Suite 300
Greenwood Village, CO 80111
Attention: Clint Woodman, Director
Email: Clint.Woodman@nbhbank.com

The undersigned is an officer of TEXAS PID FINANCING I, LLC (the “**Borrower**”), and is authorized to make and deliver this advance request pursuant to that certain Credit Agreement dated as of [], 2021 (as same may be further amended, modified, supplemented and/or restated, the “**Credit Agreement**”), between Borrower and NBH BANK (the “**Bank**”). All terms defined in the Credit Agreement shall have the same meaning herein.

Pursuant to Section 2 of the Credit Agreement, we hereby request that you make a Loan to the Borrower in the amount of

U.S.\$_____ (the Loan Amount)

on _____, 20____ (the Funding Date)

We further request that you pay the proceeds of such Loan in accordance with the following payment instructions:

[Insert payment instructions.]

In accordance with Section 2.2 of the Credit Agreement, Borrower hereby submits the following, which are attached hereto:

(a) a Certificate of Occupancy issued by a City in the calendar year immediately preceding the calendar year in which the Funding Cutoff Date occurs for each building used to determine the Loan Amount and which is not already accounted for in any prior Loan; and

(b) the calculation of the Loan Amount, including the Capitalized Interest Amount, if any, and the Costs of Issuance Amount, and any supporting documentation submitted in connection with such calculation, as reasonably requested by the Lender.

In connection with the foregoing and pursuant to the terms and provisions of the Credit Agreement, the undersigned hereby certify to the Bank that the following statements are true and correct:

Representations and Warranties. The representations and warranties contained in the Credit Agreement and in each of the other documents executed by Borrower are true and correct

on and as of the date hereof with the same force and effect as if made on and as of such date. Borrower has performed and complied with all agreements and conditions contained in the Credit Agreement and in each security document executed by such party for the benefit of the Bank as and when required to be performed or complied with by Borrower pursuant to such instrument. The conditions set forth in Section 3.8 of the Agreement have been satisfied.

No Event of Default. No Event of Default under the Credit Agreement has occurred and is continuing or would result after giving effect to the Loan that is the subject of this Advance Request.

Material Adverse Change. Since the date of the financial statements of Borrower most recently delivered to the Bank pursuant to the Credit Agreement, there has been no material adverse change in the business condition (financial or otherwise), operations properties or prospects of either Borrower.

I, the undersigned, hereby certify on behalf of the Borrower that the amounts set forth above are accurate to the best of Borrower's knowledge as of the date hereof.

Executed this _____ day of _____, 20__.

TEXAS PID FINANCING I, LLC, as Borrower

By: _____
Name: _____
Title: _____

Schedule 4.22

List of Borrower's Subsidiaries or Affiliates

None

Exhibit C

Current Assessed Parcels

EXHIBIT A

[illegible]