RESIDENTIAL DEVELOPMENT AGREEMENT BETWEEN THE CITY OF ANGLETON, TEXAS, AND WATERSTONE DEVELOPMENT GROUP LLC

This Development Agreement ("Agreement") is made and entered into by THE CITY OF ANGLETON, TEXAS (the "City"), a home-rule municipality in Brazoria County, Texas, acting by and through its governing body, the City Council of the City of Angleton, Texas, and Waterstone Development Group, LLC, a Texas limited liability company (the "Developer").

WHEREAS, Developer is the owner of that certain tract of land located within the corporate boundaries of the City, being more particularly described within the attached **Exhibit A**.(the "Property"), and Developer intends to develop the Property for single family residential development; and

WHEREAS, it is the intent of this Agreement to establish certain restrictions and commitments imposed and made in connection with the development of the Property, to be known as "Kiber Reserve", and the Development is more fully described in **Exhibit B** (Development Plan); and

WHEREAS, the City and the Developer each acknowledge that the development of the Property can best proceed pursuant to a development agreement; and

WHEREAS, it is the intent of this Agreement to establish certain restrictions and commitments imposed and made in connection with the development of the Property. The City and the Developer are proceeding in reliance on the enforceability of this Agreement; and

WHEREAS, the City is authorized by the constitution and laws of the State of Texas to enter into this Agreement, including Section 212.172 of the Texas Local Government Code.

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants, and conditions contained herein, and other good and valuable consideration, the City and Developer agree as follows:

Definitions

Unless the context requires otherwise, and in addition to the terms defined above, the following terms and phrases used in this Agreement shall have the meanings set out below:

Capacity Acquisition Fee means the fee that is a one-time charge to Developer by the City and is a fee based on the roughly proportional fair share guidelines and standards set forth in LDC Sec. 23-32 per Equivalent Single-family Connection ("ESFC") platted to cover the capital costs incurred by the City related to the provision of water supply and sewage treatment.

City means the City of Angleton, Texas.

City Council means the City Council of the City or any successor governing body.

Developer means Waterstone Development Group, LLC.

Development means the tract of land or property more fully described in Exhibits "A" and "B" a

residential development consisting of 93 lots of varying dimensions.

Development Ordinance means those regulations adopted by ordinance by the City of Angleton, in Chapter 23 *Land Development Code* ("LDC"), and Chapter 28 *Zoning*, Code of Ordinances of the City of Angleton, Texas, and not including any future amendments or changes, except future amendments or changes exempted from Chapter 245, Local Government Code, Section 245.004; provided, however, that Developer may elect to have such future amendments or changes apply to the development of the Property.

Effective Date means the date of mutual execution by all necessary parties on this agreement.

HOA means the homeowners association(s) for the homes within the Development.

Property means the 19.8 acres further described in Exhibit "A" to be named "Kiber Reserve" a single-family residential neighborhood consisting of ninety-three residential dwellings (93) to be developed on the Property.

Utility Improvements means all infrastructure, public developments as defined and set out in the City of Angleton Code of Ordinances including but not limited to water, wastewater drainage system, and sanitary sewer utilities for the Development.

ARTICLE I. Covenants

1.01 The City shall provide water and wastewater treatment services to the Property as needed by the Property and shall expand its water and wastewater treatment facilities from time to time so that it may provide such services to the Property.

1.02 The City shall provide emergency services including police and fire services to the Property.

1.03 The City and Developer agree that all local City ordinances and regulations shall apply to the Development contemplated by this Agreement, including, without limitation, the City's development ordinance, parks ordinance, sign ordinance, and building code.

1.04 The Development shall be developed in compliance with the specific requirements of Chapter 28, Article III, Section 28-47 SF-5 Single-Family Residential District and all other applicable requirements of the Code of Ordinances of the City of Angleton except as modified by Ordinance No. 20200811-005 and this agreement. The Developer is required to plat any subdivision of the Development in accordance with the requirements of the Development Ordinance.

1.05 Developer agrees to pay City a capacity acquisition fee ("CAF") per dwelling unit, or per dwelling unit equivalent, as determined by the City Engineer prior to the recording of any final plat for the Development determined to be the total amount of Two Hundred Thousand Fifty-Four and Ninety-Nine and 25/100 dollars ($254,099.25). This amount represents the amount of Two Thousand Seven Hundred Thirty-Two dollars and 25/100 dollars ($2,732.25) per lot. The CAF may be paid in two payments. The Developer has paid approximately half of this amount or One Hundred Thirty-One Thousand One Hundred Forty-Eight and 03/100 ($131,148.00) on or about

May 20, 2021. The remaining amount or One Hundred Twenty-Two Thousand Nine Hundred Fifty-One and 25/100 dollars ($122,952.25) prior to the approval of permits to commence construction of the second phase of the Development. No construction will commence in the second phase without the payment of any remaining amount due for payment of the CAF.

1.06 The City and Developer Agree the Development shall be developed in no more than two (2) phases as proposed by Developer and depicted in **Exhibit "C**" attached and incorporated herein.

1.07 The Developer agrees to pay City fees in lieu of dedication of park acres in the amount of Fifty-Three Thousand Four Hundred Seventy-Five and No/100 Dollars ($53,475.00). The fee is calculated at the rate of ninety-three (93) residential lots at Five Hundred Seventy-Five and No/100 Dollars ($575.00) per lot for all ninety-three (93) residential lots prior to recording of any final plat of the project as set forth in the LDC (Section 23-20.D.6 *Dedication Requirements*). The Developer has paid approximately half of this amount or Twenty-Seven Thousand Six Hundred and 00/100 dollars ($27,600.00) on or about May 20, 2021. The remaining amount of Twenty-Five Thousand Eight Hundred Seventy-Five and 00/100 dollars ($25,875.00) prior to the approval of permits to commence construction of the second phase of the Development. No construction will commence in the second phase without the payment of any remaining amount due for payment of the fees in lieu of dedication of park fees.

1.08 Developer agrees to install perimeter fencing as depicted in **Exhibit** "D" attached and incorporated herein. Perimeter fencing shall be installed along the property lines of all lots and reserves with frontage along E. Kiber Street, E. Orange Street and S. Downing Street. Perimeter fencing shall not be installed within any street intersection sight triangles. All fencing for each proposed development phase shall be installed prior the occupancy of any residence in that phase. All wood fencing will have a top cap. All perimeter fencing as identified in **Exhibit** "D" shall be maintained by the HOA

1.09 Developer Agrees to install and provide conduit for the installation of fiber internet in the entire Development and will provide a will-serve letter from AT & T, attached as **Exhibit** "E".

1.10 Developer agrees that all streetlights will be LED (light-emitting diode), and all streetlight poles will be permitted and satisfy the requirements of Texas New Mexico Power Company. (TXNM).

1.11 **Homeowner's Association**. Developer will create detailed Deed Restrictions and a homeowner's association ("HOA") that will enforce the restrictions set forth herein. In the event Owner's Association becomes insolvent or fails to maintain proper documentation and filings with the State of Texas as required and loses its authority to operate and transact business as a property owner's association in the State of Texas then the City shall have the right to but is not obligated to enforce deed restrictions and other matters as set forth in this agreement and shall have all authority granted to the Association by virtue of this document and related Property Owner's Association Bylaws including but not limited to the authority to impose and collect maintenance fees and other necessary fees and assessments to further the upkeep of subdivision improvements as stipulated herein and as deemed necessary by the City.

A. Maintenance of such open spaces shall be the responsibility of the subdivider or the homeowners' association, unless accepted by the city council.

b. The articles of the homeowner's association shall require homeowner assessment sufficient to meet the necessary annual cost of the improvements that are calculated by the city engineer and shall provide those assessments are not subject to subrogation to mortgage lenders. Further, the articles shall provide that the board of directors shall be required to expend money for the improvements and repairs to maintain all infrastructures under its jurisdiction. Further, the articles shall require that board of directors file with the city annual reports of maintenance and that the board of directors shall be required to initiate any and all repairs in a timely manner as shall be identified by either the board or the city, and that the treasurer of the property owner's association shall be required to post a surety bond in an amount not less than 200 percent of all the monies on deposit with the HOA for maintenance.

Notwithstanding the foregoing provisions of this section: (i) in the event of a conflict with Agreement and the Development Ordinance, the Development Ordinance shall prevail.

The City shall notify the Developer in writing of any alleged failure by the Developer to comply with a provision of this Agreement, which notice shall specify the alleged failure with reasonable particularity. The Developer shall, within thirty (30) days after receipt of such notice or such longer period of time as the City may specify in such notice, either cure such alleged failure or, in a written response to the City, either present facts and arguments in refutation or excuse of such alleged failure or state that such alleged failure will be cured and set forth the method and time schedule for accomplishing such cure.

ARTICLE II
MATERIAL BREACH, NOTICE AND REMEDIES

2.01 Material Breach of Agreement. It is the intention of the parties to this Agreement that the Tract be developed in accordance with the terms of this Agreement and that Developer follow the development plans as set out in the Development Plan.

(a) The parties acknowledge and agree that any material deviation from the Development Plan and the concepts of development contained therein and any material deviation by Developer from the material terms of this Agreement would frustrate the intent of this Agreement, and therefore, would be a material breach of this Agreement. A material breach of this Agreement by Developer shall be deemed to have occurred in any of the following instances:

1. Developer's failure to develop the Tract in compliance with the approved Development Plan, as from time to time amended; or Developer's failure to secure the City's approval of any material or significant modification or amendment to the Development Plan; or

2. Failure of the Developer to substantially comply with a provision of this Agreement or a City ordinance applicable to the land in the Development.

(b) The parties agree that nothing in this Agreement can compel the Developer to proceed or continue to develop the Tract within any time period.

(c) The parties acknowledge and agree that any substantial deviation by the City from the material terms of this Agreement would frustrate the intent of this Agreement and, therefore, would be a material breach of this Agreement. A material breach of this Agreement by the City shall be deemed to have occurred in any of the following instances:

1. The imposition or attempted imposition of any moratorium on building or growth on the Tract prohibited by State law or that treats development authorized under this Agreement differently than other development occurring throughout the City's regulatory jurisdiction;

2. The imposition of a requirement to provide regionalization or oversizing of public utilities through some method substantially or materially different than the plan set forth in this Agreement;

3. An attempt by the City to enforce any City ordinance within the Tract that is inconsistent with the terms and conditions of this Agreement, unless such ordinance is required by state or federal law;

4. An attempt by the City to require modification or amendment of the Development Plan where it complies with the requirements of this Agreement; or

5. An attempt by the City to unreasonably withhold approval of a plat that complies with the requirements of this Agreement.

In the event that a party to this Agreement believes that another party has, by act or omission, committed a material breach of this Agreement, the provisions of this Article VI shall provide the remedies for such default.

2.02 Notice of Developer's Default.

(a) The City shall notify the Developer and each Designated Mortgagee in writing of an alleged failure by the Developer to comply with a provision of this Agreement, which notice shall specify the alleged failure with reasonable particularity. The alleged defaulting Developer shall, within thirty (30) days after receipt of such notice or such longer period of time as the City may specify in such notice, either cure such alleged failure or, in a written response to the City, either present facts and arguments in refutation or excuse of such alleged failure or state that such alleged failure will be cured and set forth the method and time schedule for accomplishing such cure.

(b) The City shall exercise good faith and determine (i) whether a failure to comply with a provision has occurred; (ii) whether such failure is excusable; and (iii) whether such failure has been cured or will be cured by the alleged defaulting Developer or a Designated Mortgagee. The alleged defaulting Developer shall make available to the City, if requested, any records, documents, or other information necessary to make the determination.

(c) In the event that the City determines that such failure has not occurred, or that such failure either has been or will be cured in a manner and in accordance with a schedule reasonably satisfactory to the City, or that such failure is excusable, such determination shall conclude the investigation.

(d) If the City determines that a failure to comply with a provision has occurred and that such failure is not excusable and has not been or will not be cured by the alleged defaulting Developer or a Designated Mortgagee in a manner and in accordance with a schedule reasonably satisfactory to the City, then the City Council may proceed to mediation under Section 6.04 and subsequently exercise the applicable remedy under Section 6.05.

Section 2.03 Notice of City's Default.

(a) The Developer shall notify the City in writing of an alleged failure by the City to comply with a provision of this Agreement, which notice shall specify the alleged failure with reasonable particularity. The City shall, within thirty (30) days after receipt of such notice or such longer period of time as the Developer may specify in such notice, either cure such alleged failure or, in a written response to the Developer, either present facts and arguments in refutation or excuse of such alleged failure or state that such alleged failure will be cured and set forth the method and time schedule for accomplishing such cure.

(b) The Developer shall exercise good faith and determine (i) whether a failure to comply with a provision has occurred; (ii) whether such failure is excusable; and (iii) whether such failure has been cured or will be cured by the City. The City shall make available to the Developer, if requested, any records, documents, or other information necessary to make the determination.

(c) In the event that the Developer determines that such failure has not occurred or that such failure either has been or will be cured in a manner and in accordance with a schedule reasonably satisfactory to the Developer, or that such failure is excusable, such determination shall conclude the investigation.

(d) If the Developer determines that a failure to comply with a provision has occurred and that such failure is not excusable and has not been or will not be cured by the City in a manner and in accordance with a schedule reasonably satisfactory to the Developer, then the Developer may proceed to mediation under Section 2.04 and subsequently exercise the applicable remedy under Section 2.05.

Section 2.04 Mediation. In the event the parties to this Agreement cannot, within a reasonable time, resolve their dispute pursuant to the procedures described in Sections 6.02 or 6.03, the parties agree to submit the disputed issue to non-binding mediation. The parties shall participate in good faith, but in no event shall they be obligated to pursue mediation that does not resolve the issue within fourteen (14) days after the mediation is initiated or thirty (30) days after mediation is requested, whichever is later. The parties participating in the mediation shall share the costs of the mediation equally.

Section 2.05 Remedies.

(a) In the event of a determination by the City that the Developer has committed a material breach of this Agreement that is not resolved in mediation pursuant to Section 6.04, the City may file suit in a court of competent jurisdiction in Brazoria County, Texas, and seek any relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act and or termination of this Agreement as to the breaching Developer.

(b) In the event of a determination by a Developer that the City has committed a material breach of this Agreement that is not resolved in mediation pursuant to Section 6.04, the Developer

may, without expanding City's liability beyond the statutory limits of the Texas Tort Claims Act or under other law; and, without the City waiving or demising its immunity beyond the scope of that allowed by the Texas Tort Claims Act or other law, and without the City ever being liable for Developer's consequential, special, indirect or incidental losses or damages, file suit in a court of competent jurisdiction in Brazoria County, Texas, for the limited remedy of seeking City's specific performance of its obligations under this Agreement.

ARTICLE III. ADDITIONAL TERMS

3.01 This Agreement shall be effective upon the mutual execution of this Agreement (the "Effective Date") and shall terminate fifteen (15) years from the date of execution.

3.02 Any person who acquires the Property or any portion of the Property shall take the Property subject to the terms of this Agreement. The terms of this Agreement are binding upon Developer, its successors, and assigns, as provided herein; provided, however, notwithstanding anything to the contrary herein, the Developer's assignee shall not acquire the rights and obligations of Developer unless Developer expressly states in the deed of conveyance or by separate instrument placed of record that said assign is to become the Developer for purposes of this Agreement and notice is sent by the Developer to the City. Any contract, agreement to sell land, or instrument of conveyance of land which is a part of the Property shall recite and incorporate this Agreement as binding on any purchaser or assignee. Notwithstanding the above if developer sells the lots to its own or other builders the subject and terms of this agreement shall automatically pass with the lot to said builder who shall retain the rights and obligations of this agreement which shall be set out in a separate recorded document.

3.03 This Agreement may be amended only upon written amendment executed by the City and Developer. In the event Developer sells any portion of the Property, the Developer may assign to such purchaser the right to amend this Agreement as to such purchased property by written assignment and notice thereof to the City. Such assignment shall not grant such purchaser the authority to amend this Agreement as to any other portions of the Property.

3.04 The Developer shall notify the City within fifteen (15) business days after any substantial change in ownership or control of the Developer. As used herein, the words "substantial change in ownership or control" shall mean a change of more than 49% of the stock or equitable ownership of the Developer. Any contract or agreement for the sale, transfer, or assignment of control or ownership of the Developer shall recite and incorporate this Agreement as binding on any purchaser, transferee, or assignee.

3.05 The parties contemplate that they will engage in informal communications with respect to the subject matter of this Agreement. However, any formal notices or other communications ("Notice") required to be given by one party to another by this Agreement shall be given in writing addressed to the party to be notified at the address set forth below for such party, (a) by delivering the same in person, (b) by depositing the same in the United States Mail, certified or registered, return receipt requested, postage prepaid, addressed to the Party to be notified; (c) by depositing the same with Federal Express or another nationally recognized courier service guaranteeing "next day delivery," addressed to the party to be notified, or (d) by sending the same by telefax with confirming copy sent by mail.

City: City of Angleton
Chris Whittaker
City Manager
121 S. Velasco
Angleton, Texas 77515
Attn: City Secretary

With copy to: J. Grady Randle
Randle Law Office LTD, LLP
820 Gessner, Suite 1570
Houston, Texas 77024

Developer: Waterstone Development Group, LLC
Charles Von Schmidt
185 Cedar Point Drive
Livingston, Texas 77351

3.06 Time is of the essence in all things pertaining to the performance of the provisions of this Agreement.

3.07 If any provision of this Agreement or the application thereof to any person or circumstance is ever judicially declared invalid, such provision shall be deemed severed from this Agreement, and the remaining portions of this Agreement shall remain in effect.

3.08 If any provision of this Agreement or the application thereof to any person or circumstance is prohibited by or invalid under applicable law, it shall be deemed modified to conform with the minimum requirements of such law, or, if for any reason it is not deemed so modified, it shall be prohibited or invalid only to the extent of such prohibition or invalidity without the remainder thereof or any such other provision being prohibited or invalid.

3.09 Any failure by a party hereto to insist upon strict performance by the other party of any provision of this Agreement shall not be deemed a waiver thereof or of any other provision hereof, and such party shall have the right at any time thereafter to insist upon strict performance of any and all of the provisions of this Agreement.

3.10 The construction and validity of this Agreement shall be governed by the laws of the State of Texas without regard to conflicts of law principles. Venue shall be in Brazoria County, Texas.

3.11 To the extent not inconsistent with this Agreement, each party reserves all rights, privileges, and immunities under applicable laws, including sovereign immunity, except to enforce any rights and remedies under this Agreement.

3.12 The Agreement is not intended to, and shall not be construed to, create any joint enterprise between or among the Parties. The City has exclusive control over and under the public highways, streets, and alleys of the City and shall have dominant control over the project contemplated by this Agreement.

3.13 This Agreement is public information. To the extent, if any, that any provision of this Agreement is in conflict with Texas Government Code Chapter 552 et seq., as amended (the "Texas Public Information Act"), such provision shall be void and have no force or effect.

3.14 This Agreement is entered solely by and between and may be enforced only by and among the Parties. Except as set forth herein, this Agreement shall not be deemed to create any rights in, or obligations to, any third parties.

3.15 The Parties expressly acknowledge that the City's authority to indemnify and hold harmless any third party is governed by Article XI, Section 7 of the Texas Constitution, and any provision that purports to require indemnification by the City is invalid. Nothing in this Agreement requires that either the City incur debt, assess, or collect funds, or create a sinking fund.

3.16 **THE PARTIES EXPRESSLY ACKNOWLEDGE AND AGREE THAT NO PROVISION OF THIS AGREEMENT IS IN ANY WAY INTENDED TO CONSTITUTE A WAIVER BY ANY PARTY OF ANY IMMUNITY FROM SUIT OR LIABILITY THAT A PARTY MAY HAVE BY OPERATION OF LAW. THE CITY RETAINS ALL GOVERNMENTAL IMMUNITIES**.

3.17 This Agreement shall not be assigned by either Party without the express written consent of the other Parties.

3.18 **Further Documents.** The parties agree that at any time after execution of this Agreement, they will, upon request of another party, execute and deliver such further documents and do such further acts and things as the other party may reasonably request in order to effectuate the terms of this Agreement.

3.19 **Incorporation of Exhibits and Other Documents by Reference.** All Exhibits and other documents attached to or referred to in this Agreement are incorporated herein by reference for the purposes set forth in this Agreement.

3.20 **Effect of State and Federal Laws.** Notwithstanding any other provision of this Agreement, Developer, its successors or assigns, shall comply with all applicable statutes or regulations of the United States and the State of Texas, as well as any City ordinances not in conflict with this Agreement, and any rules implementing such statutes or regulations.

3.21 **Authority for Execution.** The City hereby certifies, represents, and warrants that the execution of this Agreement is duly authorized and adopted in conformity with the City Charter, City ordinances and the laws of the State of Texas. The Developer hereby certifies, represents, and warrants that the execution of this Agreement is duly authorized and adopted in conformity with the articles of incorporation and bylaws or partnership agreements of such entities.

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement to be effective as of the Effective Date.

[signature pages follow]

CITY OF ANGLETON, TEXAS

By: _____
Jason Perez, Mayor

Date: _____

ATTEST

By: _____
Frances Aguilar, City Secretary

Date: _____

THE STATE OF TEXAS §
§
COUNTY OF BRAZORIA §

This instrument was acknowledged before me on _____, 2021, by Jason Perez, Mayor of the City Angleton, Texas.

_____
Notary Public, State of Texas

DEVELOPER and LANDOWNER

By: _____
Waterstone Development Group, LLC
Charles Von Schmidt

Title: _____
Date: _____

THE STATE OF TEXAS §
§
COUNTY OF BRAZORIA §

This instrument was acknowledged before me, the undersigned authority, this ___ day of _____, 2021, by _____, _____ of Waterstone Development Group, LLC, on behalf of said entity.

_____
Notary Public, State of Texas

Exhibit A

FIELD NOTES FOR 19.84 ACRE TRACT

Being a tract of land containing 19.84 acres (864,041 square feet), located within I.T. Tinsley Survey, Abstract Number (No.) 375, in Brazoria County, Texas; Said 19.84 acre being a portion of Lots 12 and 69 of the Bryan and Kiber Subdivision of the I.T. Tinsley Survey as recorded in Volume (Vol.) 29, Page 75 of the Brazoria County Deed Records (B.C.D.R.), being all of a called 19.836 acre tract recorded in the name of the Angleton Family Partnership, Ltd. Under Brazoria County Clerk's File (B.C.C.F.) No. 2019054389; Said 19.84 acres being more particularly described by metes and bounds as follows (bearings are based on the Texas Coordinate System of 1983, (NAD83) South Central Zone, per GPS observations):

BEGINNING at a 1/2–inch iron rod with cap found on the north right–of–way (R.O.W.) line of East Kiber Street (sixty feet wide per Vol. 29, Page 75 B.C.D.R.) at the southeast corner of Lot 27, Block 3 of the McCormack Addition to the City of Angleton, a subdivision recorded under Vol. 4, Pg. 107 of the Brazoria County Plat Records (B.C.P.R.), for the southwest corner of the herein described tract;

THENCE, with the east line of said McCormack Addition, North 02 degrees 57 minutes 55 seconds West, a distance of 1,640.26 feet to a 1/2–inch iron rod found on the south R.O.W. line of East Orange Street (sixty feet wide per Vol. 29, Page 75 B.C.D.R.) at the northeast corner of Lot 1 of said Block 3, for the northwest corner of the herein described tract, from which a 1–inch iron pipe bears North 03 degrees 16 minutes East, a distance of 1.8 feet;

THENCE, with the south R.O.W. line of said East Orange Street, North 87 degrees 08 minutes 43 seconds East, a distance of 660.03 feet to a 5/8–inch iron rod found in the southwest corner of the intersection of East Orange Street and South Downing Road (sixty feet wide per Vol. 29, Page 75 B.C.D.R.), for the northeast corner of the herein described tract;

THENCE, with the west R.O.W. line of said South Downing Road, South 02 degrees 56 minutes 02 seconds East, a distance of 595.66 feet to a 1/2–inch iron pipe found at the northeast corner of a called 5.000 acre tract recorded in the name of Michael McLendon under B.C.C.F. No. 2018032290, for an angle point;

THENCE, with the north line of said 5.000 acre tract, South 87 degrees 01 minutes 51 seconds West, a distance of 400.24 feet to a 5/8–inch iron rod with cap stamped "Baker & Lawson" set at the northwest corner of said 5.000 acre tract, for an interior corner of the herein described tract;

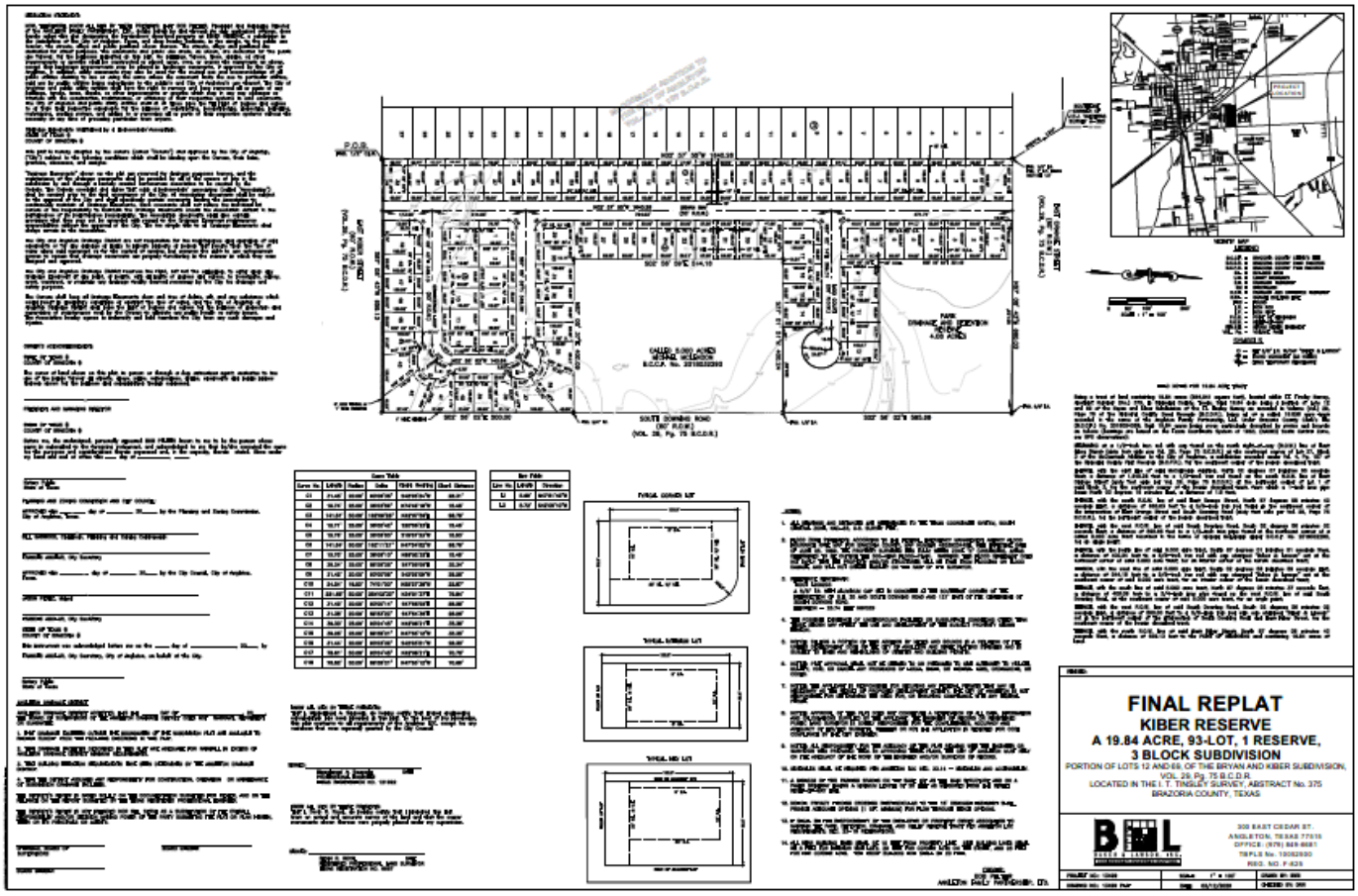
THENCE, with the west line of said 5.000 acre tract, South 02 degrees 56 minutes 59 seconds East, a distance of 544.16 feet to a 5/8–inch iron rod with cap stamped "Baker & Lawson" set at the southwest corner of said 5.000 acre tract, for an interior corner of the herein described tract;

THENCE, with the south line of said 5.000 acre tract, North 87 degrees 05 minutes 37 seconds East, a distance of 400.09 feet to a 3/4–inch iron pipe found on the west R.O.W. line of said South Downing Road, at the southeast corner of said 5.000 acre tract, for an angle point;

THENCE, with the west R.O.W. line of said South Downing Road, South 02 degrees 56 minutes 02 seconds East, a distance of 500.00 feet to a 5/8–inch iron rod with cap stamped "Baker & Lawson" set in the northwest corner of the intersection of South Downing Road and East Kiber Street, for the southeast corner of the herein described tract;

THENCE, with the north R.O.W. line of said East Kiber Street, South 87 degrees 08 minutes 43 seconds West, a distance of 659.13 feet to the POINT OF BEGINNING and containing 19.84 acres of land.

Exhibit B


FINAL REPLAT
KIBER RESERVE
A 19.84 ACRE, 93-LOT, 1 RESERVE,
3 BLOCK SUBDIVISION
PORTION OF LOTS 12 AND 69, OF THE BRYAN AND KIBER SUBDIVISION,
VOL. 28, Pg. 75 B.C.D.R.
LOCATED IN THE I. T. TINSLEY SURVEY, ABSTRACT No. 375
BRAZORIA COUNTY, TEXAS