

**AGREEMENT CONCERNING CREATION AND OPERATION OF
HAYS COUNTY MUNICIPAL UTILITY DISTRICT NO. 7**

This AGREEMENT CONCERNING CREATION AND OPERATION OF HAYS COUNTY MUNICIPAL UTILITY DISTRICT NO. 7 ("Agreement") made and entered into by and between the City of Dripping Springs, Texas, (the "City"), a general law city situated in Hays County, Texas, acting herein by and through its undersigned duly authorized Mayor, as authorized by specific action of its City Council and Double L Development, LLC, a Texas limited liability company (the "Developer"). The City and the Developer are sometimes referred to herein as the Parties or, individually, as the Party.

RECITALS

WHEREAS, Double L Development, LLC (the "Developer") intends to develop approximately 1677.562 acres of land (the "Land" or the "Property"), more particularly described on **Exhibit A** attached hereto and incorporated by reference herein; and

WHEREAS, the Owner of the Land, Anarene Investments, Ltd. (the "Landowner") and the City have entered into that certain Amended and Restated Development Agreement for Anarene Investments Tract, effective October 17, 2012 (the "Development Agreement") that provides for the development of the Land; and

WHEREAS, the Property is included within the boundaries of the Hays County Municipal Utility District No. 7, a municipal utility district created by House Bill 4183 of the 84th Regular Session by the Legislature of the State of Texas, codified as Chapter 7916 of the Texas Special District Local Laws Code, and operating pursuant to Chapter 54 of the Texas Water Code (the "District"); and

WHEREAS, the City supported the passage of legislation creating the District; and

WHEREAS, pursuant to Section 42.042 of the Texas Local Government Code, as amended, and Section 54.016, Texas Water Code, as amended, and commensurate with the approval of this Agreement, the City will consent, subject to certain terms and conditions of this Agreement, to the creation of the District by Resolution adopted in an open and duly posted public meeting of the City (the "Resolution"); and

WHEREAS, the City and the Developer wish to enter into certain agreements regarding the creation and operation of the District; and

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS SET FORTH BELOW, AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND ADEQUACY OF WHICH IS HEREBY ACKNOWLEDGED BY THE PARTIES, THE PARTIES CONTRACT, COVENANT AND AGREE AS FOLLOWS:

ARTICLE I
AGREEMENTS REGARDING DISTRICT CREATION

Section 1. The City consents to the creation of the District and the inclusion of the Land in the District.

Section 2. The Developer will construct or cause to be constructed all facilities and infrastructure to serve the Land within the District in accordance with the Development Agreement. The City shall have the right to inspect, at reasonable times, all facilities being constructed by the Developer. The City agrees to review all plans and specifications provided by the Developer in a timely manner and pursuant to the procedures set forth in City ordinances and guidelines; not to unreasonably withhold its approval of such plans and specifications; and to conduct its inspections of ongoing construction in a manner that minimizes interference with such construction.

Section 3. The Parties agree that the purposes for which the bonds, or other lawful obligations, may be issued by the District are limited to the purposes of purchase, construction, acquisition, repair, maintenance, extension and improvement of land, easements, works, improvements, facilities, plants, equipment and appliances, and associated financing, professional, licensing, and permitting fees and costs, necessary or convenient:

- (a) to provide a water supply for municipal uses, domestic uses and commercial purposes; and
- (b) to collect, transport, process, dispose of and control all domestic, commercial, industrial or communal wastes, whether fluid, solid or composite state; and
- (c) to gather, conduct, divert and control local storm water or other local harmful excesses of water in the District, related water quality facilities; and
- (d) to pay organization expenses, operation expenses interest during construction, capitalized interest, and cost of issuance; and
- (e) to provide parks and other recreational facilities as may be consistent with City ordinances and authorized pursuant to Chapters 49 and 54 of the Texas Water Code; and
- (f) to provide roads and improvements in aid of roads; and
- (g) to provide any other facilities, amenities and/or improvements that benefit the Property within the District, that are consistent with City ordinances,

and that qualify pursuant to rules promulgated by Texas Commission on Environmental Quality or its successor ("TCEQ").

Section 4. The Developer shall cause the District, within five (5) business days of submittal, provide any bond application that it submits to the TCEQ to the City for review, comments, and recommendations. The Developer further agrees to incorporate the City's reasonable recommendations into the District's final bond sales packages, so long as the recommendations, in the sole reasonable judgment of the District, do not render the bonds and notes unmarketable or considers such recommendations to not be materially detrimental to the District. The City's recommendations may be based upon, but will not be limited to, the following considerations: (1) overlapping tax rates, (2) the number of homes occupied, (3) taxpayer concentrations and debt to assessed value ratios within the District, (4) TCEQ rules regarding obtaining a market study, and (5) overall compliance with TCEQ rules. Further, to the extent the following conditions are in compliance with TCEQ's rules, and so long as the Board of Directors of the District approves conditions (a)-(d) below, for any individual bond issuance the parties agree that the District Bonds:

- (a) Will have a maximum maturity of 30 years from the date of issuance for any one series of Bonds;
- (b) Will have an interest rate that does not exceed two percent (2%) above the highest average interest rate reported by the Daily Bond Buyer in its weekly "20 Bond Index" during the one-month period immediately preceding the date that the notice of sale of such Bonds is given;
- (c) Will not be issued if the District's debt to certified taxable assessed valuation as determined by the records of the Hays County Appraisal District will exceed 25 percent upon issuance; and
- (d) So long as it does not increase the District's interest rate on the proposed bonds in the sole reasonable judgment of the District, will contain the City's recommended call redemption features.

Section 5. One of the purposes of this Agreement is to authorize the Developer and the City to enter into a binding contract regarding the terms and conditions of annexation of areas within the District by the City. The Parties acknowledge that the City may annex area within the District in the future subject to the terms of this Agreement. Accordingly, the Parties agree as follows:

- (a) The City shall not annex the Land or any area within the District and may not give or publish any notice of proposed annexation until fifteen years (15) from the Effective Date of this Agreement has passed and at least 90% of the facilities and infrastructure to serve the Land have been designed and constructed and the District has issued bonds to pay for or reimburse the costs of such facilities and infrastructure pursuant to this Agreement.

- (b) The Parties acknowledge that Chapter 43 of the Texas Local Government Code provides the authority, and the restrictions on the authority, of the City to annex the Land or any area within the District. If, in compliance with state law, the City annexes the entire area in the District, then the City will succeed to all the powers, duties, assets and obligations of the District, including but not limited to any rights and obligations under valid and duly-authorized contracts (e.g., developer reimbursement agreements) and any bond obligations. The Developer will not enter into any developer reimbursement agreements or agreements for new projects or extraordinary expenses, except as necessary for continued operation and maintenance of existing District facilities, after publication of the first notice of proposed annexation. The Developer further agrees that any agreements with the District in violation of this requirement shall be void.
- (c) Alternatively to subsection 5(b), but in compliance with subsection 5(a), the City may exercise any options available under Chapter 43 of the Texas Local Government Code, or similar annexation laws of the State of Texas, that are in effect with regard to the provision of water and/or sewer service to areas within Municipal Utility Districts that are annexed by cities.

Section 6. Unless it obtains prior approval of the City Administrator, the Developer shall not: (1) construct or install water or wastewater lines or facilities to serve areas outside the District; or (2) sell or deliver water or wastewater service to areas outside the District. Unless it obtains the approval of the City Council of the City, the Developer may not annex any additional land into the District. Any land for which annexation into the District or out-of-district service is hereafter requested and approved shall be subject to the terms of this Agreement. Nothing in this Agreement prevents or prohibits the District from forming additional districts and annexing or de-annexing land between districts from the land already included in the District; no approval of the City or City Counsel of the City is required when the District is annexing or de-annexing land between districts from the land already included in the District under this Agreement.

Section 7. The Developer recognizes that at the time of the transfer of retail water and wastewater to the City pursuant to the Water Utility Service and Fee Agreement and the Agreement for the Provisions of Nonstandard Wholesale and Retail Water Service between the City and the Developer, the City may seek a CCN to become the retail water and/or wastewater provider for the area included in the District, and the Developer agrees to support such CCN applications. The Developer may undertake to construct the utilities or other facilities to serve the area in the District and may negotiate and enter into developer reimbursement agreements with the District.

ARTICLE II OTHER PROVISIONS

Section 1. In the event of any third party lawsuit or other claim relating to the validity of this Agreement and/or any actions taken by the Parties hereunder, the Parties agree to cooperate in the defense of such suit or claim, and to use their respective best efforts to resolve the suit or claim without diminution of their respective rights and obligations under this Agreement.

Section 2. All of the terms of this Agreement shall be binding upon, shall inure to the benefit of, and shall be severally enforceable by and against each Party to this Agreement, individually, and such Party's respective personal representatives, successors, trustees, receivers, and assigns. The Parties agree and acknowledge that the Developer intends to assign this Agreement as follows:

- a) Assignment to the District after the organization of the District; and/or
- b) Assignment to any district(s) created by a division of the District.

The Developer intends to retain and not assign **Section 5 of Article I**, which shall remain with the Developer. The Developer shall also retain all of its rights and remedies under this Agreement as they relate to enforcement of Section 5 of Article I. The City hereby agrees to the assignment to the District and/or any district created by a division of the District and agrees the Developer does not have to provide further notice to the City of the assignment to the District or another district. Notice of any other assignment by a Party of any rights or obligations under this Agreement shall be furnished to the other Party no less than 20 business days prior to the Assignment. This Agreement is fully assignable by either Party without the other Parties' consent.

Section 3. If either Party believes that the other Party has failed to comply with the requirements of this Agreement, the non-failing Party shall provide the other Party with written notice of such alleged failure to comply, and failing Party shall have sixty (60) days thereafter to correct such non-compliance. If the Party fails to correct such non-compliance within such time, the non-failing Party shall have available all remedies allowed by law and/or this Agreement.

Section 4. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, AS IT APPLIES TO CONTRACTS PERFORMED WITHIN THE STATE OF TEXAS AND WITHOUT REGARD TO ANY CHOICE OF LAW RULES OR PRINCIPLES TO THE CONTRARY. THE PARTIES ACKNOWLEDGE THAT THIS AGREEMENT IS PERFORMABLE IN HAYS COUNTY, TEXAS AND HEREBY SUBMIT TO THE JURISDICTION OF THE COURTS OF THAT COUNTY, AND HEREBY AGREE THAT

ANY SUCH COURT SHALL BE A PROPER FORUM FOR THE DETERMINATION OF ANY DISPUTE ARISING HEREUNDER.

Section 5. This Agreement may not be amended or modified other than by a written agreement executed by the Parties, nor may any provision be waived except by a writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given.

Section 6. Each Party represents and warrants to the other that it has full authority to execute this Agreement and implement its terms and conditions.

Section 7. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement, or the application thereof to any person or entity or under any circumstances, is invalid or unenforceable to any extent under applicable law, and the extent of such invalidity or unenforceability does not cause substantial deviation from the underlying intent of the parties as expressed in this Agreement, then such provision shall be deemed severed from this Agreement with respect to such person, entity or circumstance, without invalidating the remainder of this Agreement or the application of such provision to other persons, entities or circumstances, and a new provision shall be deemed substituted in lieu of the provision so severed which new provision shall, to the extent possible, accomplish the intent of the parties as evidenced by the provision so severed.

Section 8. In addition to all the rights and remedies provided by the laws of the state, in the event the Developer or the City breach the terms and provisions of this Agreement, the non-breaching Party shall be entitled to injunctive relief or a writ of mandamus issued by a court of competent jurisdiction restraining, compelling or requiring the other Party to observe and comply with the terms and provisions prescribed in this Agreement. Prior to filing for injunctive relief, the Party desiring to file injunctive relief with a court shall first provide written notice to the breaching Party and allow the breaching Party at least fourteen (14) days to cure the breach. If, in the reasonable opinion of the non-breaching Party, the breaching Party has not cured or diligently pursued a cure for the breach, the other Party may file for injunctive relief pursuant to this Section.

Section 9. The Parties acknowledge that each Party and, if it so chooses, its counsel, have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or Exhibit(s) hereto.

Section 10. This Agreement shall be effective from the date of execution hereof by the City and the Developer, and shall continue in effect for a period of 40 years from

the date of the execution hereof by the Developer or until such time as all District Bonds shall have been paid, whichever is later.

IN WITNESS HEREOF, each of the Parties has caused this Agreement to be executed by its undersigned duly authorized representative, in multiple counterparts, each of which shall be deemed an original, as of the date indicated below, it being understood that all Parties need not sign the same counterparts and all of such counterparts shall together constitute one and the same instrument.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, executed on the dates appearing below to be effective the Effective Date.

DOUBLE L DEVELOPMENT, LLC

By: _____

Name: David Cannon

Title: MEMBER

Date: July 19, 2019

IN WITNESS WHEREOF, executed on the dates appearing below to be effective the Effective Date.

CITY OF DRIPPING SPRINGS, TEXAS

By: 

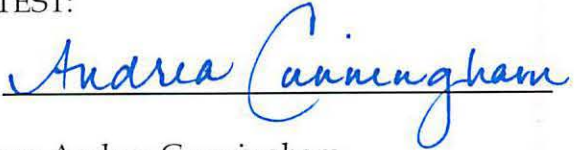
Name: Todd Purcell

Title: Mayor

Date: 6/5/19



ATTEST:

By: 

Name: Andrea Cunningham

Title: City Secretary

Date: 6/6/19

IN WITNESS WHEREOF, executed on the dates appearing below to be effective the Effective Date.

Solely for the purpose of acknowledging the Agreement:

HAYS MUNICIPAL UTILITY DISTRICT
NO. 7

By: _____

Name: _____

Title: _____

ATTEST:

By: _____
Secretary, Board of Directors

(SEAL)

STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

This instrument was acknowledged before me on the ____ day of _____, 2019, by _____, _____, Board of Directors, Hays Municipal Utility District No. 7, a political subdivision of the State of Texas, on behalf of said political subdivision.

(SEAL)

Notary Public in and for the
State of Texas

EXHIBIT A
Description of the Land

SECTION 2. The Hays County Municipal Utility District No. 7 initially includes all the territory contained in the following area:

DESCRIPTION OF NINE (9) PARCELS OF LAND (1) CALLED TO BE 1051.23 ACRES OF LAND OUT OF THE ANTHONY G. DAVY SURVEY NO. 38, A-148, THE MARCUS D. RAPER SURVEY NO. 37, A-394, AND THE EDWARD W. BROWN SURVEY NO. 136, A-44, DESCRIBED IN A DEED TO ANARENE INVESTMENTS, LTD., OF RECORD IN VOLUME 2639, PAGE 410, OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY TEXAS, (2) CALLED TO BE 206.2 ACRES OF LAND OUT OF THE EDWARD W. BROWN SURVEY NO. 136, A-44, AND THE PHILIP A. SMITH SURVEY NO. 26, A-415, DESCRIBED IN A DEED TO ANARENE INVESTMENTS, LTD., OF RECORD IN VOLUME 2639, PAGE 403, OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, (3) CALLED TO BE 139.16 ACRES OUT OF THE ANTHONY G. DAVY SURVEY NO. 38, A-148, DESCRIBED AS TRACT 1, (4) CALLED TO BE 11.02 ACRES OUT OF THE ANTHONY G. DAVY SURVEY NO. 39, A-148, DESCRIBED AS TRACT 2, (5) CALLED TO BE 11.00 ACRES OUT OF THE ANTHONY G. DAVY SURVEY NO. 38, A-148, DESCRIBED AS TRACT 3, (6) CALLED TO BE 11.05 ACRES OUT OF THE ANTHONY G. DAVY SURVEY NO. 38, A-148, DESCRIBED AS TRACT 4, (7) CALLED TO BE 226.11 ACRES OUT OF THE EDWARD W. BROWN SURVEY NO. 136, A-44, DESCRIBED AS TRACT 5, SAVE AND EXCEPT 25.7398 ACRES DESCRIBED IN A DEED TO THE CITY OF DRIPPING SPRINGS, OF RECORD IN VOLUME 4467, PAGE 508, OF THE

OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, (8) CALLED TO BE 17.80 ACRES OUT OF THE GEORGE W. LINDSEY SURVEY NO. 138, A-280, AND THE EDWARD W. BROWN SURVEY NO. 136, A-44, (3-8) ALL DESCRIBED IN A DEED TO ANARENE INVESTMENTS, LTD., OF RECORD IN VOLUME 2639, PAGE 420, OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, AND (9) CALLED TO BE 29.78 ACRES, DESCRIBED IN A DEED TO ANALENE INVESTMENTS, LTD, OF RECORD IN VOLUME 2639, PAGE 400, OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS. THE FOLLOWING DESCRIPTION IS A COMPILATION OF INFORMATION FROM THE ABOVE MENTIONED DEEDS OF RECORD AND IN NO WAY REPRESENTS A SURVEY ON THE GROUND.

BEGINNING in the easterly right-of-way of Ranch Road 12, at the northwest corner of said 1051.23 acre tract;

THENCE, with the northerly and easterly lines of said 1051.23 acre tract the following nineteen (19) courses:

- 1) N 84° 54' 13" E, 41.10 feet;
- 2) S 54° 58' 12" E, 349.54 feet;
- 3) S 46° 30' 30" E, 373.94 feet;
- 4) S 75° 31' 52" E, 280.39 feet;
- 5) S 87° 28' 36" E, 509.18 feet;
- 6) N 70° 52' 58" E, 436.06 feet;
- 7) N 74° 15' 19" E, 335.56 feet;
- 8) S 60° 04' 22" E, 195.80 feet;

- 9) S 28° 26' 22" E, 244.50 feet;
- 10) S 01° 37' 38" W, 503.50 feet;
- 11) S 16° 09' 38" W, 587.50 feet;
- 12) S 34° 41' 38" W, 697.70 feet;
- 13) S 09° 57' 38" W, 414.80 feet;
- 14) S 20° 16' 22" E, 327.40 feet;
- 15) S 37° 29' 22" E, 126.60 feet;
- 16) S 54° 33' 38" W, 280.20 feet;
- 17) S 62° 30' 22" E, 466.67 feet;
- 18) S 58° 21' 22" E, 511.36 feet;

19) S 27° 42' 18" W, 4426.48 feet to the most northerly corner of said 29.78 acre tract;

THENCE, with the easterly line of said 29.78 acre tract, the following two (2) courses:

- 1) S 29° 36' 26" E, 931/41 feet;

2) S 60° 36' 50" W 1551.06 feet to the northeast corner of said 206.2 acre tract;

THENCE, with the east line of said 206.2 acre tract the following fifteen (15) courses:

- 1) S 24° 30' 16" E, 46.65 feet;
- 2) S 15° 29' 56" E, 280.55 feet;
- 3) S 15° 36' 02" E, 182.44 feet;
- 4) S 06° 30' 37" W, 104.00 feet;

5) S 02° 19' 28" E, 55.08 feet;
6) S 14° 50' 58" W, 71.24 feet;
7) S 07° 20' 07" W, 154.45 feet;
8) S 07° 07' 05" W, 263.18 feet;
9) S 17° 20' 44" W, 196.99 feet;
10) S 01° 55' 39" W 330.60 feet;
11) S 01° 28' 16" W, 273.89 feet;
12) S 04° 26' 22" E, 42.77 feet;
13) S 00° 29' 14" E 238.72 feet;
14) S 00° 26' 31" W, 353.54 feet;
15) S 01° 05' 28" W, 706.28 feet to the southeast corner
of said 206.2 acre tract;

THENCE, with the south line of said 206.28 acre tract, the
following three (3) courses:

1) N 87° 23' W, 482.22 feet;
2) N 84° 43' W, 425.43 feet;
3) N 84° 47' W, 587.97 feet to the southwest corner of
said 206.2 acre tract;

THENCE, with the westerly line of said 206.2 acre tract,
the following four (4) courses:

1) N 35° 19' 20" W, 1263.76 feet;
2) N 41° 23' 11" W, 1696.56 feet;
3) N 41° 43' 03" W, 764.40 feet;

4) N 41° 16' 40" W, 437.00 feet to a point in the south line of said 1051.23 acre tract at the northwest corner of said 206.2 acre tract;

THENCE, S 88° 07' 17"W, approximately 443.3 feet (calculated) to the most southerly southwest corner of said 1051.23 acre tract;

THENCE, with a westerly line of said 1051.23 acre tract, the following nine (9) courses:

1) N 03° 04' 29" W, 631.00 feet;

2) N 74° 12' 57" E, 295.30 feet;

3) N 64° 28' 29" E, 427.51 feet;

4) N 02° 32' 52" E 669.83 feet;

5) N 86 13' 48" W, 349.56 feet;

6) N 03° 46' 12" E, 50.00 feet;

7) N 86° 13' 48" W, 120.00 feet;

8) N 03° 46' 12" E, 40.00 feet;

9) N 86° 13' 48" W, 418.83 feet to a point in the west right-of-way line of said Ranch Road 12, at the most westerly southwest corner of said 1051.23 acre tract;

THENCE, S 26° 09' 19" W, across said Ranch Road 12, 456.1 feet (calculated), to the southeast corner of said 226.11 acre tract;

THENCE, N 27° 34' W, with the south line of said 226.11

acre tract, 325.2 feet (calculated) to the southeast corner of said 25.7398 acre tract out of said 226.11 acre tract;

THENCE, N 14° 36' 32" E, with the easterly line of said 25.7398 acre tract, 1469.96 feet;

THENCE, N 49° 13' 13" W, with the northerly line of said 25.7398 acre tract, 598.82 feet;

THENCE, S 45° 59' 39" W, with the westerly line of said 25.7398 acre tract, 1153.28 feet to a point in the south line of said 226.11 acre tract, at the southwest corner of said 25.7398 acre tract;

THENCE, N 46° 16' W, with the southerly line of said 226.11 acre tract, 4567.50 feet to the southwest corner of said 226.11 acre tract;

THENCE, with the west line of said 226.11 acre tract, the following five (5) courses:

1) N 00° 25' W, 453.14 feet;

2) N 00° 31' W 460.69 feet;

3) N 00° 13' W, 335.96 feet;

4) N 00° 10' W, 332.87 feet;

5) N 00° 02' E, 70.40 feet to the northwest corner of said 226.11 acre tract;

THENCE, S 60° 00' E, with the northerly line of said 226.11 acre tract, 4804.0 feet (calculated) to the southwest corner of

said 17.80 acre tract;

THENCE, with the westerly line of said 17.80 acre tract, the following three (3) courses:

1) N 29° 48' E, 406.76 feet;

2) N 62° 27' W, 425.33 feet;

3) N 29° 48' E, 385.15 feet passing the southerly right-of-way line of a 50 foot roadway easement, and continuing for a total distance of 410.34 feet to a point in the centerline of said roadway easement at the northwest corner of said 17.80 acre tract;

THENCE, with the centerline of said right-of-way easement, the following five (5) courses:

1) S 67° 33' E, 21.40 feet;

2) A curve to the left having an arc distance of 192.52 feet, the chord of which bears S 86° 40' E, 188.97 feet;

3) N 74° 13' E, 544.89 feet;

4) A curve to the right having an arc distance of 192.03 feet, the chord of which bears S 86° 04' E, 188.26 feet;

5) S 66° 20' E, 109.07 feet to a point in the westerly right-of-way line of said Ranch Road 12, at the northeast corner of said 17.80 acre tract;

THENCE, with the westerly right-of-way line of said Ranch Road 12, a curve to the right having a radius of 1959.86 feet,

an arc distance of 511.4 feet, and a chord which bears N 36° 06' 22" E, 510.0 feet (calculated) to the most southerly corner of said 11.05 acre tract;

THENCE, with the westerly line of said 11.05 acre tract, said 11.00 acre tract, and said 11.02 acre tract, the following four (4) courses:

- 1) N 04° 48' W, 327.50 feet;
- 2) N 41° 55' E, 114.00 feet;
- 3) S 75° 06' E, 117.50 feet;

4) N 09° 37' W, at 852.55 feet passing the northwesterly corner of said 11.05 acre tract, same being the southwesterly corner of said 11.00 acre tract, at 1402.67 feet, passing the northwesterly corner of said 11.00 acre tract, same being the southwesterly corner of said 11.02 acre tract, and continuing for a total distance of 1833.86 feet to the northwesterly corner of said 11.02 acre tract;

THENCE, S 58° 44' E, with the northerly line of said 11.02 acre tract, 1614.18 feet to a point in the westerly right-of-way line of said Ranch Road 12, at the northeasterly corner of said 11.02 acre tract;

THENCE, N 29° 01' 42" E, with the westerly right-of-way line of said Ranch Road 12, 1614.9 feet (calculated) to the most easterly southeast corner of said 139.16 acre tract;

THENCE, N 58° 44' W, with the easterly south line of said 139.16 acre tract, 600.00 feet to an ell corner of said 139.16 acre tract;

THENCE, with an easterly line of said 139.16 acre tract, the following four (4) courses:

- 1) S 31° 16' W, 446.38 feet;
- 2) S 39° 56' W, 156.68 feet;
- 3) S 08° 04' E, 37.25 feet;
- 4) S 31° 16' W, 469.92 feet to the most southerly southeast corner of said 139.16 acre tract;

THENCE, N 58° 44' W, with the westerly south line of said 139.16 acre tract, 1466.48 feet to the most southerly southwest corner of said 139.16 acre tract;

THENCE, with the westerly line of said 139.16 acre tract, the following four (4) courses:

- 1) N 09° 36' W, 910.69 feet;
- 2) N 29° 46' E, 541.97 feet;
- 3) N 29° 51' E, 867.20 feet;
- 4) N 29° 58' E, 537.44 feet to the northwest corner of said 139.16 acre tract;

THENCE, with the northerly line of said 139.16 acre tract, the following thirteen (13) courses:

- 1) S 42° 30' E, 225.80 feet;

- 2) S 17° 52' E, 395.01 feet;
- 3) S 37° 43' E, 432.07 feet;
- 4) S 57° 56' E, 741.70 feet;
- 5) S 41° 58' E, 328.55 feet;
- 6) S 59° 20' E, 143.73 feet;
- 7) S 88° 59' E, 220.97 feet;
- 8) N 74° 41' E, 139.23 feet;
- 9) S 70° 49' E, 284.34 feet;
- 10) S 52° 43' E, 247.45 feet;
- 11) S 68° 29' E, 358.25 feet;
- 12) N 51° 55' E, 134.38 feet;

13) S 58° 25' E, 379.90 feet to a point in the westerly right-of-way line of said Ranch Road 12, at the northeast corner of said 139.16 acre tract;

THENCE, S 56° 03' 31" E, across said Ranch Road 12, 137.2 feet (calculated), to the POINT OF BEGINNING.