

**AMENDED AND RESTATED DEVELOPMENT AGREEMENT
FOR ANARENE INVESTMENTS TRACT**

STATE OF TEXAS

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COUNTY OF HAYS

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This Amended and Restated Development Agreement (the "Agreement") is between the City of Dripping Springs, (the "City"), and Anarene Investments Ltd., a Texas limited partnership ("Owner"). In this Agreement, the City and Owner are sometimes individually referred to as a "Party," and collectively referred to as the "Parties".

RECITALS:

WHEREAS, Owner and the City entered into that certain Development Agreement effective as of October 17, 2012 (the "Original Agreement"), which was recorded in Volume 4466, Page 327 of the Official Public Records of Hays County, Texas; and

WHEREAS, Owner and the City desire to amend certain portions of the Original Agreement as set forth herein below and as allowed in Section 5.1.3 of the Original Agreement and in connection therewith restate the Original Agreement in this Agreement;

THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, including the agreements set forth below, the City and Owner agree that this Agreement shall and does hereby amend and restate the Original Agreement in its entirety as follows:

RECITALS:

WHEREAS, Owner has approximately 1,677.61 acres of land (the "Land") located within the extraterritorial jurisdiction (ETJ) of the City and in Hays County, Texas (the "County"), which is more fully described on *Exhibit A* attached hereto and incorporated herein for all purposes; and

WHEREAS, Owner intends to develop the Land as a master-planned community that will include residential and commercial uses, together with open space to benefit the residents and property owners of the community, as well as other residents of the City, the City's ETJ, and the County. In this Agreement, the Land, as it will be developed, is sometimes referred to as the "Project;" and

WHEREAS, the City is located in a rapidly growing area of the County and new construction and land development will impact the future character of the City; and

WHEREAS, the City has adopted a Comprehensive Plan to guide the City in planning for future growth and development, and the City Council finds that this Agreement is consistent with the Comprehensive Plan; and

- WHEREAS,** the City has determined that development agreements with developers of master-planned communities such as the Project will benefit the City by establishing land use controls; providing for the construction of appropriate and necessary utility, roadway and drainage infrastructure; encouraging economic development; protecting the environment; preserving native habitat and endangered species; and promoting the welfare of the citizens of the City and its ETJ; and
- WHEREAS,** the City and Owner are striving to achieve balance between the pressures of urbanization and the shared desires to protect the public safety, and conserve the hill country scenery and native habitat; and
- WHEREAS,** this Agreement grants Owner a measure of predictability in terms of Applicable Rules as defined herein, and development fees; and
- WHEREAS,** this Agreement grants the City the public benefits related to the application of certain municipal ordinances in the ETJ, including the lighting ordinance; and
- WHEREAS,** Owner and the City wish to enter into this Agreement to provide an alternative to the City's typical regulatory process for development; encourage innovative and comprehensive master-planning of the Land; provide a level of certainty of regulatory requirements throughout the term of this Agreement; and provide assurances of a high-quality development that will benefit the present and future residents of the City, the City's ETJ and the County; and
- WHEREAS,** the City is statutorily authorized to enter into such contracts with owners of property located in the City's ETJ pursuant to Texas Local Government Code Section 212.172; and

THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, including the agreements set forth below, the City and Owner agree as follows:

ARTICLE 1. DEFINITIONS

- 1.1 Agreement:** This contract between the City of Dripping Springs, Texas and Owner, including all Exhibits, which are incorporated herein for all intents and purposes.
- 1.2 Applicable Rules:** The City Rules that, as modified by the Project Approvals and variances granted concurrent with this Agreement, if any, exist on October 17, 2012 and will be applicable to the development of the Property for the term of this Agreement. This term does not include Zoning, Building Codes, Landscaping, Lighting, Sign, or Exterior Design standards, as those ordinances may apply or hereafter be applied to residential and non-residential properties. This term does not include regulations mandated by state law, or that are necessary to prevent imminent harm to human safety or property, which may be modified and made applicable to the Project even after the Effective Date.

- 1.3 **City:** The City of Dripping Springs, an incorporated Type A, general-law municipality located in Hays County, Texas.
- 1.4 **City Council:** The governing body of the City of Dripping Springs, Texas.
- 1.5 **City Engineer:** The person or firm designated by the City Council as the engineer for the City of Dripping Springs, Texas.
- 1.6 **City Rules:** The entirety of the City's Code of Ordinances, regulations and official policies, except as modified by this Agreement.
- 1.7 **County:** Hays County, Texas.
- 1.8 **District or Districts:** The financing district(s) to be created over the Land if consent is received from the City.
- 1.9 **Effective Date:** October 17, 2012.
- 1.10 **Home Owners Association (HOA):** is an organization created by a real estate developer for the purpose of controlling the appearance and managing any common-area assets during the marketing, managing, and selling of homes and sites in a residential subdivision. It grants the developer privileged voting rights in governing the association, while allowing the developer to exit financial and legal responsibility of the organization, typically by transferring ownership of the association to the homeowners after selling off a predetermined number of lots.
- 1.11 **Impervious Cover:** Buildings, parking areas, roads, and other impermeable man-made improvements covering the natural land surface that prevent infiltration.
- 1.12 **Impervious Cover Percentage:** The percentage calculated by dividing the total acres of impervious cover on the Land by the total number of acres included in the Land. Whether or not outdoor decks are included in the calculation of impervious cover shall be determined by the City Engineer based on the deck design and materials. In the calculation of impervious cover, the following shall be characterized as *pervious* for all purposes: open space, greenbelt, park, irrigation field, flood plain, water quality and/or drainage facility and/or area not lined with impermeable material, detention facility not lined with impermeable material, swale, irrigation area, playground, athletic fields, granite and/or pea gravel trail.
- 1.13 **Land:** Approximately 1,677.61 acres of land, in Hays County, Texas, more fully described on the attached *Exhibit A*.
- 1.14 **Living Unit Equivalent (LUE):** A single unit of service consists of the typical flow that would be produced by a single-family residence located in a typical subdivision served by the City.
- 1.15 **Master Plan:** The master plan of the City, originally presented in 1984, as may be amended, modified or supplemented by the City, in conjunction with the Comprehensive Plan.

- 1.16 **Project:** The term as defined by Texas Local Government Code Chapter 245, as may be amended. The term refers to a specific property use and/or improvement undertaken on the Land, as documented in a manner that provides the City with fair notice.
- 1.17 **Project Approvals:** All aspects of the Project outside the current scope of work will require prior approval by the City Council.
- 1.18 **Parkland:** Parkland is a platted tract of land designated and used for recreation or open space.
- 1.19 **Owner:** Anarene Investments Ltd., a Texas limited partnership, and any subsequent owner(s).
- 1.20 **TCEQ:** Texas Commission on Environmental Quality, or its successor agencies.
- 1.21 **TxDOT:** Texas Department of Transportation, or its successor agencies.
- 1.22 **WTCPUA:** West Travis County Public Utility Authority, or its successor agencies.

ARTICLE 2. PUBLIC BENEFITS, INFRASTRUCTURE & AMENITIES

- 2.1 **Purpose:** The development of the Land under this Agreement is intended to: (a) allow housing and commercial development within its ETJ to occur in an orderly manner in order to protect the health, safety and welfare of the City's present and future citizens; (b) promote the aesthetic enhancement of the City and its ETJ; and (c) promote a safe and attractive self sustaining community.
- 2.2 **Environmental Protection:** Owner will implement compliance with the following natural resource laws and regulations, to the extent applicable:
 - 2.2.1 **Aquifer Protection:** Owner will comply with all applicable TCEQ regulations and the City's Water Quality Protection Ordinance. Owner shall also take reasonable measures to protect the Trinity Aquifer, including at a minimum adherence to the Edwards Aquifer Rules for the Contributing Zone. If the development is a low-density development (less than fifteen (15%) Impervious Cover), no structural water quality controls will be required.
 - 2.2.2 **Land Application Restrictions:** If the Project utilizes individual onsite sewage disposal and if treated sewage effluent is disposed of through irrigation, property owners within the Project shall comply with the applicable City, County, and TCEQ permits. The City reserves the right to comment on any permit application submitted by the Owner.
 - 2.2.3 **Waterway Protection:** Owner shall obtain and comply with any authorizations from the US Army Corps of Engineers that may be required for road and utility crossings of creeks and construction of water quality protection infrastructure, including but not limited to Clean Water Act Section 404 Permitting. Owner will comply with the applicable Water Quality Protection ordinance.

- 2.2.4 Stormwater Controls:** Owner will prepare and implement a stormwater pollution prevention plan in compliance with the TCEQ's Texas Pollution Discharge Elimination System stormwater general permit for construction-related stormwater discharges. Owner will comply with the applicable Water Quality Protection ordinance.
- 2.2.5 Endangered Species:** Owner agrees to comply with the federal Endangered Species Act.
- 2.2.6 Water Conservation Plan:** Owner shall comply with the City's plan, which has been approved by the WTCPUA.
- 2.2.7 Application Submittal:** Owner shall submit all permit applications required under Section 2.2 to the City prior to applying to the relevant authority.
- 2.3 Parkland:** As the actual number of development units are determined for the Project, parkland of approximately twenty five (25) acres, as more fully described on the attached *Exhibit B*, originally donated to the City of Dripping Springs by the landowners will be provided out of the approximately two hundred and forty five (245) acres of open space as reflected on the Conceptual Plan. Additional parkland will be dedicated in accordance with Section 28.03.006 of the Dripping Springs Code of Ordinances, in effect as of the date this Agreement is approved. A Master Park/Trails Plan will be provided to the City of Dripping Springs at the time that at least fifty percent (50%) of the land area of the Project receives its Preliminary Plan approvals from the City.
- 2.4 Trails and Accessibility:** Owner agrees to work with the City to establish and locate mutually acceptable trail systems within the Property.
- 2.5 Hilltop Preservation:** Owner shall preserve each of the six (6) hilltops as depicted in Exhibit C attached hereto and incorporated herein for all purposes. Building heights on such hills shall be limited to twenty (20) feet greater than the top of the corresponding hilltop; provided, however, nothing in this section 2.5 will prevent Owner from constructing water storage tanks on four (4) of the hills. Owner will endeavor to have the color of such tanks blend into the natural settings.
- 2.6 Lighting:** Owner, or an electric utility designated by Owner, will construct all illumination for street lighting, signage, security, exterior, landscaping, and decorative facilities for the Project in accordance with all then-current City Rules, including the Lighting Ordinance in effect at the time of installation of the lighting, including both residential and non-residential rules. District(s) will be required to operate and maintain the lighting within its boundaries according to City Rules. Owners agree that all restrictive covenants for the Project shall reinforce this provision and be applied to all construction and builders.
- 2.7 Landscaping; Landscapes:** Owners shall comply with the City's Landscaping Ordinance as amended in all commercial areas. Owners may require residential areas to comply with the City's Landscape Ordinance. Owners agree that the use of native species of plant materials will be utilized throughout the Project attached as *Exhibit F*. Turf grasses on any lot within the Project shall be limited to Zoysia, Buffalo or Bermuda grasses. Other grasses may be approved by the City Administrator for lots utilizing drip irrigation systems. In no event may St. Augustine grass be used. The plant list attached as *Exhibit F* is approved and may be used.

- 2.8 **Exterior Design & Architectural Standards:** Within the commercial area, Owners shall comply with the City's Exterior Design & Architectural Standards Ordinance, as may be amended.

ARTICLE 3. PROPERTY DEVELOPMENT

- 3.1 **Governing Regulations:** For purposes of any vesting analysis, the Parties agree that the Effective Date shall be construed as the date upon which the Development Agreement is approved by the City Council of Dripping Springs. The Applicable Rules shall govern the Project, unless otherwise expressly provided in this Agreement. For the term of this Agreement, the development and use of the Land will be controlled by the terms of this Agreement, the Project Approvals and the Applicable Rules. If there is any conflict between the Applicable Rules and the terms of this Agreement, the terms of this Agreement will control. Notwithstanding anything contained herein to the contrary, the variances described on *Exhibit E* attached hereto as approved.

3.1.1 **Residential Density:** The maximum number of residential dwelling units that may be developed on the Land under this Agreement shall be 1,677 dwelling units, or an average overall density of one residential dwelling unit per acre, whichever is less. This average overall density shall not be construed to preclude clustering of residential units in desirable locations, whether in the form of single family lots, duplex lots, multifamily development, or any other residential development.

3.1.1.1 **Residential Lot Size:** The minimum size for any lot shall be based solely on the requirements for providing wastewater service to said lot. Lots to be served with central wastewater service shall meet minimum lot sizes according to the City zoning regulations.

3.1.2 **Water Service:** The Land shall be entitled to receive water service in an amount not to exceed 1,710 Living Unit Equivalents ("LUEs"), it being understood and agreed that the water service may be provided by the Double L Ranch Water Supply Corporation or by a third party utility provider, including, but not limited to a water supply corporation and/or special purpose district.

3.1.3 **Wastewater Service:** The Land shall be entitled to receive wastewater service in an amount not to exceed 1,710 LUEs, it being understood and agreed that the wastewater service may be provided by the City or, if the City is unable or refuses to provide such service, by a third party utility provider, including, but not limited to a water supply corporation and/or special purpose district.

3.1.4 **Impervious Cover:** Owners may develop the Project with an Impervious Cover Percentage that does not exceed thirty-five percent (35%) over the entire Project. Owner shall have the right to apportion impervious cover limits on a lot by lot or use by use basis and Owner may apportion such limits as it deems desirable so long as the overall limitation herein specified is not exceeded. Owner may count in density and impervious cover calculations the gross area of the Land.

3.1.4.1 Nonresidential Impervious Cover: Commercial and multifamily impervious cover may reach a maximum of seventy percent (70%) of any given commercial or multifamily tract, provided that the maximum impervious cover for the Land does not exceed thirty-five percent (35%) of the gross area of the Land.

3.1.5 Water Quality Buffer Zones: Development on the Land shall comply with the Water Quality Buffer Zone requirements in the City development regulations. However, it shall be permitted for any given lot/parcel/tract to decrease the width of an established Water Quality Buffer Zone by up to half, provided that: (i) an offsetting increase in the width of the Water Quality Buffer Zone is provided elsewhere on that same lot/parcel/tract; (ii) there is sufficient elevation from the building sites on such lot/parcel/tract from the flood plain to mitigate any reasonable flooding issues; and (iii) such submittal shall only be approved if reviewed and recommended by the City Engineer with sufficient analysis being provided to establish equivalent protection within the same sub-basin. Further, development restrictions within any expanded Water Quality Buffer Zone shall be identical to those in the Water Quality Buffer Zone established in the applicable City development regulations.

3.2 Project Approvals & Entitlements:

3.2.1 Conceptual Plan: The City confirms that the Conceptual Plan attached as *Exhibit D* complies with the City's Master Plan and Interim Comprehensive Plan, and that the Conceptual Plan has been approved by all requisite City departments, boards and commissions and by the City Council. The City approves the land uses, densities, reservations of land for public purposes, exceptions, utility and roadway alignments and sizing and other matters shown on the Conceptual Plan. The City's execution of this Agreement shall be deemed to be the approval of the Conceptual Plan, *Exhibit D* on which the Preliminary Plats for development of the Land will be based.

3.2.2 Phasing of Development: The calculation of impervious cover, lot averaging and similar requirements shall be determined and calculated on a whole project basis. Each plat filed with the City shall contain a chart indicating the amount of impervious cover and LUE use required for the entire Land, the amount associated with prior platted areas and the amount associated with the area subject to such plat. The chart shall also show the average lot size computation for the Land as a whole and resulting from the plat and prior platted areas. Any portion of the Property may be replatted to change the use or designation of that previously platted portion so long as the entire platted portion of the Property meets the requirements of this Agreement, including impervious cover, lot averaging and similar requirements herein. So long as this Agreement remains in effect, such replatting shall be deemed controlled by this Agreement as if the same were an original platting of such replatted portions.

3.3 Further Approvals: Upon the Effective Date of this Agreement, Owners may develop the Land consistent with this Agreement. Any future approvals granted in writing by the City for such development will become a part of the Project Approvals.

- 3.4 Standard for Review:** The City's review and approval of any submissions by Owner will not be unreasonably withheld or delayed. The City will review any plans, plat or other filing by Owner in accordance with the applicable City's ordinances, state law and this Agreement. If any submittal is not approved, the City will provide written comments to Owner specifying in detail all of the changes that will be required for the approval of the submittal.
- 3.5 Approvals & Appeals:** The City acknowledges that timely City reviews are necessary for the effective implementation of Owner's development program. Therefore, the City agrees that it will comply with all statutory and internal City time frames for development reviews. The City further agrees that if, at any time, Owner believes that an impasse has been reached with the City staff on any development issue affecting the Project or if Owner wishes to appeal any decision of the City staff regarding the Project; then Owner may immediately appeal in writing to the City Council requesting a resolution of the impasse at the next scheduled City Council meeting, subject to compliance with all timetables required by the open meeting laws.
- 3.6 Concept Plan Amendments:**
- 3.6.1** Due to the fact that the Project comprises a significant land area and its development will occur in phases over a number of years, modifications to the Conceptual Plan may become necessary due to changes in market conditions or other factors. In order to provide flexibility with respect to certain details of the development of the Project, Owner may seek changes in the location and configuration of the residential and/or commercial use lots shown on the Conceptual Plan, including changes within the proposed residential, commercial or open space areas shown on the Conceptual Plan. Such changes will only require an administrative amendment to the Conceptual Plan so long as there are no increases to the density of the Land or adverse impacts to traffic, utilities, stormwater discharges, or water quality.
- 3.6.2** The City Administrator shall be responsible for consideration and approval of such administrative amendments to the Concept Plan. The City Administrator may defer such approval to the Planning and Zoning Commission and the City Council at the City Administrator's discretion. Further, minor changes that may impact traffic, utilities and stormwater discharges, and water quality, that are proposed for the Conceptual Plan that do not result in an increase in the overall density of development of the Land and which otherwise comply with the Applicable Rules and this Agreement may be approved by the Planning and Zoning Commission and the City Council. Similarly, minor variations of a preliminary plat or final plat from the Conceptual Plan that are approved by the City Administrator that do not increase the overall density of development of the Land or increase the overall Impervious Cover limit of thirty-five percent (35%), and which otherwise comply with the Applicable Rules, and this Agreement will not require an amendment to the Conceptual Plan.
- 3.7 Term of Approvals:** The Conceptual Plan and any preliminary plat or final plat approved pursuant to this Agreement will be effective for the longer of (i) the term of this Agreement unless otherwise agreed by the Parties or (ii) the term contained in the applicable subdivision ordinance.

- 3.8 Extension of Permits & Approvals:** Any permit or approval under this Agreement or granted by the City pursuant to, or in accordance with, this Agreement shall be extended for any period during which performance by any Owner is prevented or delayed by action of a court or administrative agency, or an Owner is delayed due to failure to receive a governmental permit despite demonstrable diligent efforts to obtain said permit. In no instance shall any permits or approvals be extended beyond the fifteen year duration of this Agreement.
- 3.9 Initial Brush Removal:** Owner may mechanically remove brush without material soil surface disruption prior to receiving approval of plats in order to determine the location of roads, lots, utilities and drainage areas with regard to preservation of environmental features. This section 3.9 will not prevent Owner from removing brush in accordance with any federal programs, including the United States Department of Agriculture Natural Resources Conservation Service's Environmental Quality Incentives Program.
- 3.10 Building Code:** Owners agree that all habitable buildings shall be constructed in accordance with all building or construction codes that have been adopted by the City. Fees for all building permits or building inspections by the City or the City's designee under this section shall be paid by builders. Building permit and building inspection fees are not included among the fees specifically listed in this Agreement.
- 3.11 Fiscal Security for Improvements:** Owner shall not be required to provide fiscal security prior to any final plan approval provided that the Owner agrees to construct improvements in a manner approved by the City Engineer. The City Engineer may require the Owner to post a bond at the time of final plat approval to assure that improvements are constructed as proposed if the City Engineer determines that there is some question regarding construction of the improvements. The City Engineer may also require construction and maintenance bonds for improvements.
- 3.12 Deed Restrictions:** Owners agree that all restrictive covenants for the Project shall reinforce the provisions of this section and applied to all builders and subsequent buyers, and shall be appropriately drafted and filed to effectuate this intent and Agreement.
- 3.13 Fire Protection:** Owner, and upon creation, each District, to the extent allowed by law, shall pursue all required approvals for, and, upon approval, will implement and finance a fire protection plan to provide fire protection services within the Project's boundaries in accordance with and subject to Section 49.351, Texas Water Code, applicable regulations of the TCEQ, and Applicable Rules, including, but not limited to, all fire codes adopted by the City and Hays County Emergency Services District #6, as amended. Owners shall submit to City plans for emergency access points (e.g., crash gates) during the platting phase of development.
- 3.14 Infrastructure Construction & Inspections:** Owner, and upon creation, each District will be responsible for construction, operation and maintenance of all water, wastewater and drainage infrastructure within its boundaries, unless otherwise agreed to by Owner and the City. The City will have the right to review and approve all plans and specifications for such infrastructure during the Site Development Permit process, and to inspect all such infrastructure during construction and prior to acceptance for operation and maintenance. A copy of each set of approved plans and specifications and a copy of all inspection certificates will be filed with the City for review and approval. All water, wastewater, and drainage

infrastructure within the Land shall be designed and built in accordance with the rules, regulations and specifications of the City and TCEQ, which rules, regulations and specifications are adopted as the governing rules, regulations and specifications for the water utility infrastructure constructed to serve the Project. All water, wastewater and drainage infrastructure within the Land shall be subject to City inspections and compliance with City Rules in effect at the time of inspection, as they may be amended from time to time, and TCEQ rules (TCEQ rules will control in the event of conflict). Fees for all inspections by the City or the City's designee under this section shall be paid by the District(s).

ARTICLE 4. FINANCING DISTRICT

4.1 Consent to Creation of District and/or Water Supply Corporation: In accordance with Texas Local Government Code, Section 42.042, the City has considered the creation of conservation and reclamation districts, authorized pursuant to Texas Constitution Article III, Section 52, or Article XVI, Section 59 covering all or portions of the Land (the "Districts"). The City indicates its conceptual support for creation of the Districts pursuant to Section 42.042, Texas Local Government Code at the time of approval of this Agreement. The City's actual consent, if given, shall be evidenced by separate documents. The City agrees that any District may annex or exclude land owned by Owner that is located within the boundaries of the Project and the City's ETJ and may be divided in accordance with Chapters 49, 51, 53 and/or 54, Texas Water Code, or other Water Code provisions that may be applicable, in furtherance of Owners' development goals pursuant to this Agreement. Provided, however, the Parties recognize that the Property may lie within the City's "potential Service Area" in the "Wholesale Water Supply Agreement Between LCRA and the City of Dripping Springs" dated March 11, 2003. The City acknowledges that the Owner may create a water supply corporation to service all or a portion of the Land and consents to such corporation. Additionally, the City's consent is conditioned upon the City being unable or refusing to provide water and/or wastewater services to the Property.

4.4 Infrastructure Construction & Inspections: Each District will be responsible for construction, operation and maintenance of all water, wastewater and drainage infrastructure within its boundaries, unless otherwise agreed to by Owner and the City. The City will have the right to review and approve all plans and specifications for such infrastructure during the Site Development Permit process, and to inspect all such infrastructure during construction and prior to acceptance for operation and maintenance. A copy of each set of approved plans and specifications and a copy of all inspection certificates will be filed with the City for review and approval. All water, wastewater, and drainage infrastructure within the Land shall be designed and built in accordance with the rules, regulations and specifications of the City and TCEQ, which rules, regulations and specifications are adopted as the governing rules, regulations and specifications for the water utility infrastructure constructed to serve the Project. All water, wastewater and drainage infrastructure within the Land shall be subject to City inspections and compliance with City Rules in effect at the time of inspection, as they may be amended from time to time, and TCEQ rules (TCEQ rules will control in the event of conflict). Fees for all inspections by the City or the City's designee under this section shall be paid by the District(s).

4.5 Consent to Wastewater Discharge Facilities: The City understands that the District(s) or corporation formed pursuant to Section 4.1 above, will apply to the TCEQ, or its successor agency, for a permit to treat and dispose wastewater generated by the development that is subject to this Agreement. The City reserves its right to comment on Owner's submission of such an application and order by the TCEQ.

ARTICLE 5. AUTHORITY

5.1 Term:

5.1.1 Initial Term. The term of this Agreement will commence on the Effective Date and continue for fifteen (15) years thereafter ("Initial Term"), unless sooner terminated under this Agreement; provided, however, this Agreement may be extended for a longer duration not to exceed an additional fifteen (15) years upon mutual agreement of the Parties.

5.1.2 Expiration. After the Initial Term and any extension(s), this Agreement will be of no further force and effect, except that termination will not affect any right or obligation previously granted.

5.1.3 Termination or Amendment. This Agreement may be terminated or amended as to all of the Land at any time by mutual written consent of the City and Owner or may be terminated or amended only as to a portion of the Land by the mutual written consent of the City and Owner of only the portion of the Land affected by the amendment or termination.

5.2 Authority: This Agreement is entered under the statutory authority of Chapter 212, Subchapter G, *Texas Local Government Code*. The Parties intend that this Agreement guarantee the continuation of the extraterritorial status of portions of the Land as provided in this Agreement; authorize certain land uses and development on the Land; provide for the uniform review and approval of plats and development plans for the Land; provide exceptions to certain ordinances; and provide other terms and consideration, including the continuation of land uses and zoning upon annexation of any portion of the Land to the City.

5.3 Applicable Rules: As of the Effective Date, Owner has initiated the subdivision and development permit process for the Project. The City agrees that, in accordance with Chapter 245, *Texas Local Government Code*, the City will consider the approval of any further approvals necessary for the Project based solely on the Applicable Rules, as modified by the Project Approvals and this Agreement. Further, the City agrees that, upon the Effective Date, Owner has vested authority to develop the Land in accordance with the Applicable Rules, as modified by any exceptions contained in the Project Approvals and this Agreement.

5.4 Right to Continue Development: In consideration of Owner's agreements hereunder, the City agrees that, during the term of this Agreement, it will not impose or attempt to impose: (a) any moratorium on building or development within the Project, or (b) any land use or development regulation that limits the rate or timing of land use approvals, whether affecting preliminary plans, final plats, site plans, building permits, certificates of occupancy or other necessary approvals, within the Project. No City-imposed moratorium, growth restriction, or other limitation affecting the rate, timing or sequencing of development or construction of all or any part of the Project will apply to the Land if such moratorium, restriction or other limitation conflicts with this Agreement or would have the effect of increasing Owner's obligations or decreasing Owner's rights and benefits under this Agreement. This Agreement on the part of the City will not apply to temporary moratoriums uniformly imposed throughout the City and ETJ due to an emergency constituting an imminent threat to the public health or safety, provided that the temporary moratorium continues only during the duration of the emergency.

5.5 Equivalent Substitute Obligation: If either Party is unable to meet an obligation under this Agreement due to a court order invalidating all or a portion of this Agreement, preemptive state or federal law, an imminent and *bona fide* threat to public safety that prevents performance or requires different performance, subsequent conditions that would legally excuse performance under this Agreement, or, the Parties agree to cooperate to revise this Agreement to provide for an equivalent substitute right or obligation as similar in terms to the illegal, invalid, or unenforceable provision as is possible and is legal, valid and enforceable, or other additional or modified rights or obligations that will most nearly preserve each Party's overall contractual benefit under this Agreement.

5.6 Cooperation:

5.6.1 The City and Owner each agrees to execute such further documents or instruments as may be necessary to evidence their agreements hereunder.

5.6.2 The City agrees to cooperate with Owner in connection with any waivers or approvals Owner may desire or require to obtain from the County in connection with the development of the Land and a deferral of the County's plat and plan approval powers to the City for all plats and public infrastructure within the Project, other than roadway infrastructure that will be dedicated to the County for operation and maintenance after construction. Roads that will be dedicated to the County for operation and maintenance shall be subject to County review, inspection and approval prior to dedication to the County.

5.6.3 The City acknowledges that the Owner and/or HOA may in the future seek State or federal grant matching funds to finance certain park, recreational and environmental facilities within the Project. The City agrees to cooperate with and support these efforts to obtain grant funding that do not interfere with or conflict with the City's efforts to secure similar funding, including entering into joint use agreements with the Owner and or HOA, in furtherance of the City's goal of making additional park, environmental and recreational facilities available to the area. Provided, however, that the City will have no financial obligation associated with this activity.

5.7 Litigation: In the event of any third party lawsuit or other claim relating to the validity of this Agreement or any actions taken by the Parties hereunder, Owner and the City 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. The City's participation in the defense of such a lawsuit is expressly conditioned on budgetary appropriations for such action by the City Council. Owner agrees to defend and indemnify the City for any litigation expenses, including court costs and attorneys fees, related to defense of this Agreement. The filing of any third party lawsuit relating to this Agreement or the development of the Project will not delay, stop or otherwise affect the development of the Project or the City's processing or issuance of any approvals for the Project, unless otherwise required by a court of competent jurisdiction.

ARTICLE 6. GENERAL PROVISIONS

6.1 Assignment & Binding Effect:

6.1.1 This Agreement, and the rights and obligations of Owner hereunder, may be assigned by Owner to a subsequent purchaser of all or a portion of the undeveloped property within the Project provided that the assignee assumes all of the obligations hereunder. Any assignment must be in writing, specifically describe the property in question, set forth the assigned rights and obligations and be executed by the proposed assignee. A copy of the assignment document must be delivered to the City and recorded in the real property records as may be required by applicable law. Upon any such assignment, the assignor will be released of any further obligations under this Agreement as to the property sold and obligations assigned.

6.1.2 If Owner assigns its rights and obligations hereunder as to a portion of the Project, then the rights and obligations of any assignee and Owner will be non-severable, and Owner will be liable for the nonperformance of the assignee and vice-versa. In the case of nonperformance by one developer, the City may pursue all remedies against that nonperforming developer, even if such remedies will impede development activities of any performing developer as a result of that nonperformance.

6.1.3 The provisions of this Agreement will be binding upon, and inure to the benefit of the Parties, and their respective successors and assigns. This Agreement will not, however, be binding upon, or create any encumbrance to title as to, any ultimate consumer who purchases a fully developed and improved lot within the Project.

6.2 Severability: If any provision of this Agreement is illegal, invalid, or unenforceable, under present or future laws, it is the intention of the Parties that the remainder of this Agreement not be affected, and, in lieu of each illegal, invalid, or unenforceable provision, that a provision be added to this Agreement which is legal, valid, and enforceable and is as similar in terms to the illegal, invalid or enforceable provision as is possible.

6.3 Governing Law, Jurisdiction & Venue: 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.

6.4 No Third Party Beneficiary: This Agreement is not intended, nor will it be construed, to create any third-party beneficiary rights in any person or entity who is not a Party, unless expressly otherwise provided.

6.5 Mortgagee Protection: This Agreement will not affect the right of Owner to encumber all or any portion of the Land by mortgage, deed of trust or other instrument to secure financing for the Project. The City understands that a lender providing financing for the Project ("Lender") may require interpretations of or modifications to this Agreement and agrees to cooperate with Owner and its Lenders' representatives in connection with any requests for interpretations or modifications. The City agrees not to unreasonably withhold or delay its approval of any

requested interpretation or modification if the interpretation or modification is consistent with the intent and purposes of this Agreement. The City agrees as follows:

- 6.5.1 Neither entering into this Agreement, nor any breach of this Agreement, will affect any lien upon all or any portion of the Land.
- 6.5.2 The City will, upon written request of a Lender given in compliance with Section 5.1.2, consider providing the Lender with a copy of any written notice of default given to Owners under this Agreement within ten (10) days of the date such notice is given to Owners.
- 6.5.3 In the event of default by Owner under this Agreement, a Lender may, but will not be obligated to, cure any default during any cure period extended to Owner, either under this Agreement or under the notice of default.
- 6.5.4 Any Lender who comes into possession of any portion of the Land by foreclosure or deed in lieu of foreclosure will take such property subject to the terms of this Agreement. No Lender will be liable for any defaults or monetary obligations of Owner arising prior to the Lender's acquisition of title, but a Lender will not be entitled to obtain any permits or approvals with respect to that property until all delinquent fees and other obligations of Owner under this Agreement that relate to the property in question have been paid or performed.
- 6.6 **Certificate of Compliance:** Within thirty (30) days of written request by either Party given accordance with Section 6.17, the other Party will execute and deliver to the requesting Party a statement certifying that: (a) this Agreement is unmodified and in full force and effect or, if there have been modifications, that this Agreement is in full force and effect as modified and stating the date and nature of each modification; (b) there are no current uncured defaults under this Agreement, or specifying the date and nature of each default; and (c) any other information that may be reasonably requested. A Party's failure to deliver a requested certification within this 30-day period will conclusively be deemed to constitute a confirmation that this Agreement is in full force without modification, and that there are no uncured defaults on the part of the requesting Party. The City Administrator or Planning Director will be authorized to execute any requested certificate on behalf of the City.
- 6.7 **Default:** If either Party defaults in its obligations under this Agreement, the other Party must, prior to exercising a remedy available to that Party due to the default, give written notice to the defaulting Party, specifying the nature of the alleged default and the manner in which it can be satisfactorily cured, and extend to the defaulting Party at least thirty (30) days from receipt of the notice to cure the default. If the nature of the default is such that it cannot reasonably be cured within the thirty (30) day period, the commencement of the cure within the thirty (30) day period and the diligent prosecution of the cure to completion will be deemed a cure within the cure period. The City may issue Stop Work Orders for violations arising under this Agreement or the regulations applied herein.
- 6.8 **Remedies for Default:** If either Party defaults under this Agreement and fails to cure the default within the applicable cure period, the non-defaulting Party will have all rights and remedies available under this Agreement or applicable law, including the right to institute legal action to cure any default, to enjoin any threatened or attempted violation of this Agreement or to enforce the defaulting Party's obligations under this Agreement by specific

performance or writ of mandamus, or to terminate this Agreement. In the event of a default by the City, Owner will be entitled to seek a writ of mandamus, in addition to seeking any other available remedies. All remedies available to a Party will be cumulative and the pursuit of one remedy will not constitute an election of remedies or a waiver of the right to pursue any other available remedy.

- 6.9 Reservation of Rights:** To the extent not inconsistent with this Agreement, each Party reserves all rights, privileges, and immunities under applicable laws.
- 6.10 Attorneys Fees:** The prevailing Party in any dispute under this Agreement will be entitled to recover from the non-prevailing Party its reasonable attorneys fees, expenses and court costs in connection with any original action, any appeals, and any post-judgment proceedings to collect or enforce a judgment.
- 6.11 Waiver:** Any failure by a Party to insist upon strict performance by the other Party of any provision of this Agreement will not, regardless of the length of time during which that failure continues, be deemed a waiver of that Party's right insist upon strict compliance with all terms of this Agreement. In order to be effective as to a Party, any waiver of default under this Agreement must be in writing, and a written waiver will only be effective as to the specific default and as to the specific period of time set forth in the written waiver. A written waiver will not constitute a waiver of any subsequent default, or of the right to require performance of the same or any other provision of this Agreement in the future.
- 6.12 Entire Agreement:** This Agreement contains the entire agreement of the Parties, and there are no other agreements or promises, oral or written, between the Parties regarding the subject matter of this Agreement. This Agreement may be amended only by written agreement signed by the Parties. An amendment to this Agreement may only be approved by an affirmative vote of at least three of the five (3 of 5) members of the City Council.
- 6.13 Exhibits, Headings, Construction & Counterparts:** All exhibits attached to this Agreement are incorporated into and made a part of this Agreement for all purposes. The paragraph headings contained in this Agreement are for convenience only and do not enlarge or limit the scope or meaning of the paragraphs. Wherever appropriate, words of the masculine gender may include the feminine or neuter, and the singular may include the plural, and *vice-versa*. Each of the Parties has been actively and equally involved in the negotiation of this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not be employed in interpreting this Agreement or its exhibits. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, and all of which will together constitute the same instrument. This Agreement will become effective only when one or more counterparts, individually or taken together, bear the signatures of all of the Parties.
- 6.14 Time:** Time is of the essence of this Agreement. In computing the number of days for purposes of this Agreement, all days will be counted, including Saturdays, Sundays and legal holidays; however, if the final day of any time period falls on a Saturday, Sunday or legal holiday, then the final day will be deemed to be the next day that is not a Saturday, Sunday or legal holiday.
- 6.15 Authority for Execution:** The City certifies, represents, and warrants that the execution of this Agreement has been duly authorized and that this Agreement has been approved in

conformity with City ordinances and other applicable legal requirements. Owner certifies, represents, and warrants that the execution of this Agreement is duly authorized in conformity with its authority.

- 6.16 Property Rights:** Owner expressly and unconditionally waive and release the City from any obligation to perform a takings impact assessment under the Texas Private Real Property Rights Act, Texas Government Code Chapter 2007, as it may apply to this Agreement, the Land, and the Project so long as this Agreement is in effect.
- 6.17 Notices:** Any notices or approvals under this Agreement must be in writing may be sent by hand delivery, facsimile (with confirmation of delivery) or certified mail, return receipt requested, to the Parties at the following addresses or as such addresses may be changed from time to time by written notice to the other Parties:

CITY:

Original: City Administrator
City of Dripping Springs
P. O. Box 384
Dripping Springs, Texas 78620
Fax: (512) 858-5646

Copy to: Bojorquez Law Firm, PC
Attention: Alan J. Bojorquez
12325 Hymeadow Dr., Ste. 2-100
Austin, Texas 78750
Fax: (512) 250-0749

OWNER:

Original: Anarene Investments Ltd.
c/o Graham Hill
2800 JPMorgan Chase Tower
600 Travis
Houston, TX 77002
Fax (713) 229-2618

Copy to: Baker & Robertson
Attn: Rex G. Baker, III
P O Box 718
Dripping Springs, Texas 78620

Either City or Owner may change its mailing address at any time by giving written notice of such change to the other in the manner provided herein at least ten days prior to the date such change is effected. All notices under this Agreement will be deemed given on the earlier of the date personal delivery is affected or on the delivery date or attempted delivery date shown on the return receipt or facsimile confirmation.

6.18 **Exhibits:** The following exhibits are attached to this Agreement, and made a part hereof for all purposes:

- | | | |
|-----------|---|-------------------------|
| Exhibit A | - | Description of the Land |
| Exhibit B | - | Survey of Parkland |
| Exhibit C | - | Hill Tops Preservation |
| Exhibit D | - | Concept Plan |
| Exhibit E | - | Variance List |
| Exhibit F | - | Approved Plant List |

STATE OF TEXAS

§

COUNTY OF HAYS

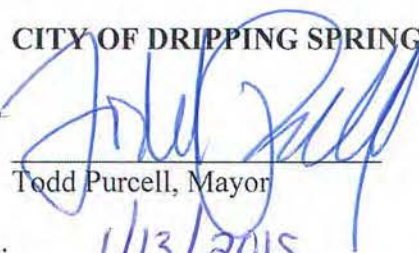
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IN WITNESS WHEREOF, the undersigned Parties have executed this Agreement on the dates indicated below, to be effective on the date the last party signs.

CITY OF DRIPPING SPRINGS:

By:

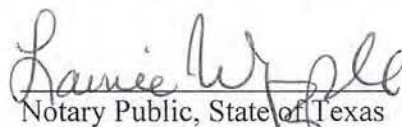


Todd Purcell, Mayor

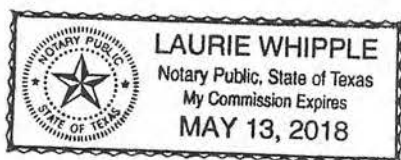
Date:

1/13/2015

This instrument was acknowledged on this 13th day of January, 2015 by **Todd Purcell**, Mayor of the City of Dripping Springs, Texas, a Texas general law municipality, on behalf of said municipality.



Notary Public, State of Texas



STATE OF TEXAS
COUNTY OF HAYS

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OWNER:

Anarene Investments Ltd.
a Texas limited partnership
by its general partner:
Anarene Management, LLC
a Texas limited liability company

By: *J. Graham Hill*
Title: Manager

Date: 8/13/2015

This instrument was acknowledged before me of this 13th day of August, 2015 by J. Graham Hill, Manager of Anarene Management, LLC, a Texas limited liability company, which is the general partner of Anarene Investments, Ltd., a Texas limited partnership, on behalf of said limited partnership.



Kate Van Cleef
Notary Public, State of Texas

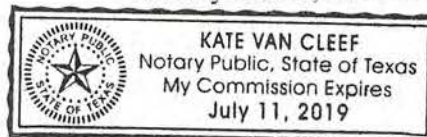
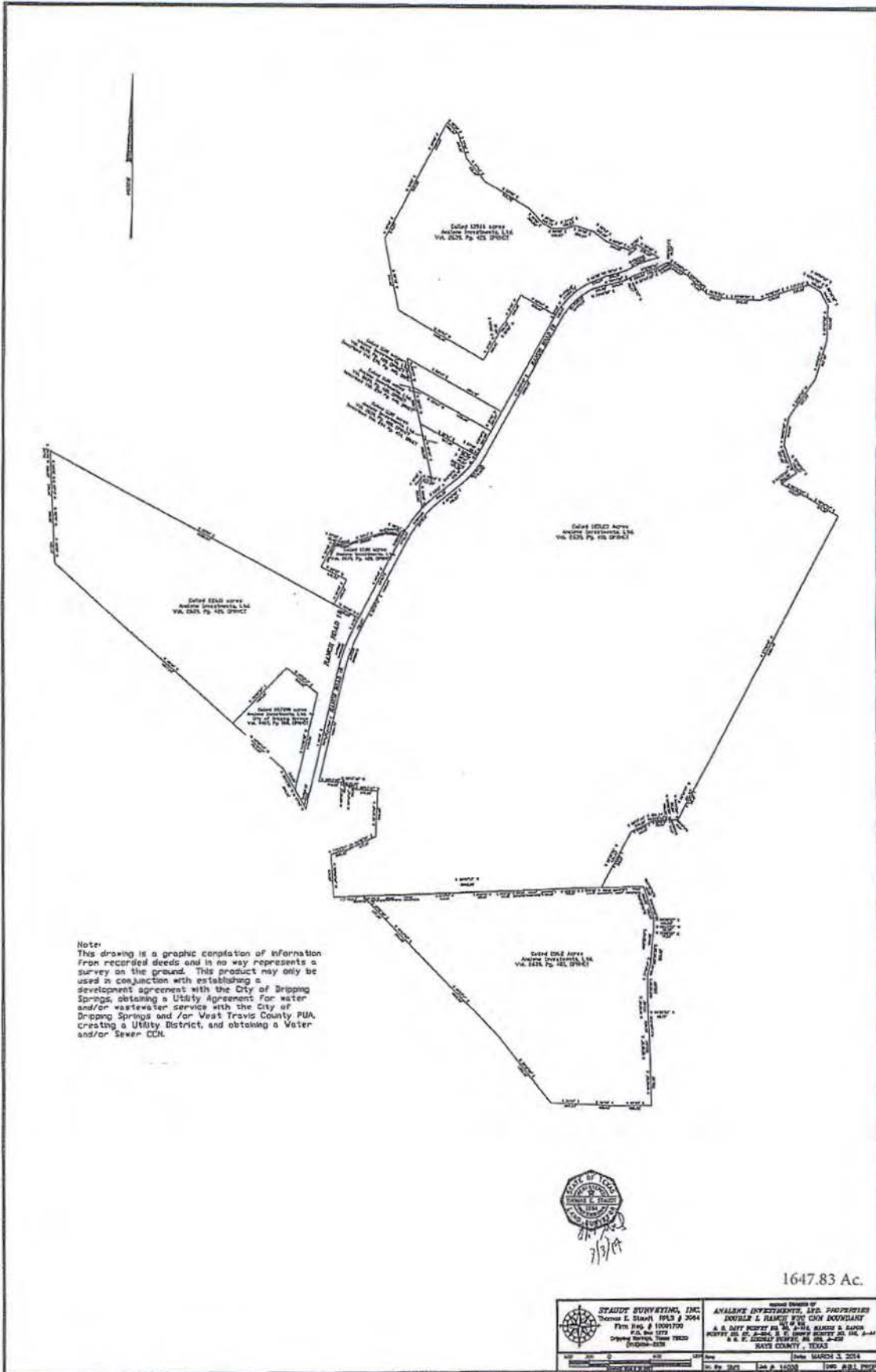


Exhibit A
Description of the Land



STAUDT SURVEYING, INC. Thomas E. Staudt, PLS # 3064 PLS # 1001700 P.O. Box 1073 Dripping Springs, Texas 78620 (817) 266-1000	SPECIAL SURVEY OF ANALYSIS INVESTMENTS, L.P. JOINTLY OWNED DOUBLE L RANCH EDC OWN BOUNDARY A. S. DUFF PROPERTY, JR. & A. S. DUFF, JR. & SONS PROPERTY, JR. & SONS, L.P. JOINTLY OWNED BY A. S. DUFF, JR. & SONS & A. S. DUFF, JR. & SONS, L.P. JOINTLY OWNED BY A. S. DUFF, JR. & SONS DALLAS COUNTY, TEXAS Date: MARCH 3, 2014 Drawn by: JCS Scale: 1" = 1000' TMS: JCS, JCS
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STATE OF TEXAS
COUNTY OF HAYS

CALLED 1647.83 ACRES
DOUBLE L RANCH WSC
CCN BOUNDARY

DESCRIPTION

DESCRIPTION OF EIGHT (8) 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, AND (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. 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 twenty-five (25) 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;
- 20) S 28° 10' 17" W, 681.80 feet;
- 21) S 74° 11' 39" W, 55.56 feet;
- 22) N 84° 50' 56" W, 102.00 feet;
- 23) S 84° 06' 42" W, 231.74 feet;
- 24) S 63° 17' 48" W, 345.25 feet;
- 25) S 28° 25' 33" W, 932.33 feet to a point in the north line of said 206.2 acre tract;

THENCE, with the north line of said 206.2 acre tract the following three (3) courses:

- 1) S 88° 04' 36" E, 289.83 feet;
- 2) N 87° 27' 18" E, 140.37 feet;
- 3) S 86° 01' 32" W, 184.97 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. THE BEARINGS AND DISTANCES SHOWN HEREON ARE THOSE OF THE RECORDED DEEDS AND MAY NOT REPRESENT A CLOSED FIGURE. THIS PRODUCT MAY ONLY BE USED IN CONJUNCTION WITH ESTABLISHING A DEVELOPMENT AGREEMENT WITH THE CITY OF DRIPPING SPRINGS, OBTAINING A UTILITY AGREEMENT FOR WATER AND/OR WASTEWATER SERVICE WITH THE CITY OF DRIPPING SPRINGS AND/OR WEST TRAVIS COUNTY PUA, CREATING A UTILITY DISTRICT, AND OBTAINING A WATER AND/OR SEWER CNN.

Description accompanied by drawing.

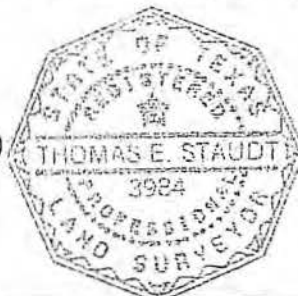
Prepared by: Staudt Surveying, Inc.

P.O. Box 1273

Dripping Springs, Texas 78620

512-858-2236

Firm Reg. No. 10091700



Thomas E. Staudt

Thomas E. Staudt

Registered Professional Land Surveyor No. 3984

3/3/14

Date

FIELD NOTES DESCRIPTION FOR 29.78 ACRES OF
THE HAZY HILLS RANCH IN HAYS COUNTY,
TEXAS

Exhibit A

Being all of a certain tract or parcel of land containing 29.78 acres, more or less, out of Edward Brown Survey No. 136, Abstract No. 44, in Hays County, Texas, part of 1539.45 acres conveyed from Susan Townes Parker Gesford to Paul Pressler Family Generation Skipping Trust, et al, by a General Warranty Deed executed the 7th day of November, 2001, and recorded in Volume 1911 at Page 481 of the Official Public Records of Hays County, Texas; and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2" iron stake found at a fence corner, a reentrant corner of said 1539.45 acres, a north corner of 291 1/2 acres conveyed from Fred J. Morris, et ux, to Cynosure Corporation by a Warranty Deed executed the 6th day of February, 1973, and recorded in Volume 258 at Page 123 of the Deed Records of Hays County, Texas; which point bears 6662.22 ft. N29°40'51"W. from a 60'd nail set in a rock mound found at or near the southeast corner of said Survey No. 136;

THENCE, along or near a fence, with the common line between said 1539.45 and 291 1/2 acres, S60°36'50"W., 1551.06 ft. to a 1/2" iron pipe found for the north common corner between said 291 1/2 acres and 206.2 acres conveyed from Jaye Wright, Trustee, to John Luke Hill, Jr., by a Warranty Deed executed the 3rd day of July, 1990, and recorded in Volume 852 at Page 247 of the Official Public Records of Hays County, Texas;

THENCE, along or near a fence (along and possibly overlapping ±0.03 acre of said 206.2 acres), with the south line of said 1539.45 acres, N89°16'39"W., 614.05 ft. to a 1/2" iron pipe found at a fence corner for the most westerly corner of said 1539.45 acres, a southeast corner of 1051.23 acres conveyed from John L. Hill, Jr., et ux, to Melinda Hill Perrin, et al, by a Warranty Deed executed the 31st day of December, 1999, and recorded in Volume 1619 at Page 471 of the Official Public Records of Hays County, Texas;

THENCE, along or near a fence, with the common line between said 1539.45 and 1051.23 acre tracts, N30°04'19"E., at approximately 493 ft. passing 10 ft. S60°E. from a fence angle post, then continuing not along a fence for a total distance of 932.29 ft. to a 1/2" iron stake found in the bed of a creek; N65°02'34"E., along the creek bed, 345.19 ft. to a 1/2" iron stake set in an X found marked on rock; N85°37'07"E., 231.56 ft. to a found 1/2" iron stake; S82°33'09"E., 101.97 ft. to a set 1/2" iron stake; N73°02'04"E., 55.50 ft. to a set 1/2" iron stake; N29°57'45"E., at approximately 63 ft. crossing a fence, at approximately 68 ft. passing approximately 9 ft. N60°W. from a fence angle post, at approximately 135 ft. passing approximately 3 ft. N60°W. from a fence angle post, then continuing along or near a fence for a total distance of 681.05 ft. to a 1/4" iron stake found in a rock mound for the north corner of the herein described tract;

THENCE, upon, over and across said 1539.45 acres, S29°36'26"E., 931.41 ft. to the PLACE OF BEGINNING.

I hereby certify that this field notes description and accompanying plat are accurate representations of the property contained therein as determined by a survey made on the ground under my direction and supervision, except no survey was made to reestablish Patent Survey lines or Corners; that all property corners are as stated. (Bearing basis = True north based on GPS observations)

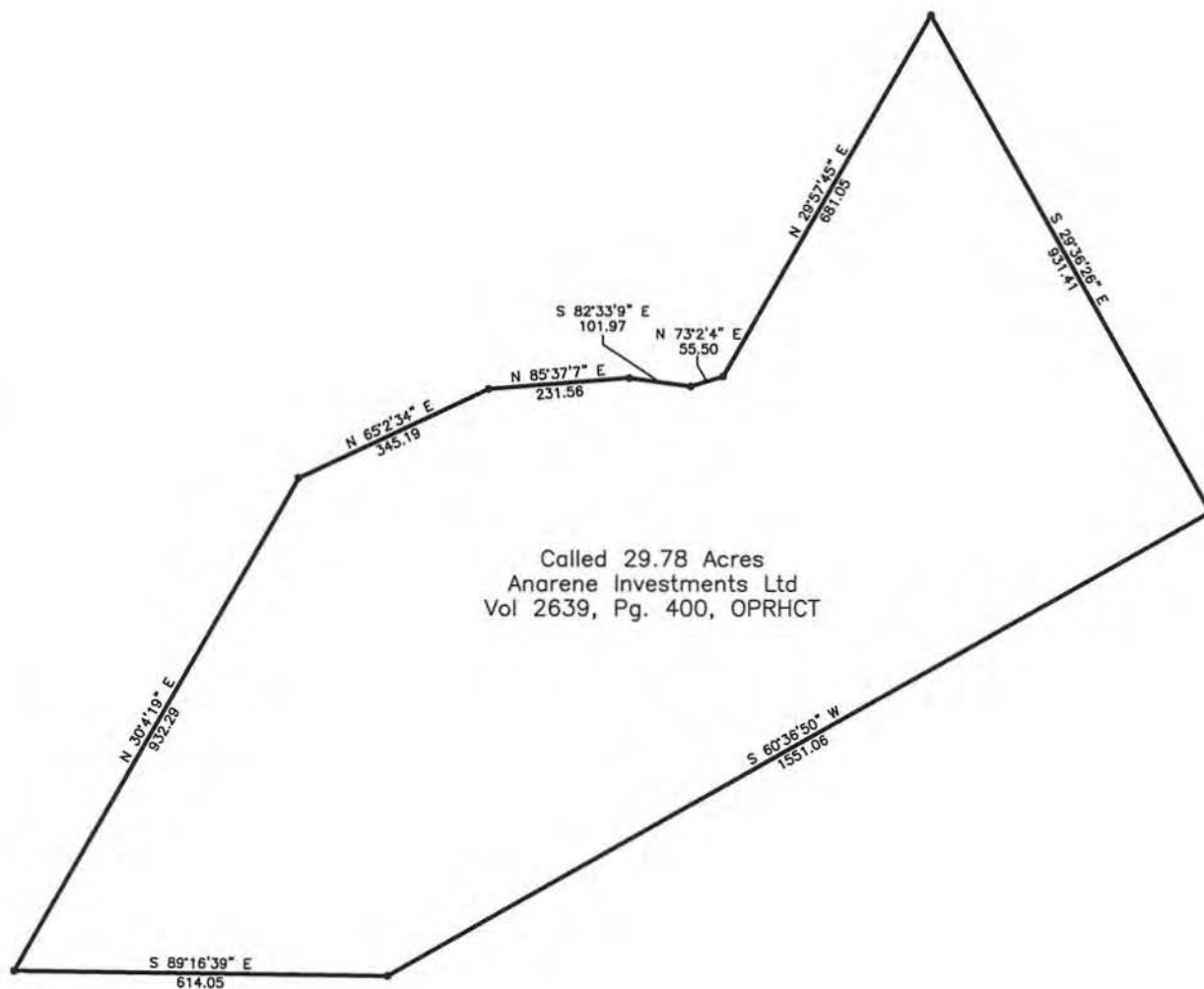
Dates surveyed: March 2nd thru March 17th and April 9th, 2004
Dated this 4th day of May, 2004

Mike A. Grogan
Registered Professional Land Surveyor No. 5296



GROGAN SURVEYING • P O. BOX 1356 • 1135 HWY. 173 N • BANDERA, TX 78003 • PH/FAX (830) 796-7177

Filed for Record in:
Hays County
On: Mar 03, 2005 at 10:36A
Document Number: 05005564
Amount: 18.00
Receipt Number - 119751
By:
Lynn Curry, Deputy
Lee Carlisle, County Clerk
Hays County

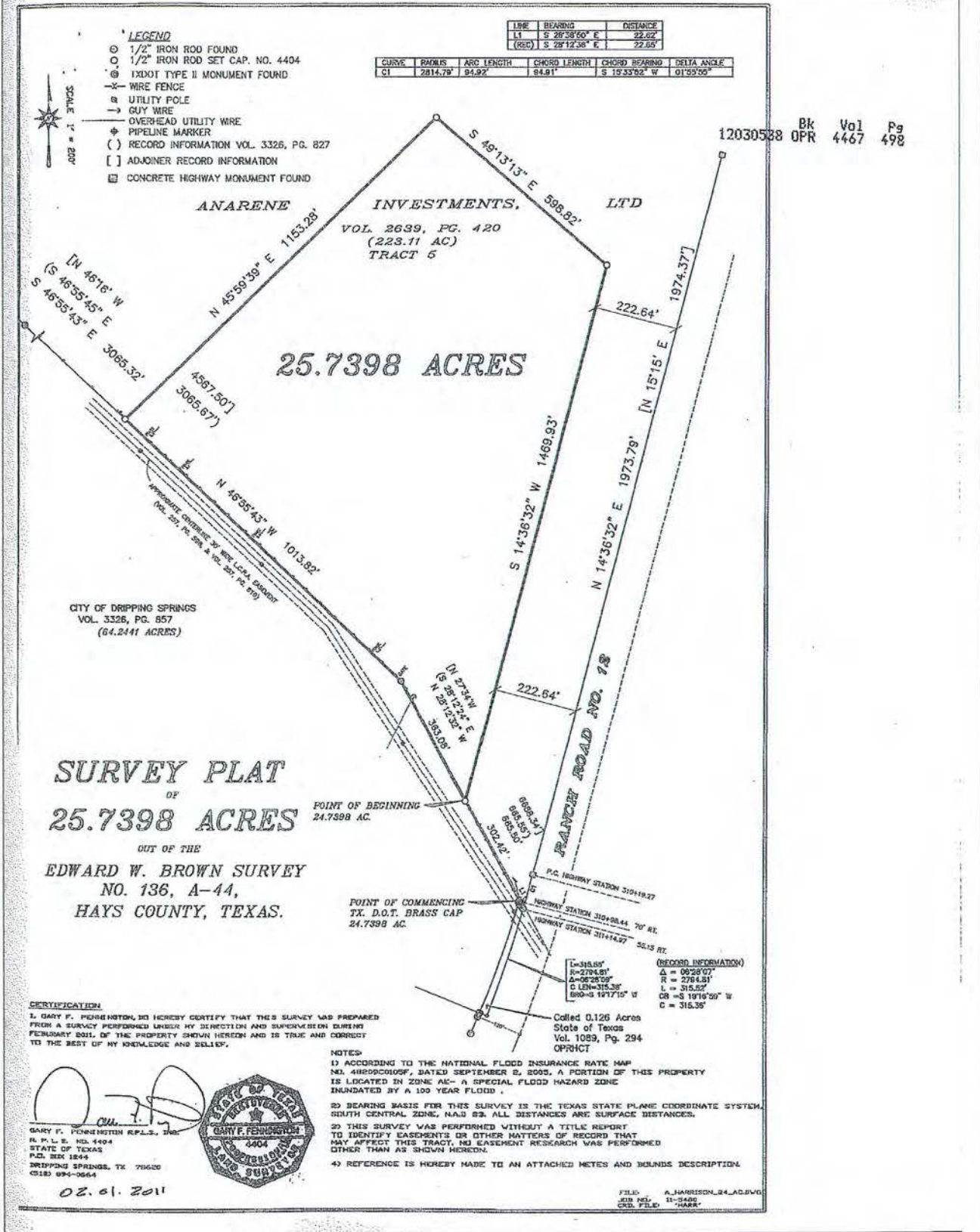


Note:

This sketch was prepared using field notes prepared by Mike A. Grogan, Registered Professional Land Surveyor No. 5296, who certified that the field notes were accurate representations of the property contained therein as determined by a survey made on the ground on March 2 through March 17 and April 9, 2004. Field notes dated May 4, 2004.

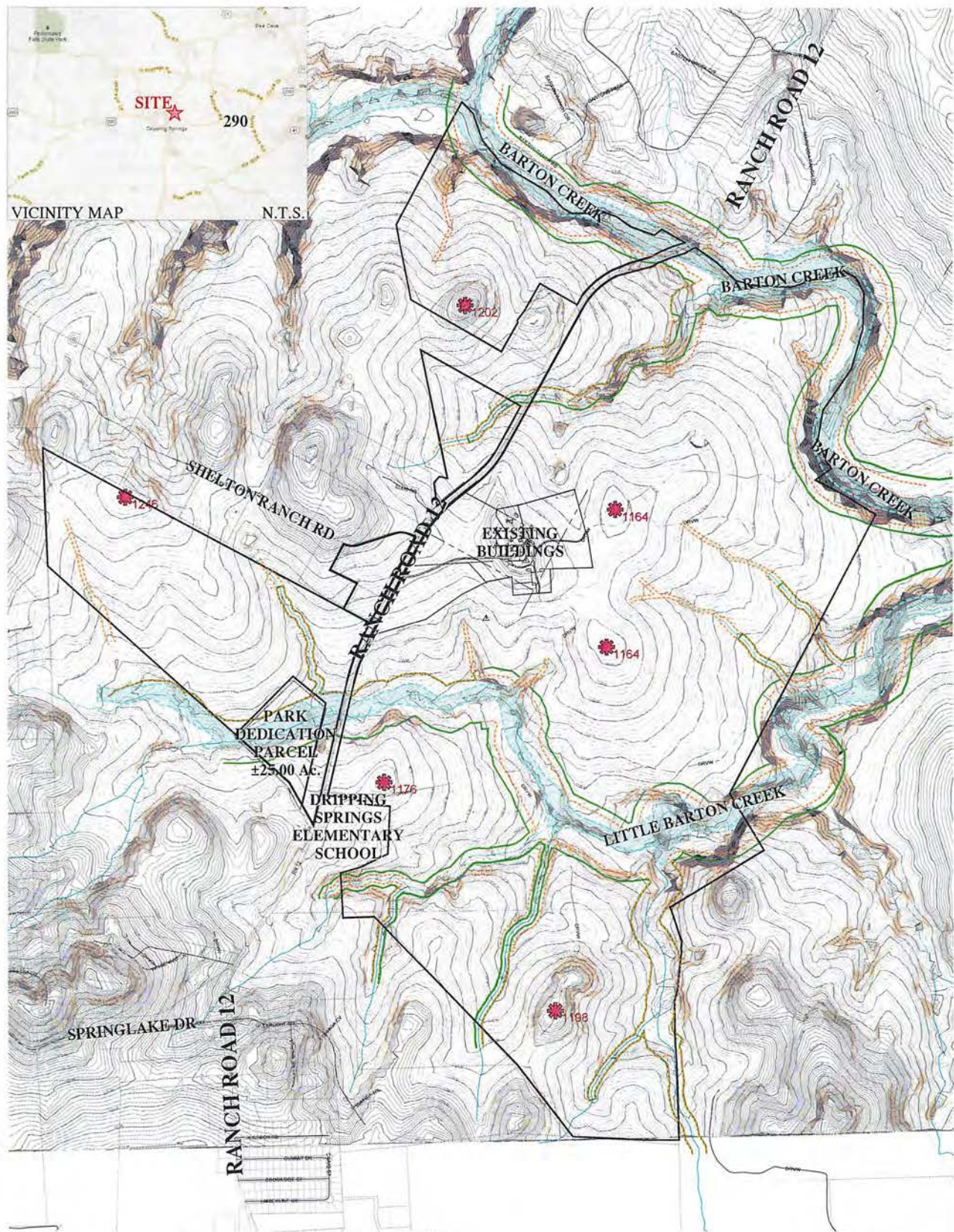


Exhibit B
Survey of Parkland



PARKLAND DEDICATION
PARCEL
EXHIBIT B
12.16.14

Exhibit C - Hill Tops Preservation



Color	Layer	Legend	Range Beg.	Range End	Percent	Area
	SLOPE - VERY SLIGHT		0.00	8.00	81.3	5960970.23
	SLOPE - SLIGHT		8.00	15.00	13.0	9548315.99
	SLOPE - MODERATE		15.00	25.00	4.1	3040606.34
	SLOPE - SEVERE		25.00	35.00	1.0	724970.69
	SLOPE - VERY SEVERE		35.00	100.00	0.5	401559.76

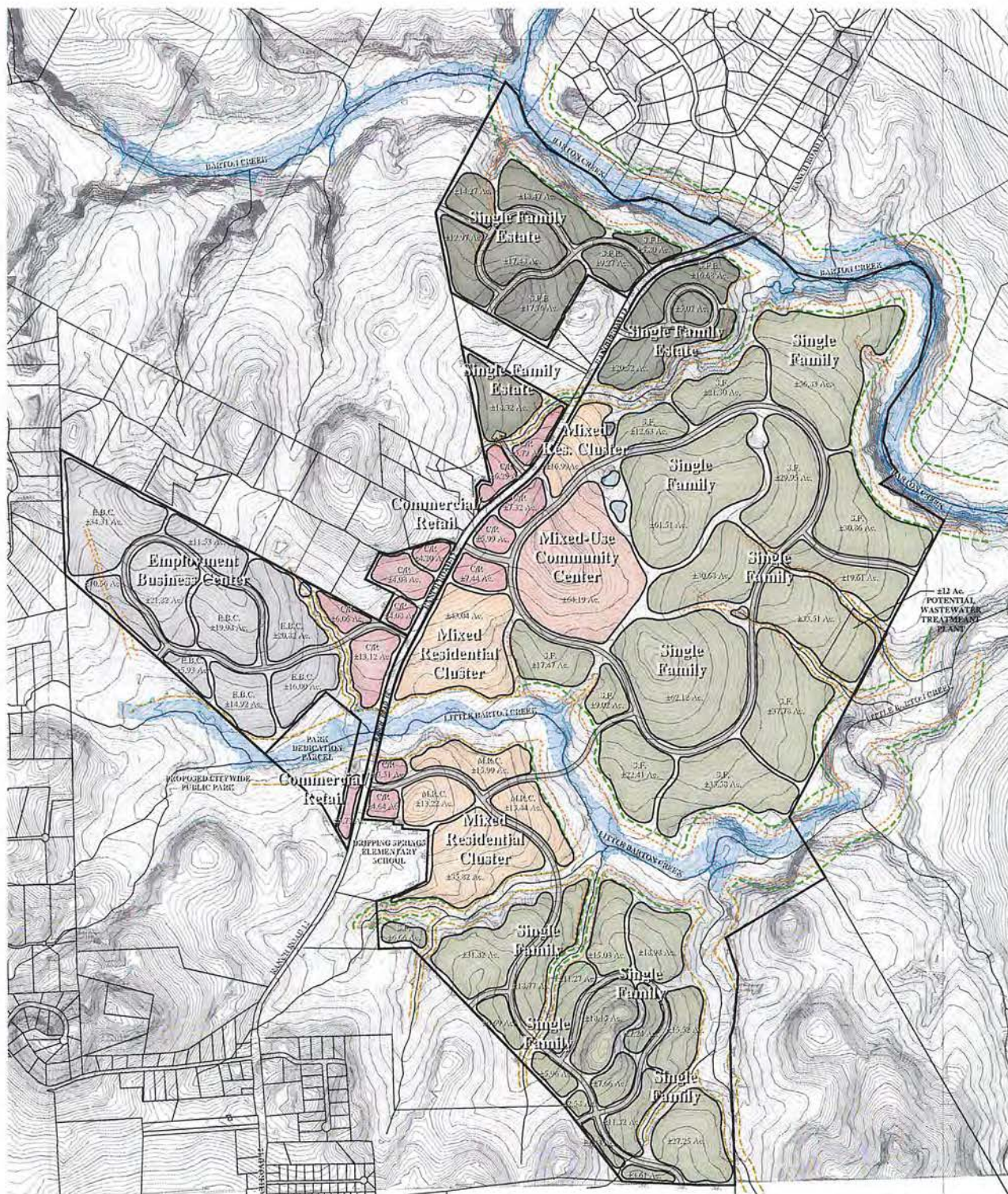
LEGEND:	
	Hilltop/ High Point
	CODS Setback (±302.58 Ac.)
	Floodplain (±71.65 Ac.)
	Fish & Wildlife Buffer

HILL TOPS
PRESERVATION



SCALE: 1" = 600'

EXHIBIT C
12.1.14



LAND USE SUMMARY

Commercial/Retail.....	±83.55 Ac.
Employment Business Center.....	±155.88 Ac.
Mixed-Use Community Center.....	±64.19 Ac.
Mixed-Use Residential.....	±138.49 Ac.
Single Family.....	±692.11 Ac.
Single Family Estate.....	±156.62 Ac.
Development Parcel Total	±1,290.84 Ac.
Proposed Roads	±67.41 Ac.
Open Space	±244.56 Ac.
Floodplain	±74.80 Ac.
Total	±1,677.61 Ac.

GENERAL NOTES:

- 1) This plan is conceptual in nature and subject to change.
- 2) Proposed land uses may be revised and/or transferred to other portions of this conceptual plan.
- 3) Roadway stub outs have been provided except where topographic or land ownership constraints prohibit connectivity to other parcels.
- 4) Water quality buffer zones indicated by dashed lines may be altered in accordance with the development agreement.

LEGEND:

- Water Quality Buffer Zone
- Floodplain
- Fish & Wildlife Buffer

CONCEPTUAL MASTER PLAN



EXHIBIT D
11.7.14

SCALE: 1" = 600'

THE BOUNDARY USED FOR THIS ANALYSIS IS APPROXIMATE

Exhibit E
Variance List

EXHIBIT E
November 6, 2014

EXHIBIT E - LIST OF VARIANCES & ALTERNATIVE STANDARDS					
#	Ordinance	Description	Requirement	Requested Variance	Justification
<i>Chapter 22, Water Quality Protection</i>					
1	22.05.016(a)(2)	Maximum Impervious Cover	Sets maximum impervious cover for site development plans within the Edwards Aquifer contributing zone and the ETJ to 35%	Maximum impervious cover for all site development plans within the Edwards Aquifer will be as tabulated in Section 3.1.4 of the Agreement.	Overall project impervious cover to be 35% maximum.
<i>Chapter 23, Zoning</i>					
2	3.11.4(a),(2)&(3)	Lot Widths and Depths	Width = 100' Depth = 150'	For Residential Use: Width = 50' Depth = 120'	For Residential Use: Width = 50' Depth = 120'
<i>Chapter 28, Subdivisions and Site Development</i>					
3	(Exhibit A), 11.21.1	Residential block lengths	Shall not exceed one thousand two hundred (1,200) feet between centerlines of street intersections	Shall not exceed three thousand (3,000) feet between centerlines of street intersections as per Conceptual Plan due to topography	To respond to topographic conditions.
4	(Exhibit A), 14.6	Minimum Lot Sizes	For lots using surface water and public wastewater system is 0.75 acres	For lots using surface water and public wastewater system is 6,000 square feet	To have the ability to respond to evolving and diversified housing market. To provide a variety of housing types with variety of lot sizes.
5	Section 5.4.3 Dripping Springs	Construction and installation of required public improvements and City utilities	Requires construction and installation of required public improvements & City utilities prior to approval of final plat	Fiscal security not required prior to final plat approval provided the owner agrees to construct improvements in a manner approved by the City Engineer.	Provide necessary flexibility for platting a large scale development.
<i>TCSS</i>					
6	Section 2.3.2, Hays Cnty Dev. Regs Table 721.02	Minimum Centerline Radius	Urbanized Local = 200 feet Minor Collector = 375 feet Major Collector = 675 feet Minor Arterial = 975 feet	Urbanized Local = 180 feet Minor Collector = 300 feet Major Collector = 500 feet Minor Arterial = 500 feet	Complies with AASHTO standards relative to proposed design speeds. Preserves natural character by minimizing impacts to existing topography.
7	Section 2.3.2, Hays Cnty Dev. Regs Table 721.02	Minimum Tangent Length	Major Collector = 300 feet Minor Arterial = 500 feet	Major Collector = 150 feet Minor Arterial = 200 feet	Complies relative to proposed design speed.

Exhibit F
Approved Plant List

EXHIBIT F

Approved Plant List

For landscaping, developer, builders, and home owners will follow guidelines as specified for Western Zone, Edwards Plateau in ***Native and Adapted Landscape Plants an earthwise guide for Central Texas Fifth Edition, 2013*** published by Texas A&M Agrilife Extension, City of Austin, and growgreen.org (commonly referred to as Austin Grow Green booklet). Any plant listed as invasive on page 53 of Austin Grow Green Fifth Edition is prohibited from use.