

AGREEMENT CONCERNING CREATION AND OPERATION OF DRIPPING SPRINGS MUNICIPAL UTILITY DISTRICT NO. 1

This **AGREEMENT CONCERNING CREATION AND OPERATION OF DRIPPING SPRINGS MUNICIPAL UTILITY DISTRICT NO. 1** (this “Agreement”) is by the **City of Dripping Springs, Texas**, a Type A general law municipality located in Hays County, Texas (the “City”); and **Robert Mokhtarian, Individually, Robert Mokhtarian, Trustee for Edward Mokhtarian, and Robert Mokhtarian, Trustee for Edmund Mokhtarian** (collectively, “Mokhtarian”); **740 Sports Park, LLC**, a Texas limited liability company (“740 SP”); and **Clinton Cunningham and Dawn Cunningham** (“Cunningham”, and collectively with Mokhtarian and 740 SP, the “Owners”). Subsequent to its creation, **Dripping Springs Municipal Utility District No. 1**, a proposed municipal utility district to be created pursuant to Article XVI, Section 59 of the Texas Constitution and Chapters 49 and 54 of the Texas Water Code as contemplated by this Agreement (the “District”), will become a party to this Agreement. The City, the Owners, and the District are sometimes referred to herein individually as a “Party” and collectively as the “Parties”.

RECITALS

WHEREAS, the Owners own the approximately 112 acres of land more particularly described by metes and bounds on the attached **Exhibits A1, A2 and A3** (the “Land”); and

WHEREAS, the Land is currently located entirely within the extraterritorial jurisdiction of the City but is anticipated to be annexed into the corporate boundaries of the City prior to the creation of the District; and

WHEREAS, the Land is and its boundaries are depicted on the concept plan attached as **Exhibit B** (the “Concept Plan”); and

WHEREAS, Mokhtarian owns the portion of the Land described and/or depicted on **Exhibit A-1**, 740 SP owns the portion of the Land described and/or depicted on **Exhibit A-2**, and Cunningham owns the portion of the Land described and/or depicted on **Exhibit A-3**; and

WHEREAS, the Owners intend that the Land will be developed in phases as a master-planned, mixed-use community (the “Project”); and

WHEREAS, the Owners and the City desire to enter into this Agreement to encourage innovative and comprehensive master-planning of the Land, provide certainty of regulatory requirements throughout the term of this Agreement, and result in a high-quality development for the benefit of the present and future residents of the City and the Land; and

WHEREAS, the Owners have proposed to create the District over the Land pursuant to an application to be filed with and processed through the TCEQ (as defined

in ARTICLE I below) and have presented the City with a petition requesting the City's consent to the creation of the District; and

WHEREAS, the purposes of the proposed District include designing, constructing, acquiring, installing, financing, and conveying to the applicable governmental authority or utility provider the District Improvements (as defined in ARTICLE I below) to serve the area within its boundaries; and

WHEREAS, construction of the District Improvements will occur in phases (as determined by the District and the Developer(s) (as defined herein)) in accordance with this Agreement; the applicable ordinances of the City; Chapters 49 and 54, Texas Water Code, as amended; the rules and regulations of the TCEQ, as amended; and applicable state and federal regulations (collectively, the "Applicable Regulations"); and

WHEREAS, the City and the Owners intend that the Reimbursable Costs (as defined in ARTICLE I below) of the District Improvements will be paid from the net proceeds of bonds issued by the District (or surplus funds of the District) in accordance with this Agreement, the applicable rules and regulations of the TCEQ, as amended, and the applicable requirements of the Texas Attorney General's Office, as amended; and

WHEREAS, the District is authorized to enter into this Agreement pursuant to the provisions of Texas law, including but not limited to, Chapters 49 and 54 of the Texas Water Code, as amended; Chapter 791 of the Texas Government Code, as amended; and Section 552.014, Texas Local Government Code, as amended; and

WHEREAS, the City is a Type A general law municipality operating under the laws of the State of Texas pursuant to which the City has the authority to enter into and perform its obligations under this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, including the agreements set forth below, the Parties contract as follows:

ARTICLE I. DEFINITIONS

Section 1.01 Definitions. In addition to the terms defined elsewhere in this Agreement, the following terms and phrases used in this Agreement will have the meanings set out below:

Applicable Rules means the City's rules, ordinances, and regulations in effect as of the Effective Date of this Agreement, as amended by: (i) any amendments authorized by Chapter 245, Texas Local Government Code; (ii) any approvals, variances, waivers, and exceptions to such rules that are approved by the City; and (iii) any additional restrictions or regulations agreed to by the Developer in writing.

Bonds means bonds, notes, or other obligations or indebtedness issued or incurred by the District under the District's borrowing power.

City Administrator means the City Administrator of the City.

Commission or TCEQ means the Texas Commission on Environmental Quality or its successor agency.

County means Hays County, Texas.

Developer means any Owner, or any successor or permitted assign of an Owner, that notifies the City of its intent to develop all or any portion of the Land under Section 6.04 below.

District Improvements means the water, wastewater, and drainage utilities (including capacity or contract rights to capacity therein), Road Projects, and other public improvements, as authorized by applicable law, and whether on-site or off-site, to serve the area within the District boundaries.

Effective Date of this Agreement means the [REDACTED] day of [REDACTED], 2021.

Reimbursable Costs means all costs of the District Improvements (including land and easements costs) that are eligible for reimbursement from the net proceeds of Bonds issued by the District in accordance with this Agreement and, as applicable, the rules and regulations of the TCEQ, as amended.

Road Projects means any road projects or improvements in aid of such road projects that the District is authorized to undertake pursuant to Article III, Section 52 and Article XVI, Section 59 of the Texas Constitution, as amended, and Chapters 49 and 54 of the Texas Water Code, as amended, or otherwise pursuant to any authority granted to the District by special act of the Texas Legislature.

ARTICLE II. CREATION OF THE DISTRICT AND RELATED MATTERS

Section 2.01 **Consent to Creation of District.** The City acknowledges receipt of the Owners' request, in accordance with Section 54.016 of the Texas Water Code and Section 42.042 of the Texas Local Government Code, for creation of the District over the Land. On the Effective Date of this Agreement, the City has approved the resolution attached as **Exhibit C** consenting to the inclusion of the Land within the District (the "Consent Resolution"). The City agrees that the Consent Resolution will constitute and evidence the City's consent to the creation of the District within the City's corporate limits in accordance with Section 54.016 of the Texas Water Code and Section 42.042 of the Texas Local Government Code, and that no further consent will be required on the part of the City to evidence the City's consent to the creation of the District.

Section 2.02 District Execution of Agreement.

(a) The Owners shall cause the District to approve, execute, and deliver to the City this Agreement within 30 days after the date that the District's Board of Directors holds its organizational meeting. If the District fails to do so within such 30-day period, then (after notice and opportunity to cure) the City may terminate this Agreement and may repeal the Consent Resolution.

(b) If the District fails to approve, execute, and deliver to the City this Agreement as required by subsection (a) above, and if the City does not terminate this Agreement under subsection (a), such failure shall operate to prohibit the District from taking any actions to issue Bonds until the failure has been cured. The City shall have the right to enjoin the issuance of Bonds during any period in which such a material breach exists.

(c) If the District fails to approve, execute, and deliver to the City this Agreement as required by subsection (a) above, and if the City has not terminated this Agreement under subsection (a), such failure shall operate to prohibit the Owners or any Developer from entering into any reimbursement agreements with the District until the failure has been cured. The City shall have the right to enjoin the execution of such reimbursement agreements during any period in which such a material breach exists.

Section 2.03 Intent of Parties Related to Allocation Agreement.
Under Section 54.016(f) of the Texas Water Code, the City, as a City providing written consent for inclusion of land in a district, may provide for a contract designated as an "allocation agreement", to be entered into between the City and the District. The Parties acknowledge that the provision for an "allocation agreement" under Section 54.016(f) of the Texas Water Code is at the City's discretion. The City confirms that it is intentionally not providing for an allocation agreement. The Parties agree that this Agreement does not constitute and will not be deemed to constitute an allocation agreement within the meaning of Section 54.016(f) of the Texas Water Code because the District will be located in the corporate limits of the City upon creation.

Section 2.04 Dissolution. The City may dissolve the District at any time after the District has issued Bonds to finance all Reimbursable Costs paid or incurred to construct the District Improvements that are required to serve full development of the Land. Upon dissolution of the District, the City will assume the indebtedness and legal obligations of the District to the extent required by law.

**ARTICLE III.
AUTHORITY OF THE DISTRICT TO ISSUE BONDS**

Section 3.01 Authority to Issue Bonds. The District agrees that the maximum aggregate amount of bonds issued by the District shall not exceed \$38,675,000 without the approval of the City. The District may issue Bonds and reimburse any Developer for all purposes and expenditures authorized by applicable law, including:

(a) The purchase, construction, acquisition, repair, extension, and improvement of land, easements, works, improvements, facilities, plants, equipment, and appliances (including capacity or contract rights to capacity in any of the foregoing) necessary to:

(1) Provide a water supply for municipal uses, domestic uses, and commercial purposes;

(2) Collect, transport, process, dispose of, and control all domestic, industrial, or communal wastes whether in fluid, solid, or composite state (other than solid waste, as defined in the Applicable Rules);

(3) Gather, conduct, divert, and control local storm water or other local harmful excesses of water;

(4) Design, acquire, construct, and finance Road Projects; and

(5) Develop and maintain park and recreational facilities, to the extent permitted by applicable law; and

(b) Refunding any outstanding Bonds, provided such refunding Bonds satisfy the terms and conditions of this Agreement;

(c) Paying organizational, administrative, and operating costs during creation and construction periods and interest thereon, subject to the applicable limitations of Section 49.155 of the Texas Water Code; and

(d) Paying other expenses authorized by Section 49.155 of the Texas Water Code.

Section 3.02 City Submittals; Objections.

(a) The District agrees to give written notice to the City of its intention to issue Bonds as follows:

(1) If the District intends to issue Bonds that require TCEQ approval, the District will provide notice of same to the City Administrator and City Attorney concurrently with the District's submittal of each application to the TCEQ for approval of issuance of Bonds (a "Notice of Intent to Issue Bonds"), which Notice of Intent to Issue Bonds will include the following:

(A) The principal amount of Bonds expected to be issued;

(B) The Summary of Costs of the Bond Issue including both Construction and Non Construction Costs;

(C) The projected Schedule of Events related to the issuance of the Bonds;

(D) The proposed District debt service rate and total District tax rate after issuance of the Bonds; and

(E) A Letter from the District's Financial Advisor stating that the Bonds are being issued in compliance of the TCEQ rules in place at the time the Bonds are expected to be issued.

(2) If the District intends to issue Bonds that do not require TCEQ approval (*e.g.*, Bonds for Road Projects or refunding Bonds), the District will provide notice of same to the City Administrator and City Attorney at least 30 days prior to pricing of the Bonds.

(b) The City may object to a Bond application or to the issuance of a series of Bonds for the reason that a Developer or the District is in default of any provision of this Agreement, including the terms and conditions in Section 3.03. If the City objects to a Bond application or issuance due to such a default (a "City Objection"), the City shall have a period of 30 days after receiving the notice required by Sections 3.02(a)(1) or 3.02(a)(2), as applicable, within which to notify the District of the City Objection. If the City timely objects to a Bond application or issuance due to such a default, the Bond application and issuance will be delayed until such time as the default is cured. If the City fails to object to a Bond application or issuance within such periods specified herein, the City shall be deemed to have waived all objections. If the City objects to a Bond application or issuance, such City Objection must: (i) be in writing; (ii) be given to the District; (iii) be signed by the City Administrator or the City Administrator's designee; and (iv) specifically identify the applicable provision of this Agreement as to which the District or the Developer is in default. If a City Objection is timely given to the District with respect to a specific Bond application or issuance of Bonds, the City and the District will cooperate to resolve the City Objection within a reasonable time, and the Bond application or issuance of Bonds to which the City Objection applies will be delayed until the City Objection has been cured or waived by written agreement.

(c) Within 30 days after the closing date of a series of Bonds, the District shall deliver to the City Administrator a copy of the final official statement for such series of Bonds and a copy of any report on reimbursable costs required by the rules of the TCEQ.

Section 3.03 Terms and Conditions of Bonds. Bonds, including refunding Bonds, issued by the District shall, unless otherwise agreed to by the City, comply with the following requirements:

(a) No individual series of Bonds will be issued with a term which exceeds 25 years from the closing date of such series of Bonds;

(b) The Bonds (other than refunding Bonds and Bonds sold to a federal or state agency) shall only be sold after the taking of public bids therefor (unless current law changes to permit otherwise), and no Bonds shall be sold for less than 97% of par, provided that the net effective interest rate on Bonds so sold, taking into account any discount or premium as well as the interest rate borne by such Bonds, shall not exceed 2% above the highest average interest rate reported by the Daily Bond Buyer in its weekly

“20 Bond Index” during the 30-day period next preceding the date notice of the sale of the Bonds is given (or, if the Daily Bond Buyer ceases to exist, a comparable publication reporting average bond interest rates);

(c) The District shall reserve the right to redeem its Bonds not later than the tenth anniversary of the closing date of such Bonds, without premium;

(d) No variable rate Bonds shall be issued by the District;

(e) Any refunding Bonds must provide for a minimum of 3% present value savings and, further, must provide that the latest maturity of the refunding Bonds may not extend beyond the latest maturity of the refunded Bonds; and

(f) Capitalized interest shall not exceed three years interest.

Section 3.04 Other Funds. The District may obtain and use funds and assets from any available, lawful source to provide for the acquisition, ownership, maintenance, and operation of the District Improvements or its other facilities, as well as to accomplish any purpose or to exercise any function, act, power, or right authorized by law. Such funds and assets may include revenues from any of the systems, facilities, properties, and assets of the District not otherwise committed for the payment of indebtedness of the District; maintenance taxes; loans, gifts, grants, and donations from public or private sources and revenues from any other source lawfully available to the District.

ARTICLE IV. WATER AND WASTEWATER SERVICE; OTHER UTILITIES

Section 4.01 Retail Water Service. The Land is located within the certificated water service area (“CCN”) of Dripping Springs Water Supply Corporation (“DSWSC”) and will receive retail water service from DSWSC or the successor holder of the DSWSC CCN pursuant to a separate agreement with DSWSC.

Section 4.02 Retail Wastewater Service. Retail wastewater collection and treatment services will be provided by the City, the specific terms of which will be governed by separate agreement (the “Wastewater Agreement”). The wastewater collection systems within the District shall be owned by the City. Subject to specific terms to be determined by the Wastewater Agreement, which could include interim alternatives, the City agrees and commits to provide wastewater service sufficient for the full build-out of the District at flow rates sufficient to meet the minimum requirements of all Applicable Regulations, and agrees to provide written confirmation of the availability of service upon the District’s request if required in connection with any District Bond sale.

Section 4.03 Other Utilities. The City will provide solid waste and recycling services within the District for the same rates, in the same manner, on the same terms and conditions, and subject to the same regulations and ordinances, as amended, that the City provides solid waste and recycling services to other customers inside its corporate limits. The District will have no liability for charges for such services except for

charges for services provided to the District, if any. The Developer will have the right to select the providers of cable television, gas, telephone, telecommunications, and all other utilities and services, or to provide “bundled” utilities within the Land.

ARTICLE V.

DESIGN, FINANCING, CONSTRUCTION, CONVEYANCE, OWNERSHIP, OPERATION, AND MAINTENANCE OF DISTRICT IMPROVEMENTS

Section 5.01 Design, Financing, and Construction. Unless otherwise specifically provided in this Agreement, the Developer will design, finance, construct, and convey to the City (or, in the case of water improvements, convey to DSWSC) on behalf of the District all District Improvements at no cost to the City. Construction of all District Improvements will be bid in accordance with the requirements applicable to the District under the rules of the TCEQ and Chapters 49 and 54 of the Texas Water Code. All District Improvements will be designed and constructed in accordance with the Applicable Rules and the regulations of any other governmental entities with jurisdiction and pursuant to plans and specifications approved by the City. Neither the Developer nor the District will be required to pay for or construct any improvements to the City’s existing utility systems or other off-site improvements required to serve the Land, except as provided for herein with respect to the District Improvements or by separate agreement. Further, unless the Developer’s service requirements for the Land change or the Parties otherwise agree in writing, the City will not require that any Developer or the District oversize, finance, or construct any utility or road improvements to serve property other than the Land.

Section 5.02 Conveyance, Ownership, Operation, and Maintenance. Upon completion of construction of each phase of the District Improvements, subject to the Developer’s right, if any, to reimbursement from the District for the cost of those District Improvements in accordance with applicable law: (a) the Developer will promptly convey the water utility components of the District Improvements to DSWSC for operation and maintenance in accordance with the rules and regulations of DSWSC; (b) the City will accept the remainder of the District Improvements (the “City Operated District Improvements”) for operation and maintenance in accordance with the Applicable Rules; and (c) the Developer will promptly convey the City Operated District Improvements to the City, subject to (i) the City’s obligation to provide service to the District as provided in this Agreement, and (ii) a reservation of all capacity in the City Operated District Improvements for the benefit of the District. The Developer will also assign to the City all easements, contract rights, warranties, guarantees, assurances of performance, and bonds related to the City Operated District Improvements that are conveyed to the City. The City agrees that its acceptance of the City Operated District Improvements and the related assignments will not be unreasonably withheld, conditioned, or delayed. Upon any such conveyance and acceptance, the City agrees to operate and maintain such City Operated District Improvements in good condition and working order and to provide service to the District in accordance with this Agreement. Conveyance will not affect the Developer’s right to reimbursement from the District for the cost of any District Improvements. Nothing herein will prevent the City from using City Operated District Improvements to serve customers outside of the District provided that there is sufficient capacity reserved to

serve the residents and property owners within the District as and when required by development within the Land.

ARTICLE VI. DEVELOPMENT MATTERS

Section 6.01 Development Matters.

(a) The City hereby confirms its approval of up to 531 residential units together with governmental, retail, and office uses within the Land. The Developer shall apply for zoning related to this approval. The Project shall comply with all Applicable Rules unless otherwise modified by this Agreement or future approvals.

Section 6.02 Land Uses, Density, and Open Space.

(a) The Land uses will be limited to townhomes, residential lots, and retail, office, governmental/utility/institutional, and park uses as reflected on the Concept Plan and comply with the Applicable Rules related to the approved zoning classification for the Land. The residential units will be townhomes or detached residential lots as defined by the Applicable Rules and the approved zoning classification for the Land.

(1) Detached single family residential units shall consist of 100% masonry on all elevations. Native stone, brick masonry, stucco, and cementitious siding shall be deemed appropriate materials to satisfy the masonry requirement.

(2) The front elevation of all detached single family residential homes shall contain wall plane articulation in compliance with the following. No elevation shall be single wall plane across the entire width of the front elevation. Each front elevation shall contain a minimum of two of the following elements, to be identified on the architectural plans submitted for building permit:

- a. A minimum of two wall planes on the front elevation, offset a minimum of 18 inches;
- b. Covered front porches or patio with a minimum size of 60 square feet;
- c. A side-entry or swing-in garage entry (for garage doors that do not face the front street);
- d. A garage door recessed from the primary front facade a minimum of four feet (for garage doors that face the street);
- e. Enhanced garage door materials (wood, ornamental metal, decorative door, window inserts and hardware, painted or stained to match house);
- f. Shed roof or trellis (at least 18" deep) above garage door for additional architectural detail;

g. A combination of at least two roof types (e.g. hip and gable) or two different roof planes of varying height and/or direction;

h. Two or more masonry finishes to compliment the architectural style of the home; and

i. The addition of one or more dormers on the front elevation to compliment the architectural style of the home.

(3) Although the requirements of subsections (1) and (2) above technically apply only to detached single family residential units, substantively similar requirements, modified as appropriate based on product type, will apply to townhomes.

(4) The Land may include multiple phases for platting purposes.

(b) The overall density of the development of the Land will be a maximum of 4.7 dwelling units per acre, composed of 351 single family townhome units and 180 single family lots, as shown on the Concept Plan.

(1) Each of the townhome rows will be restricted to no more than six attached units per building/slab.

(2) The single family lots shall have a minimum lot area of 6,000 square feet with the width at the street frontage of 50 feet.

(3) The retail/GUI areas will be limited to no more than a total of 6.4 acres, which may be altered upon receipt of written administrative approval from the City Administrator.

(c) The areas designated on the Concept Plan as Open Space are composed of detention/water quality areas, stream setbacks, slopes and landscape buffers containing 23.9 acres, all as shown on the Concept Plan. In addition, the Project will have pocket parks, trails, and a potential town green dedicated to the City. This Open Space with the listed amenities shall fulfill and satisfy all parkland dedication requirements of the Land to the City, including, but not limited to, the requirements of Article 28.03 (Parkland Dedication) and Sections 19.1 and 19.4 (Subdivisions) of the Applicable Rules. However, the Park Development Fees in Section 28.03.010 of the Applicable Rules shall be paid at time of Final Plat. The Developer shall submit a Master Parks and Open Space Plan that complies with this Agreement at time of Final Platting.

(d) The Project shall comply with the adopted City-wide Trail Plan in effect as of the Effective Date of this Agreement.

Section 6.03 Easement Dedications. In consideration for the City's consent to the creation of the District, the Owners (as to their respective tracts) agree to dedicate and convey to the City, at no cost to the City, the collector road and wastewater easements depicted on **Exhibit D**. The Owners reserve the right to seek reimbursement

for such dedications from the District in accordance with this Agreement and applicable law.

Section 6.04 Phased Development. Because it is anticipated that the Land will be developed in phases, portions of the Land not under active development may remain in use as agricultural lands or as open space land.

Section 6.05 “Developer” Status. If and as an Owner, or any successor or permitted assignee of an Owner, initiates development of all or any portion of the Land, such Owner, or the applicable successor or permitted assignee of the Owner, will notify the City in writing of such election (which notice must also describe the portion of the Land to be developed), at which time the Owner, or the applicable successor or permitted assignee of the Owner, will become (and will be deemed to have assumed the obligations of) a “Developer” under this Agreement as to the portion of the Land described in the notice.

Section 6.06 Uniform and Continued Development; Vesting. The Parties intend that 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. Accordingly, the Land will be developed and the infrastructure required for the Land will be designed and constructed in accordance with the Applicable Rules, the Concept Plan, and this Agreement. Subject to the terms and conditions of this Agreement, the City confirms and agrees that the Owners and any Developer hereunder have vested authority to develop the Land in accordance with the Applicable Rules. Ordinances, rules, or regulations, or changes or modifications to the City’s ordinances, rules, and regulations, adopted after the Effective Date of this Agreement will only be applicable to the extent permitted by Chapter 245 of the Texas Local Government Code. If there is any conflict between the Applicable Rules and the terms of this Agreement, the terms of this Agreement will control. The City further agrees that it will not, during the term of this Agreement, impose or attempt to impose: (a) any moratorium on building or development within the Land; or (b) any land use or development regulation that limits the rate or timing of land use approvals, whether affecting preliminary plats, final plats or other necessary approvals, within the Land. The preceding sentence does not apply to temporary moratoriums uniformly imposed throughout the City due to an emergency constituting imminent threat to the public health or safety, however, any such a moratorium may continue only during the duration of the emergency.

Section 6.07 Term of Approvals. The Concept Plan, and any preliminary subdivision plat or final subdivision plat that is consistent with the Concept Plan, the Applicable Rules, and State law, will be effective for the term of this Agreement.

Section 6.08 Director Lots. The conveyance, from time to time, by metes and bounds or otherwise of any portion of the Land to any person for the purpose of qualifying such person to be a member of the Board of Directors of the District will not be considered a subdivision of land requiring a plat or otherwise requiring the approval of the City.

Section 6.09 Manufactured Home for District Elections. One (1) HUD-certified manufactured home may be located within the Land solely for the purpose of providing qualified voters within the District for the District's confirmation, director, maintenance tax, and bond elections. The manufactured home permitted by this Agreement will comply with all City regulations and will be removed within sixty (60) days from the date of last election needed for the purposes of this Agreement.

Section 6.10 Impact Fees. Any impact fees payable to the City with respect to the Land will be paid by or on behalf of the Developer to the City in accordance with the Applicable Rules; and, in consideration of the payment of impact fees to the City, the Developer will acquire, on behalf of the District, the guaranteed right to receive service from the City's systems, as applicable, for the living unit equivalents of service for which impact fees have been paid. Any impact fees payable to DSWSC with respect to the Land will be paid by or on behalf of the Developer to DSWSC in accordance with DSWSC's rules.

Section 6.11 Building Code. All buildings shall be constructed in accordance with the building or construction codes in the Applicable Rules. 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. The City will provide inspections in a prompt and timely manner.

Section 6.12 Lighting. All illumination for street lighting, signage, security, exterior, landscaping, and decorative facilities for the Project shall comply with Article 24.06 of the Applicable Rules.

Section 6.13 Tree Preservation. Article 28.06, Landscaping and Tree Preservation, of the Applicable Rules shall apply to the Land.

ARTICLE VII. MISCELLANEOUS PROVISIONS

Section 7.01 Authority. This Agreement is entered into, in part, under the statutory authority of Section 552.014, Texas Local Government Code, which authorizes the City to enter into a written contract with a water district created under Article XVI, Section 59 of the Texas Constitution under which the district will acquire for the benefit of and convey to the City one or more projects. The City certifies, represents, and warrants that the execution of this Agreement has been duly authorized and adopted in conformity with applicable law and City ordinances. Each Owner hereby certifies, represents, and warrants that the execution of this Agreement has been duly authorized and adopted in conformity with the constituent documents of each person or entity executing on behalf of such Owner.

Section 7.02 Term. The term of this Agreement shall commence on the Effective Date and (unless terminated pursuant to the terms hereof) shall continue until the District is dissolved in accordance with Section 2.04 above.

Section 7.03 Termination and Amendment by Agreement. This Agreement may be terminated or amended as to all of the Land at any time by mutual written consent of the City, the Owners, and, following creation of the District, the District; may be terminated or amended only as to a portion of the Land at any time by the mutual written consent of the City, the Owner of the portion of the Land affected by the amendment or termination and, following creation of the District, the District; and, after full-build out of the Land, may be terminated or amended at any time by the mutual written consent of the City and the District.

Section 7.04 Remedies.

(a) If the City defaults under this Agreement, the Owners or the District may give notice setting forth the event of default (“Notice”) to the City. If the City fails to cure any default that can be cured by the payment of money (“Monetary Default”) within 45 days from the date the City receives the Notice, or fails to commence the cure of any default specified in the Notice that is not a Monetary Default within 45 days of the date of the Notice, and thereafter to diligently pursue such cure to completion, the Owners or the District may enforce this Agreement by a writ of mandamus from a Hays County District Court or terminate this Agreement; however, any such remedy will not revoke the City’s consent to the creation of the District.

(b) If an Owner defaults under this Agreement, the City or the District may give Notice to the Owner. If the Owner fails to cure any Monetary Default within 45 days from the date it receives the Notice, or fails to commence the cure of any default specified in the Notice that is not a Monetary Default within 45 days of the date of the Notice, and thereafter to diligently pursue such cure to completion, the City or the District may enforce this Agreement by injunctive relief from a Hays County District Court or terminate this Agreement as to the portion of the Land owned by such Owner; however, except as permitted by Section 2.02(a), any such remedy will not revoke the City’s consent to the creation of the District.

(c) If the District defaults under this Agreement, the City or the Owners may give Notice to the District. If the District fails to cure any Monetary Default within 45 days from the date it receives the Notice, or fails to commence the cure of any default specified in the Notice that is not a Monetary Default within 45 days of the date of the Notice, and thereafter to diligently pursue such cure to completion, the City or the Owners may enforce this Agreement by a writ of mandamus from a Hays County District Court or terminate this Agreement; however, any such remedy will not revoke the City’s consent to the creation of the District.

(d) If any Party defaults, the prevailing Party in the dispute will be entitled to recover its reasonable attorney’s fees, expenses, and court costs from the non-prevailing Party.

Section 7.05 Assignment.

(a) This Agreement, and the rights of the Owners hereunder, may be assigned by the Owners, with the City’s consent, as to all or any portion of the Land. Any

assignment will be in writing, specifically set forth the assigned rights and obligations, be executed by the proposed assignee, and be delivered to the City. The City's consent to any proposed assignment will not be unreasonably withheld or delayed. The City hereby expressly consents to and approves the assignment of this Agreement to Dripping Springs Partners, Limited Liability Company and agrees that no further consent to such an assignment will be necessary; however, a copy of such assignment must be delivered to the City.

(b) If an Owner assigns its rights and obligations hereunder as to a portion of the Land, then the rights and obligations of any assignee and the Owner will be severable, and the Owner will not be liable for the nonperformance of the assignee and vice versa. In the case of nonperformance by one Owner or Developer, the City may pursue all remedies against that nonperforming Owner or Developer, but will not impede development activities of any performing Owner(s) or Developer(s) as a result of that nonperformance.

(c) This Agreement is not intended to be binding upon, or create any encumbrance to title as to, any ultimate consumer who purchases a fully developed and improved lot within the Land.

Section 7.06 Cooperation.

(a) The Parties each agree to execute such further documents or instruments as may be necessary to evidence their agreements hereunder.

(b) The City agrees to cooperate with the Developer(s) in connection with any waivers or approvals that the Developer(s) may desire from Hays County in order to avoid the duplication of facilities or services in connection with the development of the Land.

(c) In the event of any third-party lawsuit or other claim relating to the validity of this Agreement or any actions taken 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 in their respective rights and obligations under this Agreement.

(d) Whenever the term "approve" or "approval" is used in this Agreement, the party whose approval is required will not unreasonably withhold or delay it. Where approval is necessary, the party seeking approval may request approval in writing. If the party whose approval is requested fails to either approve the submittal or provide written comments specifically identifying the required changes within 60 working days, the submittal, as submitted by the requesting party, will be deemed to have been approved by the party whose approval is requested.

Section 7.07 Notice. Any notice given under this Agreement must be in writing and may be given: (a) by depositing it in the United States mail, certified, with return receipt requested, addressed to the Party to be notified and with all charges prepaid; or (b) by depositing it with Federal Express or another service guaranteeing

“next day delivery”, addressed to the Party to be notified and with all charges prepaid; or (c) by personally delivering it to the Party, or any agent of the Party listed in this Agreement. Notice by United States mail will be effective on the earlier of the date of receipt or three days after the date of mailing. Notice given in any other manner will be effective only when received. For purposes of notice, the addresses of the Parties will, until changed as provided below, be as follows:

CITY: City of Dripping Springs
Attn: City Administrator
P.O. Box 384
Dripping Springs, Texas 78620

With Required Copy to: City Attorney
P.O. Box 384
Dripping Springs, Texas 78620

OWNERS: Robert Mokhtarian, Individually and as
Trustee for Edward Mokhtarian and
Edmund Mokhtarian
c/o Gregg Bell
100 Congress Avenue, Suite 200
Austin, Texas 78701

740 Sports Park, LLC
Attn: David Denbow
2780 West Hwy 290, Bldg. A
Dripping Springs, Texas 78620

Clinton and Dawn Cunningham
840 Sports Park Road
Dripping Springs, Texas 78620

DISTRICT: John W. Bartram
Armbrust & Brown, PLLC
100 Congress Avenue, Suite 1300
Austin, Texas 78701

The Parties may change their respective addresses to any other address within the United States of America by giving at least five days’ written notice to the other party. The Owners may, by giving at least five days’ written notice to the City, designate additional Parties to receive copies of notices under this Agreement.

Section 7.08 **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.

Section 7.09 Waiver. Any failure by a Party to insist upon strict performance by the other party of any material provision of this Agreement will not be deemed a waiver thereof or of any other provision, and such Party may at any time thereafter insist upon strict performance of any and all of the provisions of this Agreement.

Section 7.10 Applicable Law and Venue. The interpretation, performance, enforcement, and validity of this Agreement is governed by the laws of the State of Texas. Venue will be in a court of appropriate jurisdiction in Hays County, Texas.

Section 7.11 Entire Agreement. This Agreement contains the entire agreement of the Parties. There are no other agreements or promises, oral or written, between the Parties regarding the subject matter of this Agreement. This Agreement supersedes all other agreements between the Parties concerning the subject matter.

Section 7.12 Exhibits, Headings, Construction, and Counterparts. All schedules and exhibits referred to in or 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. The Parties acknowledge that each of them 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 any exhibits hereto. 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 (as of the Effective Date of this Agreement) only when one or more counterparts, individually or taken together, bear the signatures of all of the Parties.

Section 7.13 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.

Section 7.14 Force Majeure. If, by reason of force majeure, any Party is rendered unable, in whole or in part, to carry out its obligations under this Agreement, the Party whose performance is so affected must give notice and the full particulars of such force majeure to the other Parties within a reasonable time after the occurrence of the event or cause relied upon, and the obligation of the Party giving such notice, will, to the extent it is affected by such force majeure, be suspended during the continuance of the inability but for no longer period. The Party claiming force majeure must endeavor to remove or overcome such inability with all reasonable dispatch. The term “force majeure” means Acts of God, strikes, lockouts, or other industrial disturbances, acts of

the public enemy, orders of any kind of the government of the United States or the State of Texas, or of any court or agency of competent jurisdiction or any civil or military authority, insurrection, riots, epidemics, landslides, lightning, earthquake, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, vandalism, explosions, breakage or accidents to machinery, pipelines or canals, or inability on the part of a Party to perform due to any other causes not reasonably within the control of the Party claiming such inability.

Section 7.15 **Interpretation.** As used in this Agreement, the term “including” means “including without limitation” and the term “days” means calendar days, not business days. Wherever required by the context, the singular shall include the plural, and the plural shall include the singular. Each defined term herein may be used in its singular or plural form whether or not so defined.

Section 7.16 **No Third-Party Beneficiary.** This Agreement is solely for the benefit of the Parties, and neither the City, the District, nor the Owners intend by any provision of this Agreement to create any rights in any third-party beneficiaries or to confer any benefit upon or enforceable rights under this Agreement or otherwise upon anyone other than the City, the District, and the Owners (and any permitted assignee of the Owners).

Section 7.17 **Exhibits.** The following exhibits are attached to this Agreement, and made a part hereof for all purposes:

Exhibits A-1, A-2 and A-3 - Legal Description of the Land

Exhibit A-1 - Mokhtarian Land

Exhibit A-2 - 740 SP Land

Exhibit A-3 - Cunningham Land

Exhibit B - Concept Plan

Exhibit C - City Consent Resolution

Exhibit D - Easement Dedications

* * *

IN WITNESS WHEREOF, the undersigned Parties have executed this Agreement on the dates indicated below to be effective as of the Effective Date of this Agreement.

(Signatures on the following pages.)

**COUNTERPART SIGNATURE PAGE TO
CONSENT AND DEVELOPMENT AGREEMENT**

CITY:

CITY OF DRIPPING SPRINGS

By: _____
Bill Foulds, Jr., Mayor

Date: _____

THE STATE OF TEXAS §
 §
COUNTY OF HAYS §

This instrument was acknowledged before me on _____, 2021, by Bill Foulds, Jr., Mayor of the City of Dripping Springs, a Texas Type A general law municipality on behalf of said municipality.

Notary Public Signature

(Seal)

**COUNTERPART SIGNATURE PAGE TO
CONSENT AND DEVELOPMENT AGREEMENT**

OWNERS:

Robert Mokhtarian, Individually

Robert Mokhtarian, Trustee
Edward Mokhtarian Trust

Robert Mokhtarian, Trustee
Edmund Mokhtarian Trust

THE STATE OF _____ §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2021, by Robert Mokhtarian, individually.

(SEAL)

Notary Public Signature

THE STATE OF _____ §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2021, by Robert Mokhtarian, as Trustee for the Edward Mokhtarian Trust on behalf of said Trust.

(SEAL)

Notary Public Signature

THE STATE OF _____ §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2021, by Robert Mokhtarian, as Trustee for the Edmund Mokhtarian Trust on behalf of said Trust.

(SEAL)

Notary Public Signature

**COUNTERPART SIGNATURE PAGE TO
CONSENT AND DEVELOPMENT AGREEMENT**

OWNERS (continued):

740 SPORTS PARK, LLC, a Texas limited liability company

By: _____
David Denbow, President

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2021, by David Denbow, President of 740 Sports Park, LLC, a Texas limited liability company, on behalf of said limited liability company.

(SEAL)

Notary Public Signature

OWNERS (continued):

Dawn Cunningham

THE STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2021, by Clinton Cunningham, individually.

(SEAL)

Notary Public Signature

THE STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2021, by Dawn Cunningham, individually.

(SEAL)

Notary Public Signature

**COUNTERPART SIGNATURE PAGE TO
CONSENT AND DEVELOPMENT AGREEMENT**

DISTRICT:

**DRIPPING SPRINGS MUNICIPAL
UTILITY DISTRICT NO. 1**

By: _____
_____, President
Board of Directors

THE STATE OF TEXAS §
 §
COUNTY OF HAYS §

This instrument was acknowledged before me on _____, 202__, by
_____, President of the Board of Directors of Dripping Springs Municipal Utility
District No. 1, a political subdivision of the State of Texas, on behalf of said District.

(SEAL)

Notary Public Signature

Description of the Land

EXHIBIT A-1

Legal Description of Mokhtarian Land (Two Tracts)

Mokhtarian Tract 1:

FIELD NOTES DESCRIBING A 79.0723 ACRE TRACT OF LAND OUT OF THE P.A. SMITH LEAGUE SURVEY, THE C.H. MALOTT SURVEY AND THE BENJAMIN F. MIMS SURVEY NO. 8 IN HAYS COUNTY, TEXAS, SAID 79.0723 ACRE TRACT OF LAND BEING OUT OF AND A PORTION OF THAT CERTAIN 85.2757 ACRE TRACT OF LAND CONVEYED TO MAIN PASS PARTNERS, LTD. BY DEED RECORDED IN VOLUME 785, PAGE 605 OF THE HAYS COUNTY, TEXAS DEED RECORDS, SAID 79.0723 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS.

BEGINNING at an iron pin found at the Northeast corner of that certain 40.00 acre tract of land conveyed to Dripping Springs Independent School District by Deed Recorded in Volume 646, Page 731 of the Hays County, Texas Deed Records, said point being situated at the most Northerly Northwest corner of said 85.2757 acre tract.

THENCE, along the fenced North boundary line of said 85.2757 acre tract, same being the South boundary line of that certain tract of land conveyed to Robert F. Shelton by deed recorded in Volume 143, Page 16 of the Hays County, Texas Deed Records, the following three (3) courses:

1. S 89°27'58" E for 465.05 feet to an iron pin found.
2. S 89°29'16" E for 2496.82 feet to a 60+D" nail found.
3. N 79°12'52" E for 480.33 feet to an iron pin found on the West boundary line of that certain 423.54 acre tract of land conveyed to B.T. Cowden by deed recorded in Volume 827, Page 81 of the Hays County, Texas Deed Records, same being the Northeast corner of the herein described tract.

THENCE, along the fenced West boundary line of said 423.54 acre tract, S 0° 20'06" W for 1362.07 feet to an iron pin found at the Northeast corner of that certain 82.02 acre tract of land conveyed to Lidia Crabb, Trustee, by deed recorded in Volume 367, Page 294 of the Hays County, Texas Deed Records, same being the Southeast corner of the herein described tract.

THENCE, along the fenced North boundary line of said 82.02 acre tract, N 89°45'13" W for 1821.90 feet to an iron pin found at the Southeast corner of that certain 10.00 acre tract of land conveyed to Gary and Fiola Doucet by deed recorded in Volume 795, Page 782 of the Hays County, Texas Deed Records.

THENCE, along the East boundary line of said 10.00 acre tract, N 2°49'06" E for 691.47 feet to an iron pin found on the South boundary line of a proposed sixty (60) foot wide street.

THENCE, along the South boundary line of said proposed sixty foot wide street the following five (5) courses:

1. N 87°10'54" W for 238.19 feet to an iron pin found.
2. An arc distance of 182.90 feet along a curve to the left whose elements are: I = 15°12'13", R = 689.28', T = 91.99', and whose chord bears S 85°13'00" W for 182.37 feet to an iron pin found.
3. S 77°36'53" W for 1026.64 feet to an iron pin found.
4. An arc distance of 120.16 feet along a curve to the right whose total elements are: I = 12°02'49", R = 1007.77', T = 106.33', and whose subchord bears S 81°01'50" W for 120.09 feet to an iron pin found.
5. An arc distance of 91.72 feet along a curve to the right whose elements are: I = 5°12'53", R = 1007.77', T = 45.89' and whose chord bears S 87°03'15" W for 91.69 feet to an iron pin found.

THENCE, along the East boundary line of said 40.00 acre Dripping Springs Independent School District Tract; N 0°20'18" W for 847.82 feet to the POINT OF BEGINNING of the herein described tract containing 79.0723 acres of land.

Mokhtarian Tract 2:

FIELDNOTE DESCRIPTION

DESCRIPTION OF A STRIP OF LAND, 60-FEET (60') IN WIDTH, TOTALING 1.18 ACRES IN THE PHILIP A SMITH LEAGUE SURVEY NO. 28, A-416, IN HAYS COUNTY, TEXAS, BEING THE REMAINING PORTION OF THAT CALLED 85.2767 ACRE TRACT DESCRIBED IN THE WARRANTY DEED TO MAIN PASS PARTNERS, LTD., OF RECORD IN VOLUME 788, PAGE 806, REAL PROPERTY RECORDS, HAYS COUNTY, TEXAS (RPRHCT), LESS THAT CALLED 79.0723 ACRE TRACT SEVERED FROM SAID 85.2767 ACRE TRACT AND DESCRIBED IN THE WARRANTY DEED WITH VENDOR'S LIEN TO ROBERT MOKHTARIAN, ET ALIA, OF RECORD IN VOLUME 1128, PAGE 849, OFFICIAL PUBLIC RECORDS, HAYS COUNTY, TEXAS; SAID 1.18 ACRE STRIP OF LAND, AS SHOWN ON THE ACCOMPANYING SKETCH, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

Bearing Basis: Grid Bearings of the Texas Coordinate System of 1983, Texas South Central Zone (4204), US Survey Feet, Reference Frame: NAD_83(2011)(Epoch:2010.0000); Combined Scale Factor: 0.99992022; Mapping Angle: 0° 27' 07". Distances cited herein are surface.

COMMENCING for reference at iron rod with cap stamped "KC ENG" found on the north line of a 30' wide Ingress & Egress Easement described in Volume 181, Page 171, Deed Records Hays County, Texas (DRHCT), being the most southerly southeast corner of a called 40.00 acre tract described in the General Warranty Deed to The City of Dripping Springs, of record in Volume 1482, Page 671, OPRIHCT, same being the southwest corner of that called 17.0518 acre described in the Warranty Deed with Vendor's Lien to Jean-Claude Cardwell, and wife, Mara Cardwell, of record in Volume 797, Page 709, RPRHCT;

THENCE N 02° 13' 09" W, with the east line of said 40.00 acre tract, the following three (3) courses and distances:

- 1) N 02° 13' 09" W, with the west line of said 17.0518 acre tract, 408.64 feet to a 1/4-inch iron rod found for the northwest corner of said 17.0518 acre tract, same being the westerly southwest corner of said 85.2767 acre tract, and POINT OF BEGINNING herein;
- 2) N 02° 13' 09" W, 60.00 feet to a 1/4-inch iron rod found for a southeast reentrant corner of said 40.00 acre tract, and a most westerly northwest salient corner of said 85.2767 acre tract and herein, and
- 3) N 87° 46' 51" E, 859.70 feet to a 1/4-inch iron rod found on the west line of said 79.0723 acre tract, and being the northeast corner herein; and from which point, a 1/4-inch iron rod found for the northeast corner of said 40.00 acre tract, and the northwest corner of said 79.0723 acre tract bears N 02° 13' 09" W, 788.07 feet;

THENCE S 02° 13' 09" E, crossing said 85.2767 acre tract with said west line of 79.0723 acre tract, 60.00 feet to a 1/4-inch iron rod found on the south line of said 85.2767 acre tract, same being the north line of said 17.0518 acre tract, for a southwest corner of said 79.0723 acre tract and southeast corner herein;

THENCE S 87° 46' 51" W, with the south line of said remainder tract, and north line of said 17.0518 acre tract, 859.70 feet to the POINT OF BEGINNING containing 1.18 acres of land, more or less, within these metes and bounds.

This description accompanied by Staudt Surveying, Inc. Boundary Survey 17077-01.dwg

Surveyed by: Staudt Surveying, Inc.
P.O. Box 1273
18740 Fitzhugh Road, Ste. 102
Dripping Springs, Texas 78620
512-866-2236
Firm Registration No.: 10091700



Bryan D. Newsome 12 November 2017
Bryan D. Newsome Registered Professional Land Surveyor No. 5657 Date

EXHIBIT A-2

Legal Description of 740 SP Land (Three Tracts)

740 SP Land Tract 1:

BEING 17.038 ACRES OF LAND LOCATED IN THE P. A. SMITH LEAGUE IN HAYS COUNTY, TEXAS AND BEING THE SAME PROPERTY DESCRIBED IN VOLUME 4783, PAGE 307, OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS (O.P.R.H.C.T.); SAID 17.038 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS WITH ALL BEARINGS BASED ON THE TEXAS COORDINATE SYSTEM, CENTRAL ZONE NAD83 4203.

BEGINNING at an iron rod with cap stamped "KC ENG" found for the most southerly southeast corner of a called 40.00 acre tract described in Volume 646, Page 731 of the Hays County Deed Records (H.C.D.R.), said point also being on the north line of a called 82.02 acre tract described in Volume 367, Page 294 H.C.D.R. and being the southwest corner of the herein described tract;

THENCE, with an east line of said 40.00 acre tract and the west line of the herein described tract, N02°12'00"W, for a distance of 498.67 feet to a ½ inch iron rod found for the northwest corner of the herein described tract, same being the southwest corner of a called 1.18 acre tract as described in Document Number 1704138 OPRHCT.;

THENCE, with the south line of said 1.18 acre tract, and the north line of the herein described tract, N87°47'00"E, for a distance of 859.59 feet to a ½ inch iron rod found for the southeast corner of said 1.18 acre tract, same being the southwest corner of a called 79.0723 acre tract as described in Volume 1128, Page 849 O.P.R.H.C.T., said point being the beginning of a curve to the left;

THENCE, with the north line of the herein described tract, and the south line of said 79.0723 acre tract, the following courses and distances:

1. with said curve to the left an arc length of 210.66 feet, said curve having a radius of 1001.01 feet, a central angle of 12°03'28", and having long chord which bears N81°45'16"E, for a distance of 210.27 feet to a calculated point for the end of said curve;
2. N75°43'32"E, for a distance of 441.05 feet to a ½ inch iron rod found for the northeast corner of the herein described tract, same being the northwest corner of a called 5.0001 acre tract as described in Volume 4258, Page 618 O.P.T.H.C.T.;

THENCE, with the east line of the herein described tract, same being the west line of said 5.0001 acre tract, S04°16'26"W, for a distance of 560.13 feet to a ½ inch iron rod with cap stamped "AST" set on the north line of a called 5.00 acre tract as described in Volume 2856, Page 201 O.P.R.H.C.T., said point being the southwest corner of said 5.0001 acre tract and the southeast corner of the herein described tract;

THENCE, with the lines common to said 5.00-acre tract and the herein described tract the following courses and distances:

1. S88°21'29"W, for a distance of 358.71 feet to a ½ inch iron rod found for the most northerly northwest corner of said 5.00 acre tract;
2. S01°35'01"E, for a distance of 69.68 feet to a ½ inch iron rod with cap stamped "AST" set;
3. S88°18'03"W, , at a distance of 150.23 pass a ½ inch iron rod found for the most westerly northwest corner of said 5.00 acre tract, same being the northeast corner of said 82.02 acre tract, continuing for a total distance of 1077.43 feet to the **POINT OF BEGINNING** and containing 17.038 acres of land, more or less.

740 SP Land Tract 2:

Non-exclusive right of way and utility easement in common with other parties, as created and further described in that conveyance recorded in Volume 181, Page 171, Deed Record&, Hays County, Texas.

740 SP Land Tract 3:

Non-exclusive ingress and-easement in common with other parties, as created and further described in that conveyance recorded in Document No. 18007850, Official Public Records, Hays County, Texas.

EXHIBIT A-3

Legal Description of Cunningham Land (Five Tracts)

Cunningham Tract 1:

Being 10.00 acres of land, more or less, in the P. A. SMITH SURVEY, ABSTRACT NO. 415, situated in Hays County, Texas, being that same tract conveyed in Volume 4258, Page 618, of the Official Public Records of Hays County, Texas and as more particularly described by metes and bounds as follows:

FIELD NOTES DESCRIBING A 10.00 ACRE TRACT OF LAND OUT OF THE P. A. SMITH LEAGUE IN HAYS COUNTY, TEXAS, SAID 10.00 ACRE TRACT OF LAND BEING OUT OF AND A PORTION OF THAT CERTAIN TRACT OF LAND CONVEYED TO JACK HOWELL BY DEED RECORDED IN VOLUME 753, PAGE 252 OF THE DEED RECORDS OF HAYS COUNTY, TEXAS, SAID 10.00 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING FOR REFERENCE at an iron pin set at the southwest corner of the above said Jack Howell Tract, said point being situated at the most southerly southeast corner of that certain forty 40.00 acre tract of land conveyed to Dripping Springs Independent School District by deed recorded in Volume 646, Page 731 of the Hays County Deed Records, said point being situated on the north boundary line of a thirty (30) foot wide ingress and egress easement described in a deed of record in Volume 181, Page 171 of the Hays County Deed Records.

THENCE, along the north boundary line of said easement, same being the north boundary line of that certain 90.01 acre tract of land conveyed to Virginia B. Wesson by deed recorded in Volume 220, Page 514 of the Hays County Deed Records; S 89°47'00" E for 1077.21 feet to a 60-D nail set in a fence corner post.

THENCE, continuing along the fenced north boundary line of said 90.01 acre tract, same being the south boundary line of said Jack Howell Tract, the following two (2) courses:

1. N 0°16'55" E for 70.42 feet to an iron pin found.
2. S 89°45'13" E for 741.35 feet to an iron pin set for the southwest corner of the herein described tract and being the POINT OF BEGINNING.

THENCE, through the interior of said Howell Tract, N 2°49'06" E for 636.99 feet to an iron pin set on the south boundary line of a proposed sixty (60) foot wide road, said point being situated at the northwest corner of the herein described tract.

THENCE, continuing through the interior of said Howell Tract along the south boundary line of said proposed road, the following three (3) courses:

1. N 77°36'53" E for 224.62 feet to an iron pin set.
2. An arc distance of 182.90 feet along a curve to the right whose elements are: I=15°12'13", R=689.28 feet, T=91.99 feet and whose chord bears N 85°13'00" E for 182.37 feet to an iron pin set.
3. S 87°10'54" E for 238.19 feet to an iron pin set for the northeast corner of the herein described tract.

THENCE, continuing through the interior of said Howell Tract, S 2°49'06" W for 691.47 feet to an iron pin set on the fenced north boundary line of said 90.01 acre Wesson Tract and being situated at the southeast corner of the herein described tract.

THENCE, along the north boundary line of said 90.01 acre tract and the south boundary line of said Howell Tract, N 89°45'13" W for 636.35 feet to the POINT OF BEGINNING of the herein described tract containing 10.00 acres of land.

Cunningham Tract 2:

FIELD NOTES DESCRIBING A 5.000 ACRE TRACT OF LAND OUT OF THE P. A. SMITH LEAGUE IN HAYS COUNTY, TEXAS, SAID 5.000 ACRE TRACT OF LAND BEING OUT OF AND A PORTION OF THAT CERTAIN 102.3069 TRACT OF LAND CONVEYED TO MAIN PASS PARTNERS, LTD. BY DEED RECORDED IN VOLUME 785, PAGE 605 OF THE DEED RECORDS OF HAYS COUNTY, TEXAS, SAID 5.000 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at an iron pin found at the southwest corner of the above described remaining tract, said point being the southeast corner of a 17.0518 acre tract of land conveyed to J. C. and Mara Cardwell by deed recorded in Volume 797, Page 709 of the Hays County Deed Records; said point also situated on the north boundary line of a 90.01 acre tract of land conveyed to Virginia B. Wesson by deed recorded in Volume 220, Page 514 of the Hays County Deed Records.

THENCE, along the west boundary line of the above described tract, N 6°12'10" E for 560.25 feet to an iron pin found at the northwest corner of the herein described tract, and being the northeast corner of the 17.0518 acre Cardwell Tract.

THENCE, through the interior of said Main Pass Partner Tract along the south boundary line of a proposed sixty (60) foot wide road N 77°36'53" E for 361.81 feet to an iron pin found at the northeast corner of the herein described tract, same being the northwest corner of a 10.00 acre tract of land conveyed to Gary and Fieola Dousett by deed recorded in Volume 795, Page 872 of the Hays County Deed Records.

THENCE, along the east boundary line of the herein described tract, S 2°49'06" W for 636.99 feet to an iron pin found at the southeast corner of the herein described tract, same being the southwest corner of the above described Dousett Tract, also being situated on the fenced north boundary line of the above described Virginia B. Wesson Tract.

THENCE, along the fenced south boundary line of the herein described tract, same being a fenced portion of the north boundary line of the above described Virginia B. Wesson Tract, N 89°45'13" W for 382.61 feet to the POINT OF BEGINNING of the herein described tract containing 5.000 acres of land.

Cunningham Tract 3:

Tract 3: Easement estate as created and described in Easement Agreement dated March 16, 1960, recorded in Volume 181, Page 171, Deed Records of Hays County, Texas, and being more particularly described therein.

Cunningham Tract 4:

Tract 4: Easement estate as created and described in Ingress and Egress Easement dated February 24, 2018, recorded in Document No. 18007849, of the Deed Records of Hays County, Texas, and being more particularly described therein.

Cunningham Tract 5:

Tract 5: Easement estate as created and described in in that certain Deed of Easement dated July 31, 1993, recorded in Volume 1010, Page 53, of the Official Public Records of Hays County, Texas, and being more particularly described therein.

Concept Plan

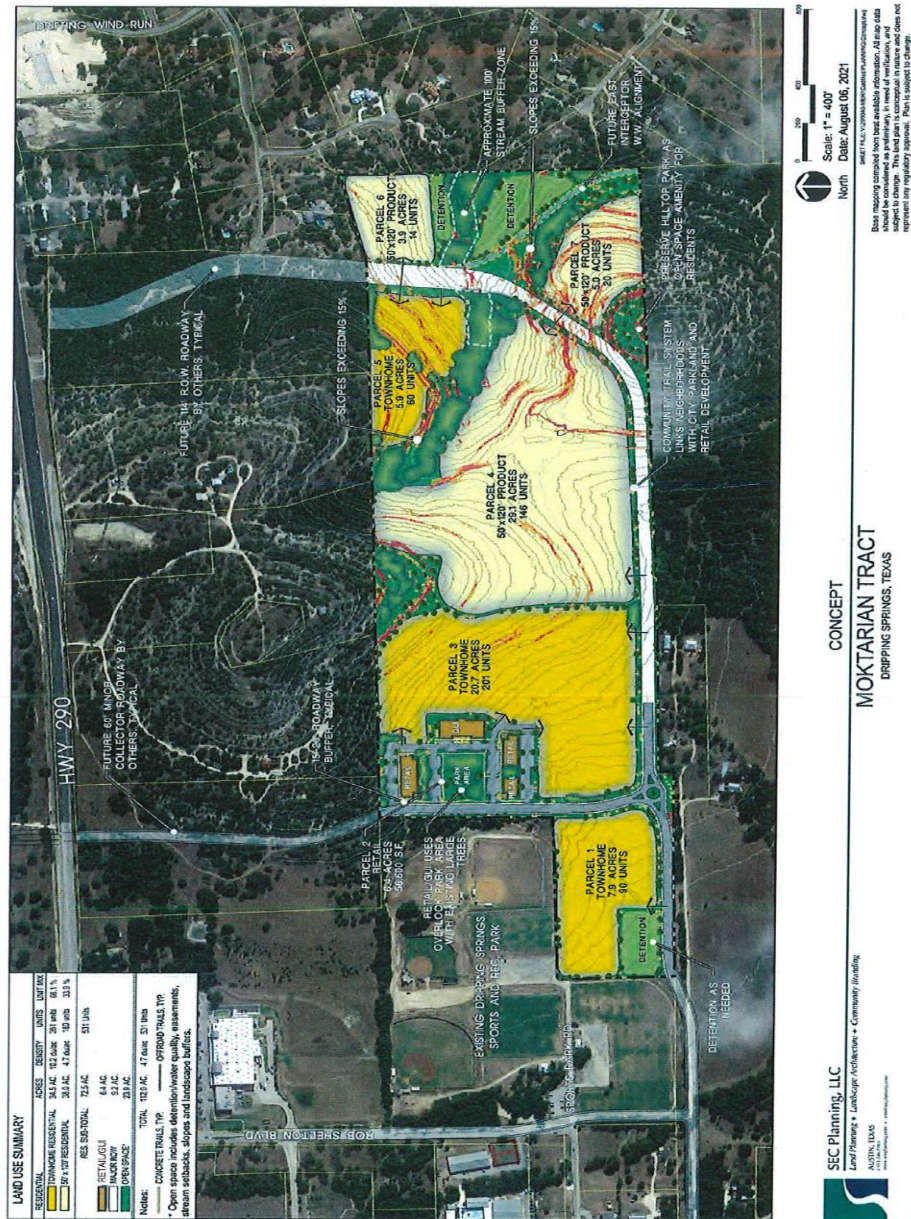


EXHIBIT C

City Consent Resolution

[attached]

EXHIBIT D

Easement Dedications

[attached]

- Dedication of Easement

