DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT ("Agreement") is entered into by and between the City of Joshua, Texas ("City"), and Joshua Development Company, Ltd. ("Owner") (individually, a "Party" and collectively, the "Parties") to be effective (the "Effective Date") on the latest date executed by a Party.

WHEREAS, the City is a home-rule municipal corporation, located in Johnson County, Texas, organized and existing under the laws of the State of Texas; and

WHEREAS, Owner is in the process of platting and ultimately developing Phase 4 of the Joshua Meadows Addition, which phase of the property is more particularly described in Exhibit A, attached hereto and incorporated by reference (the "Property"); and

WHEREAS, this Agreement seeks to incorporate, in part, the negotiated and agreed upon development standards originally contained in the underlying zoning ordinance, as amended, and/or this Development Agreement, to recognize Owner's reasonable investment-backed expectations in the Property, and as more fully described herein; and

WHEREAS, subject to the terms of this Agreement, Owner agrees and acknowledges that it will construct on the Property structures in accordance with the provisions, standards and notes, if any, reflected in this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the Parties to this Agreement agree as follows:

1. Building Materials for Construction of Single-Family Residential Structures on the Property. Owner agrees that all single-family residential structures on the Property shall be constructed of exterior masonry material of at least eighty percent (80%) of the total exterior walls to the top plate, excluding doors, windows, and porches. For purposes of this Agreement, "masonry" shall mean that form of construction composed of brick, stone, stucco, provided that the stucco is a three-step hard-coat system applied over a wire lath and masonry or cementitious base, or decorative split face block or combination of these materials lay-up unit by unit and set in mortar with a natural finish. Cementitious board, including fiber cement siding, may be used as a secondary exterior material for the remaining exterior surface area, provided it does not contribute toward the required 80% masonry calculation.

2. Construction of Public Improvements. Prior to the issuance of a building permit for any single-family residential structure on the Property, Owner shall construct all necessary public improvements thereon, including streets and drainage improvements. All public improvements shall be constructed in accordance with City ordinances and construction standards, and shall be acceptable and approved by the City Engineer. Any

exception to these requirements shall be subject to applicable City ordinances with approval by the City Council of such exception.

3. Municipal Open Space Dedication. The Parties hereto agree and acknowledge that upon execution of this Agreement by Owner, Owner shall dedicate to the City an approximate 8.666 acre tract of land, further described as Lot 1, Block 3 of Phase 4 of the Joshua Meadows Addition, and that said dedication to the City shall be in lieu of any additional dedication of parkland or alternatively, fees in lieu of parkland dedication, to the City by Owner and therefore, no additional parkland or fees are required for Phase 4 of the development. The deed to be executed by the Parties shall be in substantial compliance with Exhibit B, attached hereto an incorporated by reference.

4. Open Space Maintenance. With the exception of the dedication of property referenced in Section 3 of this Agreement, above, the Homeowners' Association for Phase 4 of Joshua Meadows Addition shall be responsible for all open space maintenance, which shall include all drainage ditches, detention areas, and drainage facilities in said Phase 4.

5. Applicability of City Ordinances. Owner shall construct all structures on the Property in accordance with all applicable City ordinances and building/construction codes, whether now existing or arising prior to such construction in the future.

6. Default. No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time determined based on the nature of the alleged failure, but in no event less than thirty (30) days after written notice of the alleged failure has been given). In addition, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured. If either Party is in default under this Agreement, the other Party shall have the right to enforce the Agreement in accordance with applicable law, provided, however, in no event shall any Party be liable for consequential or punitive damages.

7. Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Johnson County, Texas. Exclusive venue for any action arising under this Agreement shall lie in Johnson County, Texas.

8. Notice. Any notices required or permitted to be given hereunder (each, a "Notice") shall be given by certified or registered mail, return receipt requested, to the addresses set forth below or to such other single address as either party hereto shall notify the other:

If to the City: City of Joshua
101 S. Main Street
Joshua, Texas 76088
Attention: City Manager

If to Owner: Joshua Development Company, Ltd.
5137 Davis Boulevard
North Richland Hills, Texas 76180
Attention: Scott Sandlin

9. **Prevailing Party**. In the event any person initiates or defends any legal action or proceeding to enforce or interpret any of the terms of this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover its reasonable costs and attorney's fees (including its reasonable costs and attorney's fees on any appeal).

10. **Entire Agreement.** This Agreement contains the entire agreement between the Parties hereto with respect to development of the Property and supersedes all prior agreements, oral or written, with respect to the subject matter hereof. The provisions of this Agreement shall be construed as a whole and not strictly for or against any Party.

11. **Savings/Severability**. In the event any provision of this Agreement shall be determined by any court of competent jurisdiction to be invalid or unenforceable, the Agreement shall, to the extent reasonably possible, remain in force as to the balance of its provisions as if such invalid provision were not a part hereof.

12. **Binding Agreement**. A telecopied facsimile or pdf of a duly executed counterpart of this Agreement shall be sufficient to evidence the binding agreement of each party to the terms herein.

13. **Authority to Execute**. This Agreement shall become a binding obligation on the signatories upon execution by all signatories hereto. The City warrants and represents that the individual executing this Agreement on behalf of the City has full authority to execute this Agreement and bind the City to the same. Owner warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind Owner to the same. The City Council has expressly authorized the City Manager of the City to execute this Agreement on behalf of the City.

14. **Filing in Deed Records**. This Agreement, and any and all subsequent amendments to this Agreement, shall be filed in the deed records of Johnson County, Texas.

15. **Mediation**. In the event of any disagreement or conflict concerning the interpretation of this Agreement, and such disagreement cannot be resolved by the signatories hereto, the signatories agree to submit such disagreement to non-binding mediation.

16. Notification of Sale or Transfer; Assignment of Agreement. With respect to any sale or transfer of the Property occurring prior to City approval of the public improvements constructed pursuant to this Agreement, Owner shall notify the City in writing of any sale or transfer of all or any portion of the Property, within ten (10) business days of such sale or transfer. Owner has the right (from time to time without the consent of the City, but upon written notice to the City) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of Owner under this Agreement, to any person or entity (an "Assignee") that is or will become an owner of any portion of the Property or that is an entity that is controlled by or under common control with Owner. Owner may assign this Agreement to a non-affiliate third party with approval from the City which will not be unreasonably withheld. Each assignment shall be in writing executed by Owner and the Assignee and shall obligate the Assignee to be bound by this Agreement with respect to the portion of the Property transferred to Assignee. If the Property is transferred or owned by multiple parties, this Agreement shall only apply to, and be binding on, such parties to the extent of the Property owned by such successor owner, and if the Owner or any Assignee is in default under this Agreement, such default shall not be an event of default for any non-defaulting Assignee which owns any portion of the Property separate from the defaulting Owner or Assignee. A copy of each assignment shall be provided to the City within ten (10) business days after execution. Provided that the successor owner assumes the liabilities, responsibilities, and obligations of the assignor under this Agreement with respect to the Property transferred to the successor owner, the assigning party will be released from any rights and obligations under this Agreement as to the Property that is the subject of such assignment, effective upon receipt of the assignment by the City. No assignment by Owner shall release Owner from any liability that resulted from an act or omission by Owner that occurred prior to the effective date of the assignment. Owner shall maintain true and correct copies of all assignments made by Owner to Assignees, including a copy of each executed assignment and the Assignee's Notice information. Any sale, transfer or conveyance of any part of the Property after City acceptance of the public improvements constructed at the Property, such as sales of individual lots, are not subject to any notice or approval provisions of this Agreement.

17. Sovereign Immunity. The Parties agree that the City has not waived its sovereign immunity from suit by entering into and performing its obligations under this Agreement.

18. Effect of Recitals. The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; (c) are legislative findings of the City Council; and (d) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

19. **Consideration**. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

20. **Counterparts**. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. A facsimile or pdf signature will also be deemed to constitute an original.

21. **Exactions/Infrastructure Costs**. Owner has been represented by legal counsel in the negotiation of this Agreement and been advised or has had the opportunity to have legal counsel review this Agreement and advise Owner, regarding Owner's rights under Texas and federal law. Owner hereby waives any requirement that the City retain a professional engineer, licensed pursuant to Chapter 1001 of the Texas Occupations Code, to review and determine that the exactions required by the City in this Agreement are roughly proportional or roughly proportionate to the proposed development's anticipated impact. Owner specifically reserves its right to appeal the apportionment of municipal infrastructure costs in accordance with § 212.904 of the Texas Local Government Code; however, notwithstanding the foregoing, Owner hereby releases the City from any and all liability under § 212.904 of the Texas Local Government Code, as amended, regarding or related to the cost of those municipal infrastructure requirements imposed by this Agreement.

22. **Waiver of Texas Government Code § 3000.001 *et seq*.**. With respect to any structures constructed on the Property pursuant to this Agreement, Owner hereby waives any right, requirement or enforcement of Texas Government Code §§ 3000.001 *et seq*., as amended.

23. **Rough Proportionality**. Owner hereby waives any federal constitutional claims and any statutory or state constitutional takings claims under the Texas Constitution with respect to infrastructure requirements imposed by this Agreement. Owner and the City further agree to waive and release all claims one may have against the other related to any and all rough proportionality and individual determination requirements mandated by the United States Supreme Court in *Dolan v. City of Tigard,* 512 U.S. 374 (1994), and its progeny, as well as any other requirements of a nexus between development conditions and the projected impact of the terms of this Agreement, with respect to infrastructure requirements imposed by this Agreement.

24. **Time**. Time is of the essence in the performance by the Parties of their respective obligations under this Agreement.

25. **Third Party Beneficiaries.** Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the Parties do not intend to create any third-party beneficiaries by entering into this Agreement.

26. **Amendment**. This Agreement shall not be modified or amended except in writing signed by the Parties. A copy of each amendment to this Agreement, when fully

executed and recorded, shall be provided to each Party, Assignee and successor owner of all or any part of the Property; however, the failure to provide such copies shall not affect the validity of any amendment.

27. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all Parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any Party shall not apply.

IN WITNESS WHEREOF, the parties hereto have caused this document to be executed as of the date referenced herein.

CITY:

THE CITY OF JOSHUA, TEXAS

By: _____
Name: Mike Peacock
Title: City Manager, City of Joshua

STATE OF TEXAS)
)
COUNTY OF JOHNSON)

This instrument was acknowledged before me on the ___ day of _____, 2026, by Mike Peacock, City Manager of the City of Joshua, Texas, on behalf of the City of Joshua, Texas.

Notary Public, State of Texas
My Commission Expires: _____

OWNER:

JOSHUA DEVELOPMENT COMPANY, LTD.

_____
Scott Sandlin, Its Manager

STATE OF TEXAS)
)
COUNTY OF TARRANT)

This instrument was acknowledged before me on the ___ day of _____, 2026, by Scott Sandlin on behalf of Joshua Development Company, Ltd., and known to be the person whose name is subscribed to the foregoing instrument, and that he executed the same on behalf of and as the act of such Owner.

Notary Public, State of Texas
My Commission Expires: _____

EXHIBIT A
(Phase 4 Property Description)

EXHIBIT B
(Dedication Deed)

AFTER RECORDING RETURN TO:
City of Joshua, Texas
101 S. Main Street
Joshua, Texas 76058

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

THE STATE OF TEXAS)
) **KNOW ALL MEN BY THESE PRESENTS:**
COUNTY OF JOHNSON)

That Joshua Development Company, Ltd., a Texas limited company ("Grantor"), for and in consideration of the sum of Ten Dollars ($10.00) cash in hand to Grantor paid by the City of Joshua, Texas ("Grantee"), the receipt of which is hereby acknowledged, and for which no lien is retained, either expressed or implied, has this day **GRANTED, SOLD AND CONVEYED** and by these presents does **GRANT, SELL AND CONVEY** unto Grantee all the following described real estate, to-wit:

> Lot 1, Block 3, Phase 4 of Joshua Meadows Addition, to the City of Joshua, Johnson County, Texas, as recorded in Volume ___, Page ___, Drawer __, Deed Records, Johnson County, Texas, consisting of 9.052 acres, more or less.

TO HAVE AND TO HOLD the above-described premises for municipal open space purposes, together with all and singular the rights and appurtenances thereto in anyway belonging to such premises unto the said Grantee, Grantee's successors, and assigns forever. Further, Grantor does hereby bind Grantor's heirs, executors, administrators and assigns, to warrant and forever defend all and singular the said premises unto the said Grantee, Grantee's successors and assigns, against every person whomsoever lawfully claiming or attempting to claim the same or any part thereof.

EXECUTED this ___ day of _____, 2026.

GRANTOR:

JOSHUA DEVELOPMENT COMPANY, LTD.,
a Texas limited company

By: _____

Name: Scott Sandlin

Title: Manager

STATE OF TEXAS §
§
COUNTY OF TARRANT §

This instrument was acknowledged before me on _____, 2026, by Scott Sandlin, being the duly authorized and empowered Manager of Joshua Development Company, Ltd., a Texas limited company, on behalf of said entity.

_____
Notary Public, State of Texas

ACKNOWLEDGED AND AGREED BY GRANTEE:

CITY OF JOSHUA, TEXAS

By: _____

Name: Mike Peacock

Title: City Manager

STATE OF TEXAS §
§
COUNTY OF JOHNSON §

This instrument was acknowledged before me on _____, 2026, by Mike Peacock, being the duly authorized and empowered City Manager of the City of Joshua, a Texas home-rule municipality, on behalf of the City of Joshua.

_____
Notary Public, State of Texas