FIFTH AMENDMENT TO DEVELOPMENT AGREEMENT
(Manor Heights)

THIS FIFTH AMENDMENT TO DEVELOPMENT AGREEMENT (this "**Fifth Amendment**") is dated effective _____ ___, 2026 (the "**Fifth Amendment Effective Date**") and is entered into between the **CITY OF MANOR**, a Texas home-rule municipal corporation (the "**City**"), and **FORESTAR (USA) REAL ESTATE GROUP INC.**, a Texas corporation (the "**Developer**"). The City and Developer are sometimes referred to herein as a "**Party**" and collectively as the "**Parties**." All capitalized terms in this Fifth Amendment shall have the same meanings ascribed to such terms in the Development Agreement (defined below) unless expressly provided otherwise herein.

RECITALS:

A. Sky Village Kimbro Estates, LLC, a Texas limited liability company ("**Sky Village**") and RHOF, LLC, a Texas limited liability company ("**RHOF**") (collectively, the "**Original Developer**") and the City previously entered into that certain Development Agreement dated effective November 7, 2018 (the "**Agreement**"), as was amended by that certain First Amendment to Development Agreement dated November 6, 2019 (the "**First Amendment**"), as further amended by that certain Second Amendment to Development Agreement dated October 21, 2020 (the "**Second Amendment**"), as further amended by that certain Third Amendment to Development Agreement dated June 15, 2022 (the "**Third Amendment**"), and as further amended by that certain Fourth Amendment to Development Agreement dated October 2, 2023 (the "**Fourth Amendment**" and collectively with the Agreement, the First Amendment, the Second Amendment, and the Third Amendment the "**Development Agreement**") for that certain Project (as defined therein) located in the City of Manor, Travis County, Texas, as more particularly described in the Agreement.

B. The Original Developer assigned all of its rights under the Development Agreement to Developer.

C. RHOF is the owner of the Commercial Parcels (as defined in the First Amendment), and is executing and acknowledging this Fifth Amendment solely as the owner of the Commercial Parcels.

D. The City Council of the City ("**City Council**") approved Ordinance No. 534 on November 14, 2018 ("**PUD Ordinance**"), which established PUD Zoning for the Property (save and except Manor Heights South).

E. The Manor Heights Public Improvement District (the "**District**") was created on the Property and the Developer and the City entered into the Manor Heights Public Improvement District Financing and Reimbursement Agreement on April 21, 2021 (the "**PFA**")

F. The Development Agreement contemplates that the Developer may acquire Additional Land in an amount not to exceed 100 acres, and that such Additional Land may be zoned PUD and added to the terms and conditions of the Development Agreement.

G. On or about December 14, 2023, the Developer purchased the approximately 70.73 acres of land more particularly described on **Exhibit "Q"**, attached hereto and incorporated herein (the "**Nagle Tracts**"), which land is contiguous to the Property and does not exceed 100 acres.

H. On June 18, 2025, the City Council passed and approved Ordinance No. 790, which zoned the Nagle Tracts as PUD.

I. The Developer now additionally wishes to add the Nagle Tracts to the terms and conditions of the Development Agreement.

J. The parties wish to update the Project Costs outlined in **Exhibit "L"** of the Development Agreement, and the related funding and reimbursement mechanisms, in light of increases to development costs, as well as the availability of actual costs in lieu of projected costs.

K. The Development Agreement requires the Parties to enter into a license agreement, substantially in the form attached thereto as **Exhibit "N**", concurrently with the conveyance of the Parkland and Open Space or Park Improvements, as applicable (the "**Form of License Agreement**").

L. As of the Fifth Amendment Effective Date, a license agreement for the maintenance of the Parkland and Open Space or Park Improvements (collectively, the "**Applicable Parkland and Open Space**") for Phase 2-1A, Phase 3-1, Phase 3-2, Phase 4-A, Phase 4-B, and Phase 5 (the "**Applicable Phases**") has not been entered into by the Parties.

M. The Developer has recorded the final plat for the Applicable Phases in the Official Records of Travis County, Texas (each, a "**Final Plat"**).

N. Pursuant to the terms of the Development Agreement, the Parkland Improvement Maintenance Period commences upon the conveyance of the Applicable Parkland and Open Space or acceptance of the first Park Improvement by the City (as applicable) and continuing for a period of 10 years.

O. The Developer, or the Association, as applicable, has been responsible for maintenance of the Applicable Parkland and Open Space since recordation of each Final Plat (each, a "**Final Plat Date**").

P. The Parties wish to amend the Development Agreement in order to add the Nagle Tracts to the terms and conditions of the Development Agreement, as well as update the Development Agreement to reflect the development that has occurred to date, the Project Facilities that have been completed and the costs associated therewith, amend the Form of License Agreement to include the tolling of the 10-year maintenance period from the applicable Final Plat Date, clarify that the Association will be responsible for maintenance of the Parkland and Open

Space or Park Improvements, and update certain matters concerning the District, among other things, as more particularly described herein.

AGREEMENT:

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Developer hereby agree as follows:

1) Incorporation of Recitals. The recitals set forth above are incorporated herein and made a part of this Fifth Amendment to the same extent as if set forth herein in full.

2) Definitions. Section 1.02 of the Agreement is hereby amended by adding the following definitions in alphabetical order therein.

"**Nagle Tracts**" means the approximately 70.73 acres described on **Exhibit "Q**", attached hereto and incorporated herein for all purposes.

"**Overall Property**" means collectively the Property and the Nagle Tracts.

3) Overall Property. Each use of "**Property**" in the Agreement is hereby replaced with "**Overall Property**" except for uses of "**Property**" in Article I, Article V, Article XI, Article XII, and Article XIII.

4) Exhibit L: "Reimbursement Mechanisms Budget". Exhibit "L" to the Agreement is hereby deleted in its entirety and replaced with the updated **Exhibit "L"**, attached hereto and incorporated herein for all purposes. The Parties agree that page 1 of the updated **Exhibit "L"** demonstrates the dollar amounts funded to date on the applicable improvements through each particular reimbursement mechanism.

5) MAD4 Roadway. Developer has constructed the portions of the MAD4 Roadway described in Section 6.05(a)(1) and (2) in accordance with the Development Agreement. Subsection 6.05(a)(3) is deleted in its entirety and replaced as follows and subsection 6.05(a)(4) is added as follows:

"(3) the remaining one half (1/2) of the MAD4 Roadway located within Phase 2 and Phase 3 of the Project will be constructed with (i) Phase 8 of the Project or (ii) when trip generations from the Project exceed the capacity of the constructed portions of the MAD4 Roadway, whichever is sooner as set forth in **Exhibit "H"**, attached hereto; provided, however, that the Developer may elect, at the Developer's sole discretion, to construct the portion of the MAD4 Roadway described in this Section 6.05(a)(3) before the occurrence of (i) or (ii) hereof**.**

(4) the MAD4 Roadway shall be extended from the South end to the North end of Phase 8 of the Project and will be constructed with Phase 8 of the Project as set forth in **Exhibit "H"**, attached hereto."

6) Open Space. The phrase "approximately 175.3 acres of open space (which open space acreage includes flood plain) for a total of 209 acres" contained in Section 4.06 of the Development Agreement shall be amended and replaced with "approximately 183.3 acres of open space (which open space acreage includes flood plain) for a total of 220 acres".

7) Maintenance of Parkland and Open Space. Notwithstanding the terms of Section 4.06 of the Development Agreement, the Parkland Improvement Maintenance Period shall commence on the applicable final plat recordation date and continue for a period of ten (10) years thereafter provided that Developer conducts the following no later than six months from the Effective Date of this Fifth Amendment:

(a) replace the crushed granite trails in all the Phases of the Project with concrete trails;

(b) provide trailhead connectivity throughout the Project by (1) extending the sidewalks on Old Kimbro Road to connect to the existing trails within Phases 2 and 3 of the Project and (2) extending the existing trail north to Maroney Cove, as both (1) and (2) are more particularly described and/or depicted on **Exhibit "F"** and **Exhibit "F-1"** attached hereto;

(c) provide two points of access to John Ryan Road, via the trail, to avoid potential drainage issues along the trail within Phase 3 of the Project, as depicted on **Exhibit "F-1"** attached hereto;

(d) provide a northern and southern ADA access point to the trail section that is located on TCAD Parcel 96629; and

8) Manville Decertification. Pursuant to the Notice of Approval (Docket No. 57052) dated July 7, 2025 and the Notice of Approval (Docket No. 57383) dated June 9, 2025, the PUC approved the CCN transfer of the Nagle Tract. If the Developer and Manville settle on an amount to be paid to Manville in order to obtain approval of the CCN transfer in accordance with a CCN transfer agreement in a form mutually acceptable to Manville and the City, the Developer shall be responsible for all amounts due and payable to Manville required to obtain Manville's approval of the CCN transfer agreement. The Developer shall be responsible for any and all costs for the PUC approval and CCN transfer.

9) Water Line Extension. The 12" Water Line within Old Kimbro Road currently terminates adjacent to Phase 3. Developer shall extend the 12" Water Line within Old Kimbro Road from its existing terminus to the northern boundary of Phase 8, as more particularly depicted on **Exhibit "J".**

10) Nagle Tracts. The Parties hereby agree that the Nagle Tracts are added to the terms and conditions of the Development Agreement.

11) Elevated Water Storage Tank Site. Upon the recordation of the final plat for development phase 4A medium density, the approximately 0.45 acre site more particularly described on **Exhibit "Q"** attached hereto and incorporated herein (the "**Water Storage Tank Site**") shall be conveyed by special warranty deed, in a form acceptable to the City, from Developer to the City, and upon such conveyance the City shall be responsible for maintenance of the Water Storage Tank Site and any improvements constructed thereon.

12) Acquisition and Reimbursement Agreement (IA#5). Concurrently herewith, the City and the Developer intend to enter into an Acquisition and Reimbursement Agreement in substantially the same form as attached hereto as **Exhibit "R"** covering Improvement Area #5 (as depicted on **Exhibit "R-1"**). The City acknowledges and agrees due to the small size of the projected Assessment that will be levied on Improvement Area #5 , no PID Bonds are intended to be issued for Improvement Area #5.

13) Ratification of Agreement/Conflict. All terms and conditions of the Agreement are hereby ratified and affirmed, as modified by this Fifth Amendment. To the extent there is any inconsistency between the Agreement and this Fifth Amendment, the provisions of this Fifth Amendment shall control.

14) No Waiver. The City's and Developer's execution of this Fifth Amendment shall not (a) constitute a waiver of any of its rights and remedies under the Development Agreement or at law with respect to the other party's obligations under the Development Agreement or (b) be construed as a bar to any subsequent enforcement of any of its rights or remedies against the other party.

15) Governing Law. This Fifth Amendment shall be construed and enforced in accordance with the laws of the State of Texas.

16) Form 1295. The Developer hereby represents and warrants that it is exempt from the requirements of Section 2252.908 of the Texas Government Code, as amended, pursuant to subsection (c)(4) thereof, and, accordingly, the Developer is not required to file a Certificate of Interested Parties Form 1295 otherwise prescribed thereunder.

17) Entire Agreement. The Parties hereto agree and understand that no oral agreements, or understandings, shall be binding, unless reduced to a writing which is signed by said Parties. The Parties hereto agree and understand that this Fifth Amendment shall be binding on them, their personal representatives, heirs, successors and assigns.

18) Counterparts. This Fifth Amendment may be executed in multiple counterparts, each of which will be deemed an original, and all of which will constitute one and the same agreement.

19) Verifications of Statutory Representations and Covenants. The Developer makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "**Government Code**"), in entering into this Agreement. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the Owner within the meaning of SEC Rule 405, 17 C.F.R. §

230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Fifth Amendment shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Fifth Amendment, notwithstanding anything in this Fifth Amendment to the contrary.

a. Not a Sanctioned Company. The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Owner and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

b. No Boycott of Israel. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Fifth Amendment. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Government Code.

c. No Discrimination Against Firearm Entities. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Fifth Amendment. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" has the meaning provided in Section 2274.001(3), Government Code.

d. No Boycott of Energy Companies. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Fifth Amendment. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

20) Exhibits. The following exhibits are attached hereto, incorporated herein for all purposes, and added to the Agreement or replace the corresponding version of such exhibit in the Agreement, as applicable, in accordance with the terms of this Fifth Amendment:

Exhibit F:	Proposed Parkland
Exhibit F-1:	Old Kimbro Sidewalk/Trail Connection
Exhibit H:	MAD4 Roadway
Exhibit J:	Water Line Project
Exhibit L:	Reimbursement Mechanisms Budget
Exhibit N:	License Agreement
Exhibit Q:	Water Storage Tank Site
Exhibit R:	Acquisition and Reimbursement Agreement (IA#5)
Exhibit R-1:	Improvement Area #5

[Signature pages follow]

EXECUTED in multiple originals, and in full force and effect as of the Fifth Amendment Effective Date.

CITY:

CITY OF MANOR, TEXAS,
a Texas home-rule municipal corporation

By: _____
Dr. Christopher Harvey, Mayor

Attest:

By: _____
Name: Lluvia T. Almaraz
Title: City Secretary

Approved as to form:

By: _____
Name: Veronica Rivera
Title: Assistant City Attorney

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was acknowledged before me on this ____ day of _____, 2026, by Dr. Christopher Harvey, Mayor of the City of Manor, Texas, a Texas home-rule municipal corporation, on behalf of said corporation.

(SEAL)

_____
Notary Public, State of Texas

[*Signatures Continue on next page*]

DEVELOPER:

FORESTAR (USA) REAL ESTATE GROUP INC., a Delaware corporation

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was acknowledged before me on this ____ day of _____, 2026, by _____, _____ of the FORESTAR (USA) REAL ESTATE GROUP INC., a Delaware corporation, on behalf of said corporation.

_____
(SEAL) Notary Public, State of Texas

[*Signatures Continue on next page*]

ACKNOWLEDGED AND AGREED TO:

RHOF, LLC, a Texas limited liability company

By: _____
Name: _____
Title: _____

THE STATE OF _____§

COUNTY OF _____§

This instrument was acknowledged before me on this ____ day of _____, 2026, by _____, _____ of RHOF, LLC, a Texas limited liability company, on behalf of said company.

(SEAL) _____
Notary Public, State of _____

Exhibit F
Proposed Parkland

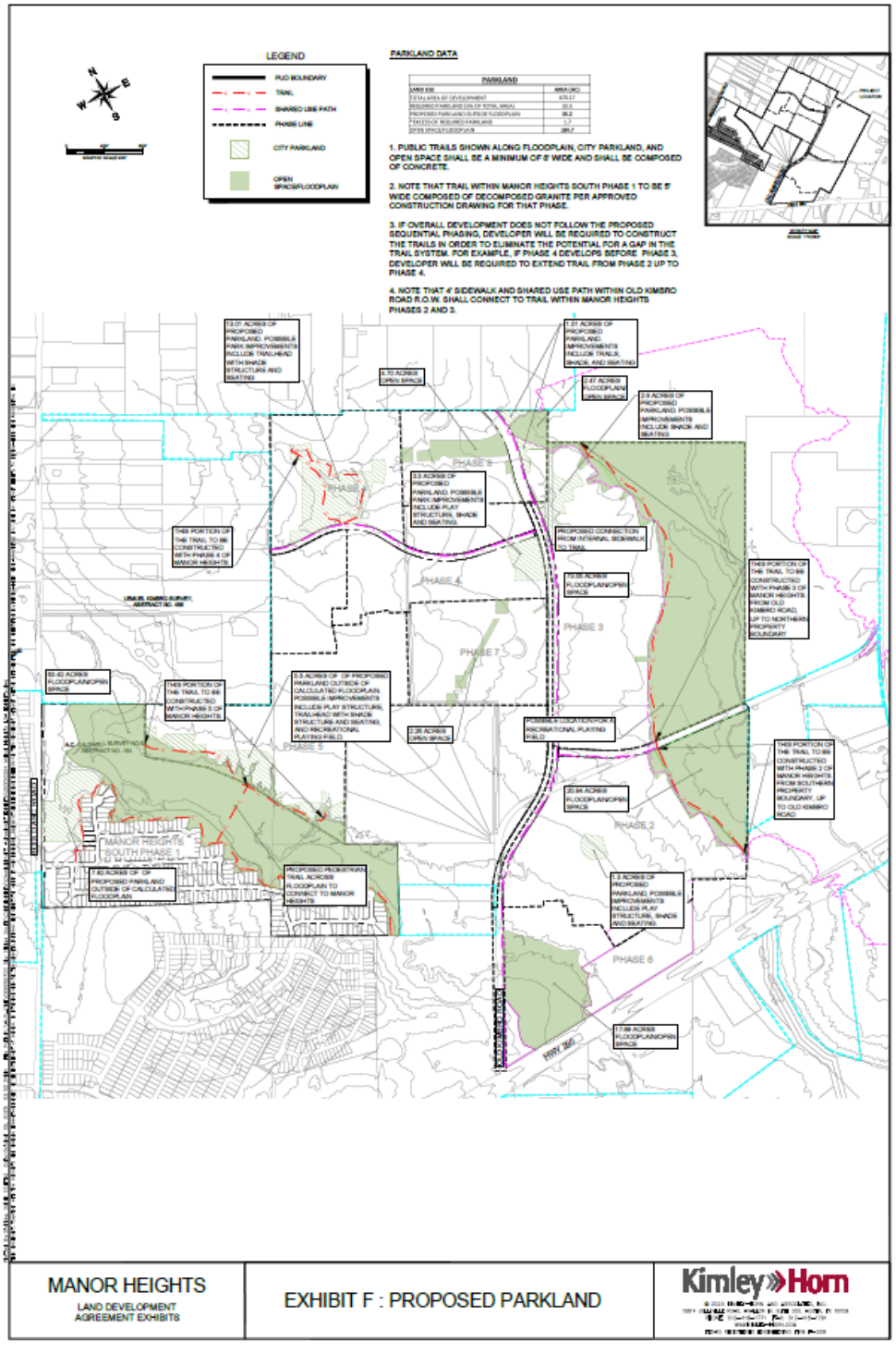

Exhibit F-1
Old Kimbro Sidewalk/Trail Connection

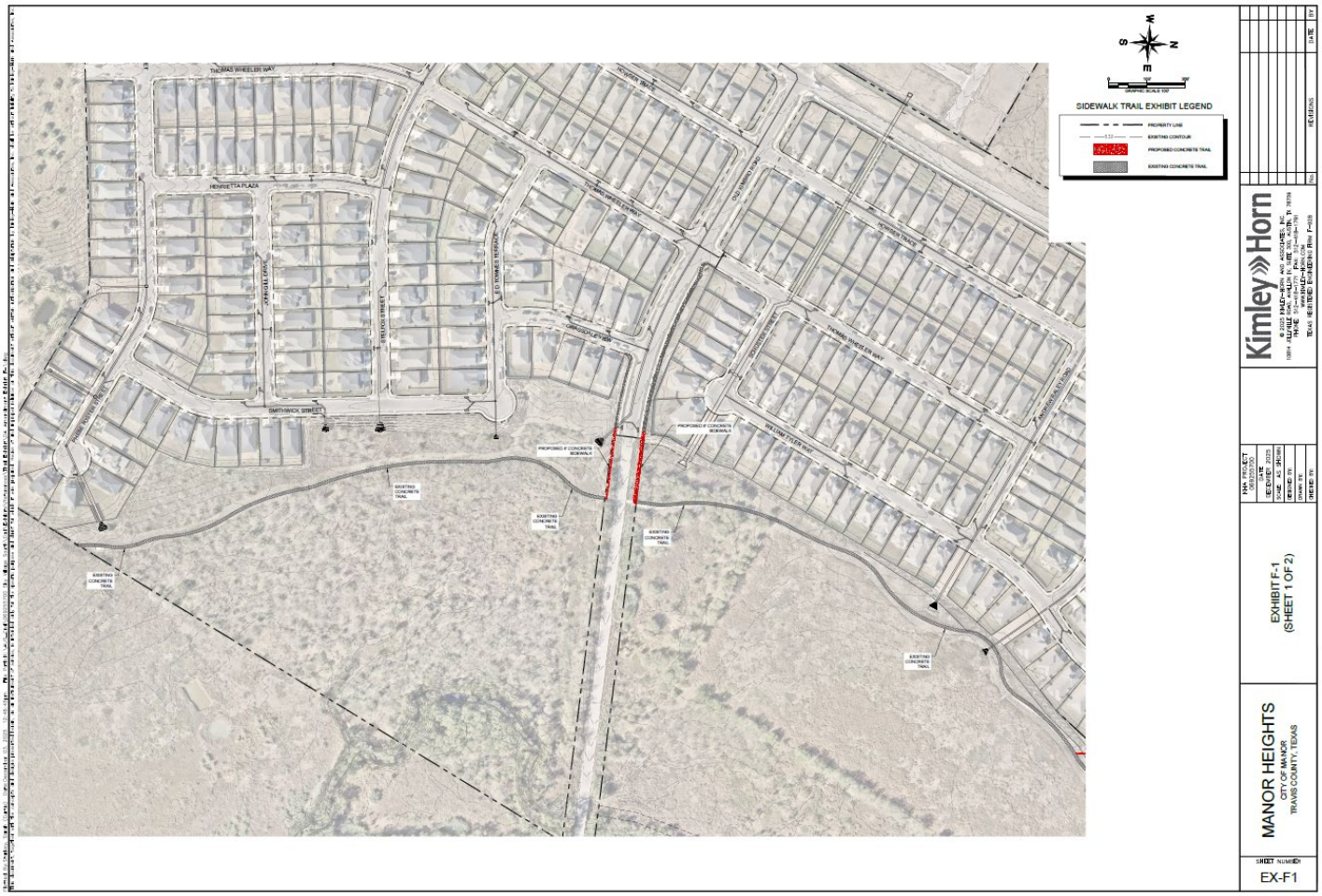

Exhibit H
MAD4 Roadway

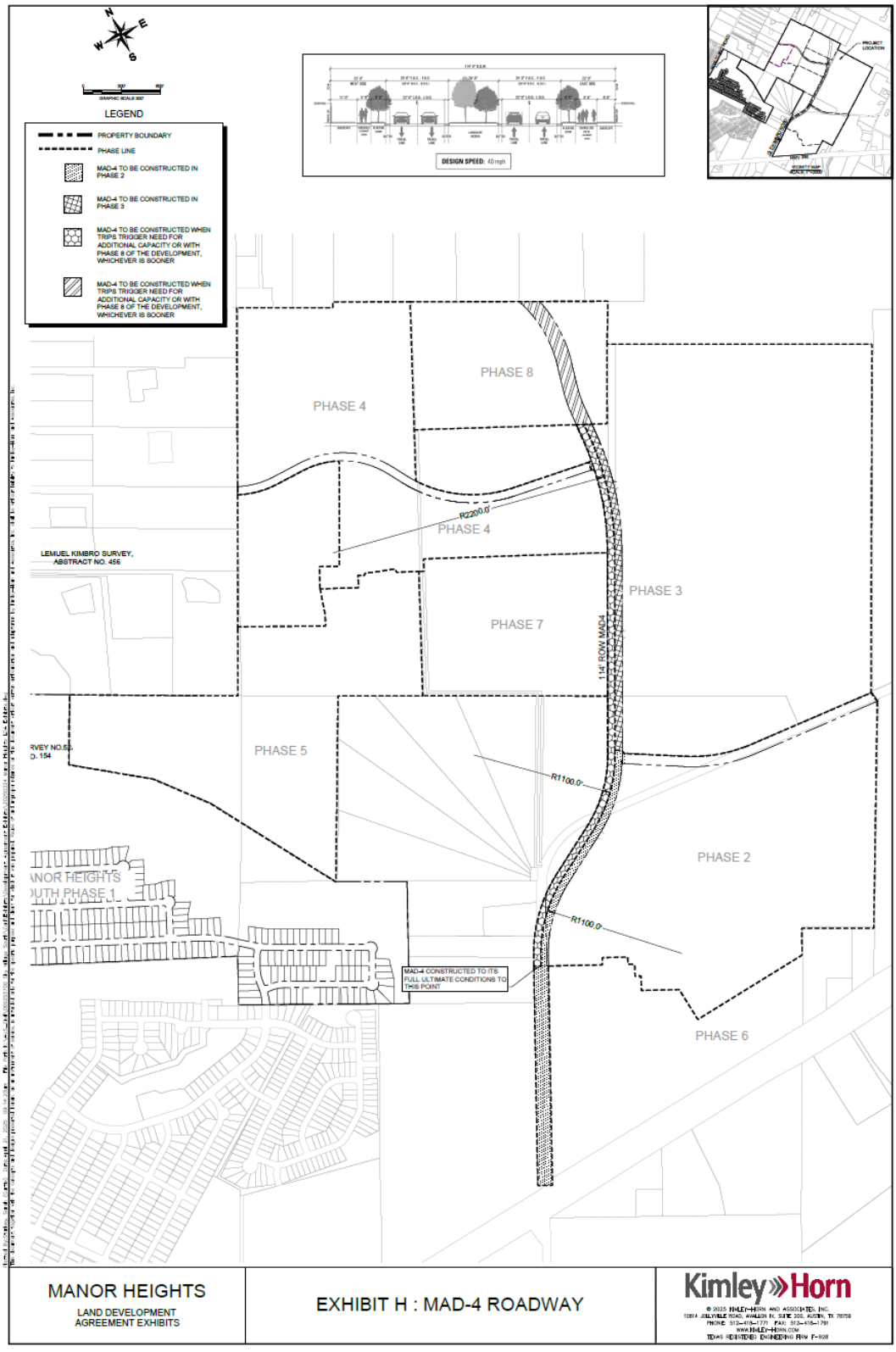

Exhibit J
Water Line Project

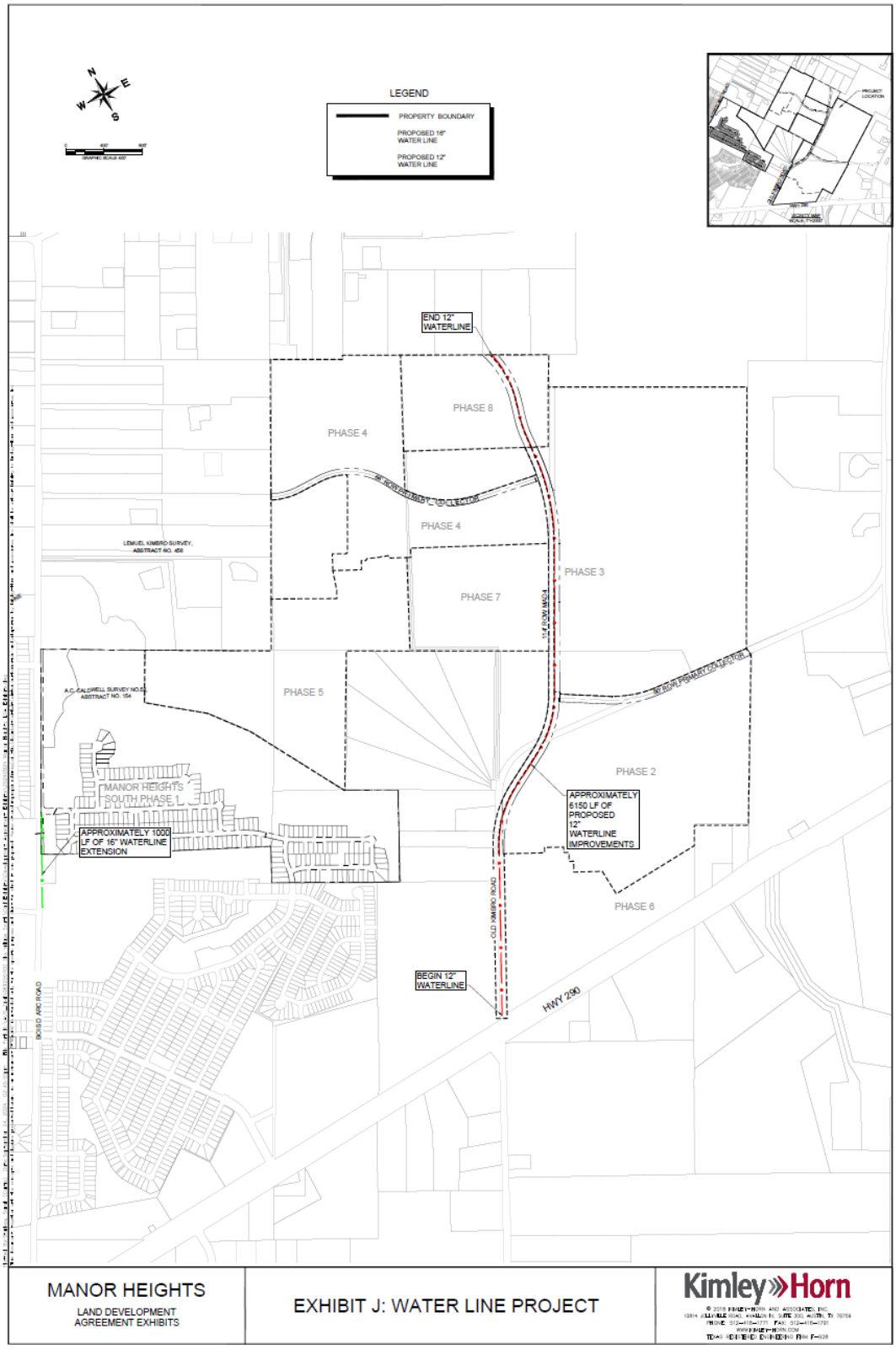

Exhibit L
Reimbursement Mechanisms Budget

Exhibit L
Reimbursement Mechanisms Budget

Project Facilities	Original DA Funding Mechanism	Original Projected Cost	Total Actual Spent to Date	Projected Remaining to Spend	Total Project Costs	Updated DA Funding Mechanism
Water Line Project	Water Impact Fees-± $1,173,540	$1,173,540	$690,033	$0	$690,033[3]	Water Impact Fees - ± $690,033
Offsite Water Improvements	TIRZ-± $699,000 Water Impact Fees-± $225,000	$924,000	$799,644	$0	$799,644[3]	TIRZ - ± $166,662 Water Impact Fees – $632,982
Wastewater Line Project	Wastewater Impact Fees:-± $501,000	$501,000	$667,185	$0	$667,185[3]	Wastewater Impact Fees - $667,185
MAD 4 Roadway/Collector Roadway	TIRZ ± $3,319,514 PID ± $4,845,250	$8,164,764	$7,111,508	$2,515,655[1]	$9,627,163	TIRZ - ± $4,781,913 PID - $4,845,250
Offsite Wastewater Improvements (save and except the Plant)	Wastewater Impact Fees ± $3,264,030	$3,264,030	$4,044,574	$0	$4,044,574[3]	Wastewater Impact Fees - ± $4,044,574
Plant	PID – first phase ± $5,536,360 TIRZ – second phase ± $1,132,340 Wastewater Impact Fee – second phase ± $1,336,660	$8,005,360	$6,166,184[4]	$4,165,000[2]	$10,331,184	PID - $5,536,360 TIRZ - ± $1,388,536 Wastewater Impact Fees - ± $3,406,288
Enhanced Landscaping	TIRZ – ± $13,988,940	$13,988,940	$2,831,774	$TBD ($11,157,166 Max)	MAX OF $13,988,940	TIRZ - $13,988,940
TOTALS:	Water Impact Fees:$1,398,540 Wastewater Impact Fees: $5,101,690 PID: $10,381,610 TIRZ: $19,138,794 Total: $36,021,634	$36,021,634	$26,588,941	$13,559,781	$40,148,722	Water Impact Fees: $1,323,015 Wastewater Impact Fees: $8,118,047 PID: $10,381,610 TIRZ: $20,326,051 Total: $40,148,722

*****NOTE AMOUNTS SHOWN PER FUNDING MECHANISM ARE PRELIMINARY AND SUBJECT TO CHANGE**

[1]MAD4 Roadway/Collector Roadway Improvements project remaining to spend includes Old Kimbro Phase 2 construction
[2]Plant project remaining to spend includes Phase 2 of Cottonwood Creek WWTP
[3]Project/improvement is fully constructed
[4]Total actual spent to date for Offsite Wastewater Improvements includes Phase 1 plant design and construction costs, and Phase 2 design cost

Exhibit N
License Agreement

LICENSE AND MAINTENANCE AGREEMENT

This License and Maintenance Agreement (the "Agreement") is entered into by the City of Manor, a Texas home rule municipal corporation and political subdivision of the State of Texas situated in Travis County, Texas (the "City"), and _____, a _____ ("Licensee"), effective as of the _____, 20___ [INSERT DATE THE APPLICABLE FINAL PLAT WAS RECORDED](the "Effective Date"), upon the terms and conditions set forth below.

I. DEFINED TERMS

A. "***Development Agreement***" means the Development Agreement for Manor Heights dated effective _____.

B. "***Park Improvements***" means the "Park Improvements", as defined in the Development Agreement and as listed on Exhibit "F" of the Development Agreement.

C. "***Manor Heights Development***" means the "Project", as defined in the Development Agreement consisting of the "Property" (as defined in the Development Agreement) that is being developed as a master planned community in the city limits of Manor, Travis County, Texas.

II. PURPOSE OF LICENSE AGREEMENT

A. The City grants to Licensee permission to use those portions of the Manor Heights Development more particularly described on Exhibit "A" (collectively, the "Licensed Property'") solely to operate and maintain the Park Improvements; provided that this Agreement is not intended to prevent Licensee from entering and using land dedicated to the City as parkland in the same manner as the general public. The City makes this grant solely to the extent of its right, title and interest in the Licensed Property, without any express or implied warranties.

B. Licensee agrees that all maintenance permitted by this Agreement with respect to the Licensed Property shall be done in compliance with all applicable County, State and/or Federal laws, ordinances, regulations and policies now existing or later adopted, and the "Applicable Rules", as such term is defined in Article IV of the Development Agreement.

III. ANNUAL FEE

No annual fee shall be due to the City in connection with this Agreement, and the City will not compensate Licensee for the maintenance of the Licensed Property or any Park Improvements.

IV. CITY'S RIGHT TO LICENSED PROPERTY

This Agreement is expressly subject and subordinate to the present and future right of the City to use the Licensed Property and the Park Improvements for any purpose not inconsistent with the Development Agreement.

V. INSURANCE

A. Licensee shall, at its sole expense, provide a commercial general liability insurance policy, written by a company reasonably acceptable to the City and licensed to do business in Texas, with a combined single limit of not less than $600,000.00, which coverage may be provided in the form of a rider and/or endorsement to a previously existing insurance policy. The City may require the Licensee to increase the combined single limit of such coverage from time to time in the reasonable discretion of the City. Such insurance coverage shall specifically name the City as an additional-insured. The insurance shall cover all perils arising from the activities of Licensee, its officers, employees, agents, or contractors, relative to this Agreement. Licensee may satisfy the insurance requirement herein by blanket policies covering property in addition to the Licensed Property. Licensee shall be responsible for any deductibles stated in the policy. A certificate of insurance evidencing such coverage shall be delivered to the City Manager on or before the Licensee's use or occupancy of the Licensed Property.

B. Licensee shall not cause any insurance to be canceled nor permit any insurance to lapse and shall provide the City where possible thirty (30) days written notice as evidenced by a return receipt of registered or certified mail of any anticipated cancellation, reduction, restriction or other limitation thereafter established under such policy of insurance.

VI. INDEMNIFICATION

Licensee shall indemnify, defend, and hold harmless the City and its officers, agents and employees against all claims, suits, demands, judgments, damage, costs, losses, expenses, including reasonable attorney's fees, or other liability for personal injury, death, or damage to any person or property which arises from or is in any manner caused by Licensee's use of the Licensed Property under this Agreement. This indemnification provision, however, shall not apply to any claims, suits, demands, judgments, damage, costs, losses, expenses or other liability for personal injury, death, or damage to any person or property (i) for which the City shall have been compensated by insurance provided under Paragraph V, above, (ii) arising out of any acts or omissions by the City under Paragraph IV above, or (iii) arising solely from the negligence or willful acts or omissions of the City; provided that for the purposes of the foregoing, the City's entering into this Agreement shall not be deemed to be a "negligent or willful act."

VII. CONDITIONS

A. Licensee's Responsibilities. Licensee will be responsible for any and all damage to the Licensed Property unless such damage is as a result of acts or omissions by the City.

B. Maintenance. Licensee shall maintain the Licensed Property by keeping the area free of material amounts of debris and litter and keeping the Licensed Property mowed such that grass and weeds do not exceed the height limits established by City ordinances and regulations. Licensee shall maintain all Park Improvements in good repair, working order, and condition and in compliance with this Agreement and the Development Agreement, as applicable. Removal of dead or dying plants that are placed by Licensee within the Licensed Properly shall also be handled by Licensee at its expense. The City may require Licensee to take action to maintain the Licensed Property and the Park Improvements in compliance with this Agreement, including, but not limited to, the removal of dead or dying vegetation placed by Licensee within the Licensed Property and rebuilding and reconstructing trails or any other Park Improvements. Save and except removal or repairs due to normal wear and tear such action shall be completed within thirty (30) days (or such reasonable period of time if 30 days is not feasible) following receipt of a written request from the City. Licensee shall have no obligation to maintain any improvements placed upon the Licensed Property by the City.

C. Removal or Modification. No Park Improvements may be modified or removed from the Licensed Property without the prior written consent of the City.

D. Default. In the event that Licensee fails to maintain the Licensed Property as provided in this Agreement and the Development Agreement, or otherwise comply with the terms or conditions as set forth herein, the City shall give Licensee written notice thereof, by registered or certified mail, return receipt requested, to the address set forth below. Licensee shall have thirty (30) days from the date of receipt of such notice to take action to remedy the failure complained of, and, if Licensee does not satisfactorily remedy the same within the thirty (30) day period (provided that the City shall allow such additional time as may be reasonably necessary for Licensee to cure any failure as long as Licensee commences such cure within the thirty (30) day period provided and diligently pursues such cure thereafter and as long as such additional time does not exceed ninety (90) days from the date of the notice) the City may pursue its remedies under Paragraph XI below.

City Address:

City of Manor
Attention: City Manager
105 E Eggleston Street
Manor, Texas 78653

Licensee Address:

_____
Attn: _____
_____
_____

VIII. COMMENCEMENT

This Agreement shall begin on the Effective Date and continue for a period of ten (10) years thereafter, as provided in Section 4.06 of the Development Agreement.

IX. TERMINATION

Notwithstanding any other term, provision or condition of this Agreement and the Development Agreement, subject only to prior written notification to Licensee, this Agreement is revocable by the City if Licensee fails to comply with the terms and conditions of this Agreement beyond applicable notice and cure periods, including, but not limited to the insurance requirements specified herein. The City agrees that, if the City terminates this Agreement, the City will operate and maintain the Improvements in the manner contemplated by the Development Agreement with reimbursement of City's costs to operate and maintain the Park Improvements by Licensee in accordance with the time remaining in the Park Improvement Maintenance Period as such term is defined in the Development Agreement. The City may further terminate and revoke this Agreement if:

A. Use of the Licensed Property becomes necessary for another public purpose;

B. The Park Improvements, or a portion of them, constitute a danger to the public which the City deems not to be remediable by alteration or maintenance of such Park Improvements;

C. Maintenance or alteration necessary to alleviate a danger to the public has not been made after the notice and cure periods provided herein have lapsed; or

D. The City intends to take over maintenance of the Park Improvements after the Park Improvement Maintenance Period has expired.

X. FUNDING MAINTENANCE OBLIGATION

Licensee will establish periodic homeowner's association dues and assessments, to be charged and paid by the lot owners within the property under the jurisdiction of Licensee pursuant to "Association Regulations", as such term is defined in the Development Agreement, in order to maintain the Park Improvements as provided in this Agreement. The Association Regulations will require the periodic dues and assessments to be increased from time to time as necessary to provide the funds required for the maintenance of the Park Improvements, and to provide funds required for the management and operation of Licensee.

XI. REMEDIES

The City will be entitled to judicially enforce Licensee's obligations under this Agreement pursuant to the Association Regulations. Licensee also agrees that, in the event of any default on its part under this Agreement, the City shall have available to it equitable remedies including, without limitation, the right to obtain a writ of mandamus or an injunction, or seek specific performance against Licensee to enforce Licensee's obligations under this Agreement.

XII. EMINENT DOMAIN

If any portion of the Licensed Property is taken by eminent domain by a governmental authority other than the City, this Agreement shall terminate as to the affected portion of the Licensed Property so condemned.

XIII. INTERPRETATION

This Agreement shall, in the event of any dispute over its intent, meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against either party.

XIV. APPLICATION OF LAW

This Agreement shall be governed by the laws of the state of Texas. If the final judgment of a court of competent jurisdiction invalidates any part of this Agreement, then the remaining parts shall be enforced, to the extent possible, consistent with the intent of the parties as evidenced by this Agreement.

XV. SPECIFIC PERFORMANCE

If either party materially breaches the terms of this License Agreement, such material breach shall be an event of default. In that event, the non-defaulting party to this License Agreement may pursue the remedy of specific performance.

XVI. VENUE

Venue for all lawsuits concerning this Agreement will be in the Travis County, Texas.

XVII. COVENANT RUNNING WITH LAND; WAIVER OF DEFAULT

This Agreement and all of the covenants herein shall run with the Licensed Property; therefore, the conditions set forth herein shall inure to and bind each party's successors and assigns. Either party may

waive any default of the other at any time by written instrument, without affecting or impairing any right arising from any subsequent or other default.

XVIII. AMENDMENT

This License Agreement may be amended only by an instrument in writing signed and approved by both parties.

XIX. ASSIGNMENT

Licensee shall not assign, sublet or transfer its interest in this Agreement without the written consent of the City.

* * *

[SIGNATURE PAGE FOLLOWS]

TERMS AND CONDITIONS ACCEPTED, this the ___ day of _____, 20___.

LICENSOR:
City of Manor

By: _____
Name: _____
Title: Mayor

LICENSEE:

_____

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this the ____ day of _____, 20__, by _____, Mayor, City of Manor, Texas, on behalf of the City.

_____
Notary Public - State of Texas

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on this the ____ day of _____, 20__, by _____, of _____, a _____, on behalf of said _____.

_____
Notary Public - State of Texas

AFTER RECORDING RETURN TO:
City of Manor
Attn: City Secretary
105 E Eggleston Street
Manor, Texas 78653

EXHIBIT "A"
LICENSED PROPERTY

[to be attached]

Exhibit Q
Water Storage Tank Site

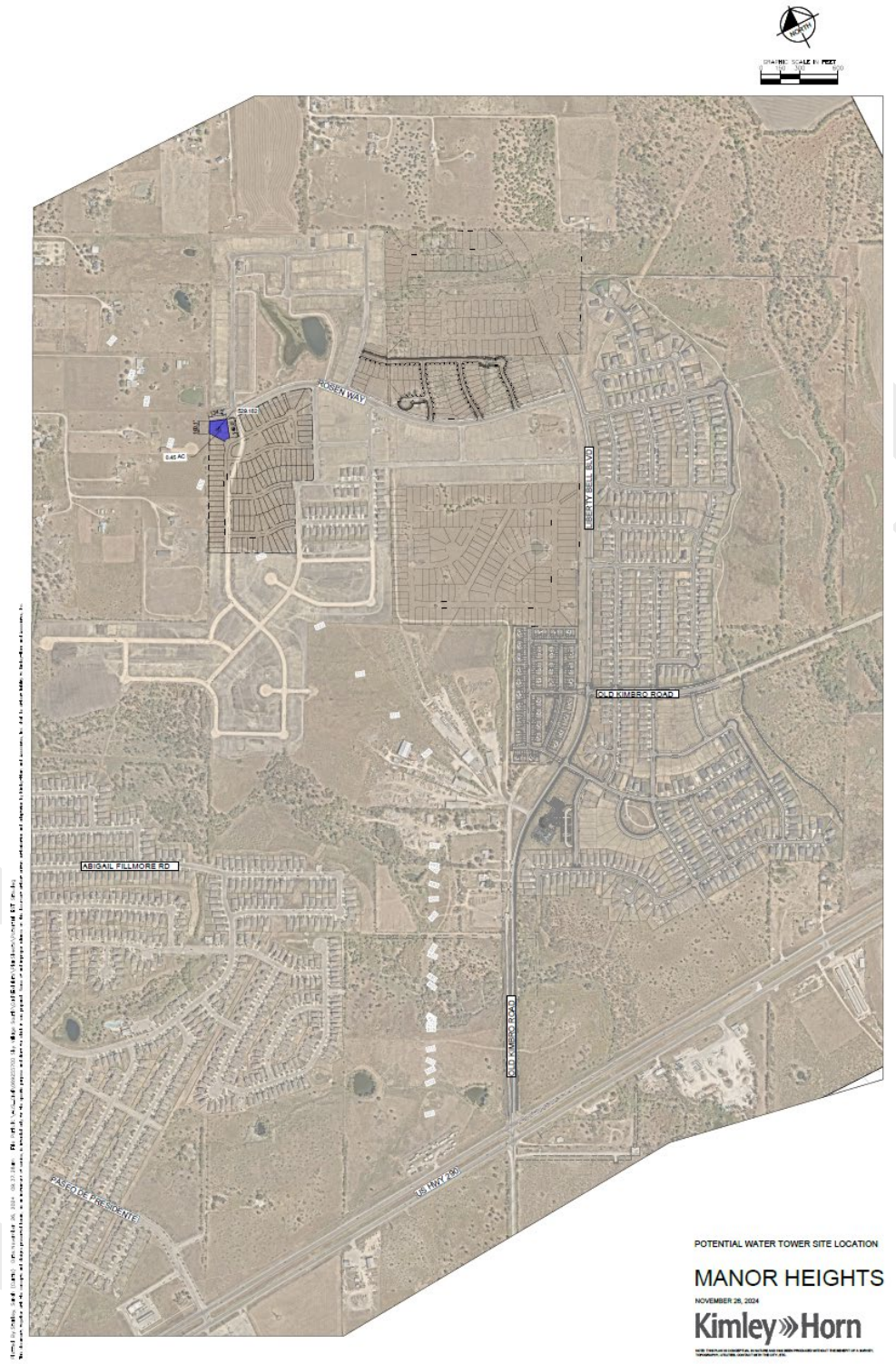

Exhibit R
Acquisition and Reimbursement Agreement (IA#5)

MANOR HEIGHTS PUBLIC IMPROVEMENT DISTRICT
REIMBURSEMENT AGREEMENT
(IMPROVEMENT AREA #5)

This Manor Heights Public Improvement District Reimbursement Agreement (Improvement Area #5) (this "Reimbursement Agreement") is executed between the City of Manor, Texas ("City") and Forestar (USA) Real Estate Group, Inc., a Delaware corporation (the "Owner") (each individually referred to as a "Party" and collectively as the "Parties") effective as of the ___ day of _____, 202__. Capitalized terms not otherwise herein defined shall be given the meaning assigned to such term in the PID Financing Agreement (defined below) and/or Indenture, as applicable, and such definition shall govern in the event of a conflict with a definition herein.

RECITALS

WHEREAS, on November 7, 2018, the City Council of the City (the "City Council") authorized the formation of the Manor Heights Public Improvement District (the "District" or "PID") pursuant to Resolution No. 2018-10 (the "Creation Resolution") in accordance with the PID Act, covering approximately 599.2 acres of land described in the Creation Resolution (the "District Property"); and

WHEREAS, the City Council authorized additional land to be added to the boundaries of the District pursuant to Resolution No. 2020-11 adopted by the City Council on October 7, 2020; and

WHEREAS, the purpose of the District is to finance certain improvements authorized by Chapter 372, Texas Local Government Code (as may be amended, the "PID Act") that promote the interests of the City and confer a special benefit on the assessed property within the District; and

WHEREAS, the District Property was originally contemplated to be developed in phases ("Improvement Areas") beginning with Improvement Area #1, Improvement Area #2, and the Major Improvement Area; and

WHEREAS, pursuant to the Manor Heights Public Improvement District Financing and Reimbursement Agreement (the "PID Financing Agreement"), the Owner divided the Major Improvement Area into two or more Improvement Areas including Improvement Area #3, Improvement Area #4 and Improvement Area #5, a map of which is attached hereto as **Exhibit A**, and began construction on certain Authorized Improvements (defined below) to serve District Property (or portions thereof); and

WHEREAS, it is intended that the City Council shall pass and approve an Assessment Ordinance determining, among other things, the estimated costs of the Authorized Improvements allocable to Improvement Area #5 (the "Improvement Area #5 Improvements" and to be further defined in a Service and Assessment Plan (defined below)) and levy assessments against certain District Property within Improvement Area #5 (the "Improvement Area #5 Assessments" or the "Assessments") in accordance with the Assessment Roll (defined below) attached to a Service and

Assessment Plan for the District (as the same may be amended or updated from time to time, the "Service and Assessment Plan"); and

WHEREAS, it is anticipated that the City shall deposit the revenues received and collected by the City from the Improvement Area #5 Assessments, including foreclosure sale proceeds into segregated funds held by the City for Improvement Area #5's revenues (an "Operating Account"); and

WHEREAS, the Parties intend that all or a portion of the Actual Costs of the Improvement Area #5 Improvements (the "Improvement Area #5 Improvements Cost") shall be paid for with the hereinafter-defined Improvement Area #5 Reimbursement Obligation pursuant to the terms of this Reimbursement Agreement, and as further described in the PID Financing Agreement; and

NOW THEREFORE, FOR VALUABLE CONSIDERATION THE RECEIPT AND ADEQUACY OF WHICH ARE ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. Recitals. The recitals to this Reimbursement Agreement are true and correct, and are incorporated as part of this Reimbursement Agreement for all purposes.
2. Definitions.
    a. Actual Costs – shall mean, with respect to Authorized Improvements, the actual costs paid or incurred by or on behalf of the Owner: (1) to plan, design, acquire, construct, install, and dedicate such improvements to the City; (2) to prepare plans, specifications (including bid packages), contracts, and as-built drawings; (3) to obtain zoning, licenses, plan approvals, permits, inspections, and other governmental approvals; (4) for third-party professional consulting services including but not limited to, engineering, surveying, geotechnical, land planning, architectural, landscaping, legal, accounting, and appraisals; (5) of labor, materials, equipment, fixtures, payment and performance bonds and other construction security, and insurance premiums; and (6) to implement, administer, and manage the above-described activities. Actual Costs shall not include general contractor's fees in an amount that exceeds a percentage equal to the percentage of work completed or construction management fees in an amount that exceeds an amount equal to the construction management fee amortized in approximately equal monthly installments over the term of the applicable construction management contract. Amounts expended for costs described in subsection (3), (4), and (6) above shall be excluded from the amount upon which the general contractor and construction management fees are calculated.
    b. Assessment Roll – shall mean one or more assessment rolls for the assessed property within the District, as updated, modified or amended from time to time in accordance with the Service and Assessment Plan.
    c. Authorized Improvements – shall mean any authorized improvement listed in the PID Act.

d. Improvement Area #5 Reimbursement Obligation – shall mean the Improvement Area #5 Reimbursement Obligation.

e. Pledged Revenues – shall mean the sum of (i) revenues generated by the Improvement Area #5 Assessments less delinquent collection costs; (ii) the moneys held by the City in the Operating Account; and (iii) any additional revenues that the City may pledge to the payment of the PID Bonds (if any).

3. City Deposit of Revenue. The City shall cause the revenue generated by the Improvement Area #5 Assessments to be deposited into the Operating Account.

4. Payment of Improvements Cost. The City shall pay the Improvement Area #5 Improvements Cost pursuant to executed and approved Payment Requests (defined herein) in the manner provided for in the PID Financing Agreement from the applicable Operating Account.

5. Improvement Area #5 Reimbursement Obligation. Subject to the terms, conditions, and requirements contained herein, the City agrees to reimburse the Owner, and the Owner shall be entitled to receive from the City in an amount not to exceed [$9,800,000] for the Improvement Area #5 Improvements Cost (the "Improvement Area #5 Reimbursement Obligation") in accordance with the terms of this Reimbursement Agreement, and subject to any further limitations as may be contained in the PID Financing Agreement, until [December 31, 2055] (the "Maturity Date"). It is hereby acknowledged that the City is not responsible hereunder for any amount of the Improvement Area #5 Improvements Cost in excess of the amount of the Improvement Area #5 Assessments collected. The Improvement Area #5 Reimbursement Obligation, including accrued and unpaid interest, shall be payable to the Owner, solely from the Pledged Revenues deposited in the Operating Account. The Improvement Area #5 Reimbursement Obligation is authorized by the PID Act, is hereby approved by the City Council, and represents the total allowable costs to be assessed against Improvement Area #5 for the Improvement Area #5 Improvements. The interest rate paid to the Owner on the Improvement Area #5 Reimbursement Obligation shall be of [6.00%]. The interest rate is hereby approved by the City Council and complies with the PID Act. Interest will accrue on the Improvement Area #5 Reimbursement Obligation at the interest rate stated above from the later to occur of: (i) the date that the Improvement Area #5 Assessment is levied by the City or (ii) the date a certificate for payment for the Improvement Area #5 Improvements Cost is approved by the City. Interest shall be calculated on the basis of a 360-day year, comprised of twelve 30-day months.

6. Obligated Payment Sources. The Improvement Area #5 Reimbursement Obligation, plus accrued and unpaid interest as described above, is payable to the Owner and secured under this Reimbursement Agreement solely as described herein. No other City funds, revenue, taxes, income, or property shall be used even if the Improvement Area #5 Reimbursement Obligation is not paid in full at the Maturity Date, and the Improvement Area #5 Reimbursement Obligation is not a debt of the City, within the meaning

of Article XI, Section 5, of the Constitution of the State of Texas. The City acknowledges and agrees that until the Improvement Area #5 Reimbursement Obligation and accrued and unpaid interest is paid in full, the obligation of the City to use amounts on deposit in the Operating Account to pay the Improvement Area #5 Reimbursement Obligation and accrued and unpaid interest to the Owner is absolute and unconditional and the City does not have, and will not assert, any defenses to such obligation.

7. City Collection Efforts. The City will use all reasonable efforts to receive and collect, or cause to be received and collected by the Travis County Tax Assessor-Collector, Assessments (including the foreclosure of liens resulting from the nonpayment of the Assessments or other charges due and owing under the Service and Assessment Plan) and shall not permit a reduction, abatement, or exemption in the Assessments due on any portion of the District Property until the Owner has been reimbursed for the unreimbursed Actual Costs in accordance with this Reimbursement Agreement. The City shall use best efforts to collect the Assessments consistent with the City's policies and standard practices applicable to the collection of City taxes and assessments.
8. Process for Payment for the Improvement Area #5 Reimbursement Obligation. The Owner may submit to the City a written request for payment in the form and manner provided for in the PID Financing Agreement (a "Payment Request") of any funds then available in the Operating Account following February 1st of each year. Upon receipt of the Payment Request for the Improvement Area #5 Improvements described in the Service and Assessment Plan with all required documentation attached, the City shall cause available funds within the appropriate account under the Indenture or the Operating Account to be disbursed to the Owner within thirty (30) days. This process will continue until the Improvement Area #5 Reimbursement Obligation and accrued and unpaid interest is paid in full.

9. Termination. Upon either (i) all payments paid to the Owner under this Reimbursement Agreement equal to the Improvement Area #5 Reimbursement Obligation plus any accrued and unpaid interest, or (ii) the Maturity Date is reached, this Reimbursement Agreement shall terminate; provided, however that if on the Maturity Date, any portion of the Improvement Area #5 Reimbursement Obligation or accrued and unpaid interest remains unpaid, the Improvement Area #5 Reimbursement Obligation shall be canceled and for all purposes of this Reimbursement Agreement shall be deemed to have been conclusively and irrevocably PAID IN FULL; provided further however that if any Assessments remain due and payable and are uncollected on the Maturity Date for Improvement Area #5, such Assessment, when, as, and if collected after the Maturity Date, shall be paid to the Owner and applied to the Improvement Area #5 Reimbursement Obligation.
10. Non-Recourse Obligation. The obligations of the City under this Reimbursement Agreement are non-recourse and payable only from Pledged Revenues and such obligations do not create a debt or other obligation payable from any other City revenues,

taxes, income, or property. Neither the City nor any of its elected or appointed officials nor any of its employees shall incur any liability hereunder to the Owner or any other party in their individual capacities by reason of this Reimbursement Agreement or their acts or omission under this Reimbursement Agreement. Owner acknowledges that no appropriation of City funds has been or will be made to provide payments due under this Agreement. Further, Owner acknowledges that the only source of funds for payment under this Agreement is from the Operating Account to pay the Improvement Area #5 Reimbursement Obligation.

11. Mandatory Prepayments. Notwithstanding any provision of this Reimbursement Agreement to the contrary, the Parties hereby acknowledge and agree that to the extent a prepayment of an Assessment is due and owing pursuant to the provisions of a Service and Assessment Plan (including any requirement to provide notice to Owner pursuant to the provisions thereof) in effect as of the date of this Agreement and remains unpaid for ninety (90) days after such notice, the City, upon providing written notice to the Owner, may reduce the amount of the Improvement Area #5 Reimbursement Obligation associated with that Assessment by a corresponding amount; provided, however, any reduction shall never result in a reduction in the amount of the Improvement Area #5 Reimbursement Obligation to be less than zero.
12. No Waiver. Nothing in this Reimbursement Agreement is intended to constitute a waiver by the City of any remedy the City may otherwise have outside this Reimbursement Agreement against any person or entity involved in the design, construction, or installation of the Improvement Area #5 Improvements.
13. Governing Law, Venue. This Reimbursement Agreement is being executed and delivered, and is intended to be performed in the State of Texas. Except to the extent that the laws of the United States may apply to the terms hereof, the substantive laws of the State of Texas shall govern the validity, construction, enforcement, and interpretation of this Reimbursement Agreement. In the event of a dispute involving this Reimbursement Agreement, venue for such dispute shall lie in any court of competent jurisdiction in Travis County, Texas.
14. Notice. Any notice required or contemplated by this Reimbursement Agreement shall be deemed given at the addresses shown below: (i) one (1) business day after deposit with a reputable overnight courier service for overnight delivery such as FedEx or UPS; or (ii) one (1) business day after deposit with the United States Postal Service, Certified Mail, Return Receipt Requested. Any Party may change its address by delivering written notice of such change in accordance with this section.

If to City: City of Manor
Attn: City Manager
105 East Eggleston Street
Manor, Texas 78653

With a copy to: The Knight Law Firm, LLP

Attn: Paige Saenz/Veronica Rivera
223 West Anderson Lane, Suite A-105
Austin, Texas 78752

If to Owner: Forestar (USA) Real Estate Group, Inc.
Attn: Elliot Condos
10700 Pecan Park Blvd. Suite 150
Austin, Texas 78750

With a copy to: Metcalfe Wolff Stuart & Williams, LLP
Attn: Talley J. Williams
221 W. 6th, Suite 1300
Austin, Texas 78701
Facsimile: (512) 404-2234

15. Invalid Provisions; Severability. If any provision of this Reimbursement Agreement is held invalid by any court, such holding shall not affect the validity of the remaining provisions, and the remainder of this Reimbursement Agreement shall remain in full force and effect. If any provision of this Reimbursement Agreement directly conflicts with the terms of the Indenture, then the Indenture shall control.
16. Exclusive Rights of Owner. Owner's right, title and interest into the payments of the Improvement Area #5 Reimbursement Obligation (including any accrued and unpaid interest thereon), as described herein, shall be the sole and exclusive property of Owner (or its Transferee (defined herein)) and no other third party shall have any claim or right to such funds unless Owner transfers its rights to its Improvement Area #5 Reimbursement Obligation (including any accrued and unpaid interest thereon) to a Transferee in writing and otherwise in accordance with the requirements set forth herein. Owner has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part, all or any portion of Owner's right, title, or interest under this Reimbursement Agreement including, but not limited to, any right, title or interest of Owner in and to payment of its Improvement Area #5 Reimbursement Obligation plus any accrued and unpaid interest thereon (a "Transfer," and the person or entity to whom the transfer is made, a "Transferee"). Provided, however, that no such conveyance, transfer, assignment, mortgage, pledge or other encumbrance shall be made without the prior written approval of the City Council if such conveyance, transfer, assignment, mortgage, pledge or other encumbrance would result in the payments hereunder being pledged to the payment of debt service on public securities issued by any other state of the United States or political subdivision thereof. Notwithstanding the foregoing, no Transfer shall be effective until written notice of the Transfer, including (A) the name and address of the Transferee and (B) a representation by the Owner that the Transfer does not and will not result in the issuance of municipal securities by any other state of the United States or political subdivision thereof is provided to the City. The Owner agrees that the City may rely conclusively on any written notice of a Transfer provided by Owner without any obligation to investigate or confirm the Transfer.
17. Assignment.

a. Subject to subparagraph (b) below, Owner may, in its sole and absolute discretion, assign this Reimbursement Agreement with respect to all or part of the District Property from time to time to any party in connection with the sale of the Project or any portion thereof and in connection with a corresponding assignment of the rights and obligations in the PID Financing Agreement, if then existing, to any party, so long as the assignee has demonstrated to the City's satisfaction that the assignee has the financial, technical, and managerial capacity, the experience, and expertise to perform any duties or obligations so assigned and so long as the assigned rights and obligations are assumed without modifications to this Reimbursement Agreement or the PID Financing Agreement. Owner shall provide the City thirty (30) days prior written notice of any such assignment. Upon such assignment or partial assignment, Owner shall be fully released from any and all obligations under this Reimbursement Agreement and shall have no further liability with respect to this Reimbursement Agreement for the part of the Project so assigned.

b. Any sale of a portion of the Property or assignment of any right hereunder shall not be deemed a sale or assignment to a Designated Successor or Assign unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is to a Designated Successor or Assign.

c. Any sale of a portion of the Property or assignment of any right hereunder shall not be deemed a Transfer unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is deemed to be a Transfer.

d. Provided, however, that no such conveyance, transfer, assignment, mortgage, pledge or other encumbrance shall be made without the prior written approval of the City Council if such conveyance, transfer, assignment, mortgage, pledge or other encumbrance would result in the payments hereunder being pledged to the payment of debt service on public securities issued by any other state of the United States or political subdivision thereof.

e. Notwithstanding anything to the contrary contained herein, this Section 17 shall not apply to Transfers which shall be governed by Section 16 above.

f. It is hereby acknowledged that the limitations on the ability to make a Transfer as described in Section 16 above shall also apply to the Designated Successors and Assigns.

18. Failure; Default; Remedies.

a. If either Party fails to perform an obligation imposed on such Party by this Reimbursement Agreement (a "Failure") and such Failure is not cured after written notice and the expiration of the cure periods provided in this section, then such Failure shall constitute a "Default." Upon the occurrence of a Failure by a non-performing Party, the other Party shall notify the non-performing Party in

writing specifying in reasonable detail the nature of the Failure. The non-performing Party to whom notice of a Failure is given shall have at least 30 days from receipt of the notice within which to cure the Failure; however, if the Failure cannot reasonably be cured within 30 days and the non-performing Party has diligently pursued a cure within such 30-day period and has provided written notice to the other Party that additional time is needed, then the cure period shall be extended for an additional period (not to exceed 90 days) so long as the non-performing Party is diligently pursuing a cure.

b. If the Owner is in Default, the City's sole and exclusive remedy shall be to seek specific enforcement of this Reimbursement Agreement. No Default by the Owner, however, shall: (1) affect the obligations of the City to use the Pledged Revenues on deposit in the reimbursement fund as provided in Section 6 of this Reimbursement Agreement; or (2) entitle the City to terminate this Reimbursement Agreement. In addition to specific enforcement, the City shall be entitled to attorney's fees, court costs, and other costs of the City to obtain specific enforcement.

c. If the City is in Default, the Owner's sole and exclusive remedies shall be to: (1) seek a writ of mandamus to compel performance by the City; or (2) seek specific enforcement of this Reimbursement Agreement.

19. Estoppel Certificate. Within thirty (30) days after the receipt of a written request by Owner or any Transferee, the City will certify in a written instrument duly executed and acknowledged to any person, firm or corporation specified in such request as to (i) the validity and force and effect of this Reimbursement Agreement in accordance with its terms, (ii) modifications or amendments to this Reimbursement Agreement and the substance of such modification or amendments; (iii) the existence of any default to the best of the City's knowledge; and (iv) such other factual matters that may be reasonably requested.

20. Anti-Boycott Verification, No business with Sanctioned Countries. The Owner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Owner understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Owner and exists to make a profit.

    The Owner represents that neither it nor any of its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or
https://comptroller.texas.gov/purchasing/docs/fto-list.pdf.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Owner and any of its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Owner understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Owner and exists to make a profit.

21. No Discrimination Against Firearm Entities and Firearm Trade Associations.
To the extent this Reimbursement Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Owner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Reimbursement Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification and the following definitions:

i. 'discriminate against a firearm entity or firearm trade association,' a term defined in Section 2274.001(3), Texas Government Code (as enacted by such Senate Bill), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb)

for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association;

ii. 'firearm entity,' a term defined in Section 2274.001(6), Texas Government Code (as enacted by such Senate Bill), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by such Senate Bill, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by such Senate Bill, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by such Senate Bill, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting); and

iii. 'firearm trade association,' a term defined in Section 2274.001(7), Texas Government Code (as enacted by such Senate Bill), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

22. No Discrimination Against Fossil Fuel Companies. To the extent this Reimbursement Agreement constitutes a contract for goods or services for which a written verification is required under Section 2276.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Owner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Reimbursement Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2276.001(1), Texas Government Code (as enacted by such Senate Bill) by reference to Section 809.001, Texas Government Code (also as enacted by such Senate Bill), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict

economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above. The Owner understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Owner within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit.

23. Form 1295. If required, Owner shall complete Form 1295 in connection with the Owner's participation in the execution of this Reimbursement Agreement generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). If required, the City shall confirm receipt of the Form 1295 once received from the Owner, and the City agrees to acknowledge such form with the TEC through its electronic filing application not later than the 30th day after the receipt of such form. The Owner and the City understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 shall be provided solely by the Owner; and, neither the City nor its consultants shall have verified such information.
24. Miscellaneous.
    a. The City does not waive or surrender any of its governmental powers, immunities, or rights except to the extent permitted by law and necessary to allow the Owner to enforce its remedies under this Reimbursement Agreement.
    b. Nothing in this Reimbursement Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and the Owner any rights, remedies, or claims under or by reason of this Reimbursement Agreement, and all covenants, conditions, promises, and agreements in this Reimbursement Agreement shall be for the sole and exclusive benefit of the City and the Owner.
    c. This Reimbursement Agreement may be amended only by written agreement of the Parties.
    d. This Reimbursement Agreement may be executed in counterparts, each of which shall be deemed an original.

[Signature pages to follow]

IN WITNESS WHEREOF, the Parties have executed this Reimbursement Agreement to be effective as of the date written on the first page of this Reimbursement Agreement.

CITY OF MANOR, TEXAS

By: ___
Name: Dr. Christopher Harvey
Title: Mayor

ATTEST:

By: _____
Lluvia T. Almaraz, City Secretary

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

BEFORE ME, a Notary Public, on this day personally appeared, Dr. Christopher Harvey, Mayor of the City of Manor, Texas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed on behalf of that municipal corporation.

GIVEN UNDER MY HAND AND SEAL of office this ____ day of _____, 202_.

(SEAL)

_____
Notary Public, State of Texas

[*Signatures Continue on Next Page*]

FORESTAR (USA) REAL ESTATE GROUP, INC., a Delaware corporation

By:_____
Name:_____
Title:_____

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the ____ day of _____, 2025 by _____, _____, of FORESTAR (USA) REAL ESTATE GROUP, INC., a Delaware corporation, on behalf of said corporation.

_____
Notary Public, State of Texas

(SEAL)

_____
Name printed or typed
Commission Expires:_____

Exhibit R-1
Improvement Area #5