

**CITY OF MANOR, TEXAS DEPOSIT AGREEMENT FOR THE
PROPOSED WATER SERVICE TRANSFER FOR THE
MANOR DOWNS MULTIFAMILY (9910 HILL LANE) PROJECT**

THIS DEPOSIT AGREEMENT (this “Agreement”) is made and entered into as of _____, 2022 by and between the **CITY OF MANOR, TEXAS** (the “City”) and **CH DOF I-RANGEWATER MF AUSTIN MANOR, L.P.**, a Delaware limited partnership (including its Designated Successors and Assigns, the “Owner”).

WHEREAS, Manville Water Supply Corporation (“Manville”) is the holder of a water certificate of convenience and necessity (“CCN”) No. 11144 which includes Owner’s approximately 24.810 acre tract (“Property”) within its boundaries; and

WHEREAS, the City is the holder of a CCN No. 10947; and

WHEREAS, the Owner is developing its Property within the corporate limits of the City and desires to receive water service from the City; and

WHEREAS, Manville has informed Owner that Manville is not opposed to the City providing water service to Owner’s Property; and

WHEREAS, the Owner has agreed to advance moneys to be used by the City Manager of the City (the “City Manager”) to pay costs and expenses associated with retaining the Consultants (herein defined) to assist the City with the execution of a Water Service Area Transfer Agreement with Manville (the “Transfer Agreement”) and approval by the Public Utility Commission of said Transfer Agreement; and

WHEREAS, the parties hereto wish to enter into the Agreement to define the terms and conditions under which moneys will be advanced by and reimbursed to the Owner.

NOW THEREFORE, the parties, for mutual consideration, agree as follows:

SECTION 1. DEPOSITS. The Owner shall deposit with the City the amount of \$10,000.00 (the “Moneys”) to the City Manager within five (5) business days after this Agreement is executed and delivered by the City, which Moneys shall be used by the City exclusively to pay costs generally described in Section 2 hereof. If the Moneys are not deposited in accordance with this Section 1, the City shall not proceed with seeking execution and approval of the Transfer Agreement. The City will notify the Owner if the costs generally described in Section 2 exceed or are expected to exceed \$10,000.00. The City will draw from the deposit for the Consultants fees and other fees related to the execution and approval of the Transfer Agreement (the “Consultants Deposit”). Whenever the account for the Consultants Deposit reaches a balance below \$2,000.00, the Owner shall deposit an additional \$5,000.00 within five (5) business days of notification by the City Manager (the “Additional Moneys”). If the Additional Moneys are not deposited in accordance with this Section 1, the City shall not proceed with the execution and approval of the Transfer Agreement. The City Manager shall cause all Moneys received from the Owner to be deposited into a separate account maintained by or at the direction of the City Manager and the Office of the

City Director of Finance. All interest or other amounts earned on Moneys (if any) in such account shall be held in such account for the payment of Project Costs or otherwise applied as set forth in Section 3 hereof.

SECTION 2. USE OF MONEYS ON DEPOSIT. The City has engaged or will engage consultants, including but not limited to engineers and attorneys (collectively, "Consultants"). The Consultants will assist the City with execution and approval of the Transfer Agreement. The Consultants will be responsible to, and will act as consultants to, the City in connection with the execution and approval of the Transfer Agreement. The City Manager will use the Moneys to pay costs and expenses of the Consultants that are associated with or incidental to execution and approval of the Transfer Agreement (collectively, "Project Costs"). The scope of work and terms and conditions of the agreements for the Consultants are, or will be, set forth in agreements on file in the City Manager's office. The City Manager may also use the Moneys for other direct City expenses relating to the execution and approval of the Transfer Agreement. The City Manager shall maintain records of the payment of all Project Costs and keep such records on file and available for inspection and review by the Owner in the City Manager's office upon request by Owner. If the Owner objects to any portion of an invoice, the City and the Owner agree in good faith to attempt to resolve the dispute within a reasonable period of time.

SECTION 3. UNEXPENDED MONEYS. If proceedings for execution and approval of the Transfer Agreement are unsuccessful and are terminated or abandoned prior to the issuance of approval by the PUC, the City Manager shall transfer to the Owner all Moneys, including any interest earnings thereon, then on deposit in the account established and maintained pursuant to Section 1, exclusive of Moneys necessary to pay Project Costs or portions thereof that (i) have been actually incurred and (ii) are due and owing as of the date of such termination or abandonment. Upon the successful approval by the PUC, the City shall return unexpended Moneys, and the interest thereon, if any, to Owner.

SECTION 4. RESERVED RIGHTS. This Agreement does not in any way create an obligation or commitment that the City will execute any agreements, and the City expressly reserves the right to terminate or abandon the proceedings at any time, if in the City's sole discretion, it deems such termination or abandonment to be in the best interest of the City.

SECTION 5. BINDING EFFECT. This Agreement shall be binding on the successors and assigns of the parties hereto.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date above written.

CITY OF MANOR, TEXAS, a municipal corporation

By: _____

Name: _____

Title: _____

CH DOF I-RANGEWATER MF AUSTIN
MANOR, L.P.,
a Delaware limited partnership

By: RW Austin Manor GP, LLC,
a Georgia limited liability company,
its general partner

By: RangeWater Real Estate, LLC,
a Georgia limited liability company,
its manager

By: _____
Name: Michael Blair
Title: Vice President