

DEVELOPMENT AGREEMENT BETWEEN
THE CITY OF MONTGOMERY, TEXAS AND
BCS MONTGOMERY LLC
DEVELOPMENT NO. 2415

This DEVELOPMENT AGREEMENT (the "Agreement") is entered into between BCS MONTGOMERY LLC, a Texas limited liability company, its successors or assigns ("Developer"), and THE CITY OF MONTGOMERY, TEXAS ("City") to be effective on the date on _____, 2025 (the "Effective Date").

RECITALS

Developer owns or intends to acquire approximately 39 acres of land located within Montgomery County, Texas (the "Tract"). The Tract will be composed of (i) approximately 27.916 acres of land ("Tract I") located inside the corporate limits of the City, and (ii) approximately 11.084 acres of land ("Tract II") located inside the corporate limits of the City.

Developer intends to develop Tract I for commercial purposes and intends to Develop Tract II for multi-family purposes. The City will provide water and sanitary sewer service to the Tract.

The City is a Type A general-law municipality with all powers granted by the Constitution and laws of the State of Texas with respect to such municipalities.

The City wishes to provide for the orderly, safe and healthful development of the Tract, and the City and Developer agree that the development of the Tract can best proceed pursuant to a development agreement.

AGREEMENT

NOW THEREFORE, for and in consideration of the mutual promises, obligations, and benefits contained herein as well as other good and valuable consideration, the sufficiency of which is acknowledged by the parties, the City and Developer agree as follows:

ARTICLE I. DEFINITIONS AND EXHIBITS

1.1 Definitions. Unless the context indicates others, the following words as used in this Agreement shall have the following meanings:

City means the City of Montgomery, Texas.

Developer means BCS Montgomery LLC, a Texas limited liability company, its successors or assigns.

ESFC means that amount of water or wastewater, as applicable, set by the City that constitutes an Equivalent Single-Family connection, which amount may be changed from time to time. At the time of this Agreement, an ESFC of water means 300 gallons per day and an ESFC of wastewater means 200 gallons per day.

Facilities means the water distribution, sanitary sewer collection, transportation and treatment, and stormwater collection, detention and drainage systems, roads and improvements in aid thereof, constructed or acquired or to be constructed or acquired to serve the Tract, and all improvements, appurtenances, additions, extensions, enlargements or betterments thereto, together with all contract rights, permits, licenses, properties, rights-of-way, easements, sites and other interests related thereto.

Parties means the City and Developer, collectively.

Tract means the approximately 39 acres of land to be developed by Developer, as described in **Exhibit A** attached hereto and incorporated herein.

Tract I means the approximately 27.916 acres of land to be developed by Developer for commercial purposes, as described in **Exhibit B** attached hereto and incorporated herein.

Tract II means the approximately 11.084 acres of land to be developed by Developer for multi-family purposes, as described in **Exhibit C** attached hereto and incorporated herein.

1.2. **Exhibits.** The following Exhibits attached to this Agreement are a part of the Agreement as though fully incorporated herein:

Exhibit A	Metes and Bounds Description of the Tract
Exhibit B	Metes and Bounds Description of Tract I
Exhibit C	Metes and Bounds Description of Tract II
Exhibit D	Public Waterline Extension (Off-Site)
Exhibit E	Public Sanitary Sewer Extension (Off-Site)
Exhibit F	Public Utility Extension (On-Site)
Exhibit G	Roadway Improvements
Exhibit H	Linear Cost Estimate
Exhibit I	Master General Land Plan
Exhibit J	380 Agreement

ARTICLE II

DEVELOPMENT OBLIGATIONS

Section 2.1. Utilities.

- a. Water, Sanitary Sewer and Drainage Facilities. The Parties agree that all water, sanitary sewer and drainage facilities to serve the Tract, whether on the Tract or off-site, will be constructed in accordance with the applicable City regulations and ordinances, including the City of Montgomery Code of Ordinances, as amended (the "City Code"). The City will provide retail water and sanitary sewer service to customers within the Tract(s). Following acceptance by the City, the water and sanitary sewer infrastructure will be owned, operated, and maintained by the City per normal practice. The City agrees to provide the Tract with its ultimate requirements for wastewater treatment and water capacity, as further described herein.
- b. Water Supply Facilities. The Parties acknowledge that the Tract will be developed in phases with ultimate water requirements of 88,725 gpd to serve approximately 296 ESFC connections. The City agrees that it will have the capacity in its water treatment system to serve the Tract; however, Developer is required to fund the construction of certain improvements to the City's water supply system in order to provide sufficient service to the Tract.

i. Waterlines.

1. Tract I (Commercial): The City agrees to design and construct, at Developer's expense, an off-site 12-inch waterline which will connect to the City's existing 12-inch waterline ending on Buffalo Springs Drive to Lone Star Parkway as well as the extension of a 12-inch waterline along State Highway 105 from Buffalo Springs Drive to serve Tract I as shown on **Exhibit D** (the "Buffalo Springs and SH-105 Waterlines"). The Buffalo Springs and SH-105 Waterlines will be sized to serve the Tract; will be deemed to be public facilities; and will be constructed in public right of way or a non-exclusive easement area granted by Developer to the City and, to the extent necessary, the City will be responsible for acquiring any necessary public right of way or easement required for the construction of the Buffalo Springs and SH-105 Waterlines.
2. Tract II (Multi-Family): Developer agrees to design and construct, at its expense, the connection required to serve Tract II as shown on **Exhibit F** (the "On-Site Waterline")

by extending a waterline north through Tract I of the development. The On-Site Waterline will be sized to serve Tract II and will be deemed to be public facilities; and will be constructed in a non-exclusive easement area granted by Developer to the City. The final layout of the On-Site Waterline will be approved by the City prior to any construction of the On-Site Waterline.

ii. Funding.

1. Tract I (Commercial): The City will provide Developer with a cost estimate of the design, engineering, and construction costs of the Buffalo Springs and SH-105 Waterlines, and upon presentation of such estimate, Developer agrees to deposit with the City its pro rata share of the funds due for the design (including preliminary design, design, topographic survey, reimbursable expenses, and bid phase services) of the Buffalo Springs and SH-105 Waterlines. The Linear Cost Estimate is attached hereto as **Exhibit H**. The City will be responsible for bidding the Buffalo Springs and SH-105 Waterlines in accordance with competitive bidding laws. Developer shall have the right to review all bids received for the construction of the Buffalo Springs and SH-105 Waterlines, approve the award of the construction contract for the Buffalo Springs and SH-105 Waterlines, and review and approve all pay estimates and change orders related thereto. Upon approval of bids, Developer will deposit its pro rata share of the amount of the accepted bid plus ten percent (10%) contingencies, and the estimated cost for construction administration, inspection, construction staking, and construction materials testing, with the City. The City will keep accurate records of Developer's deposits and Buffalo Springs and SH-105 Waterlines costs, and the City will make such records available for Developer's inspection upon request. Within forty-five (45) days after the City's acceptance of the Buffalo Springs and SH-105 Waterlines, the City shall perform a reconciliation and final accounting and shall reimburse Developer any unpaid funds under the escrow account, less \$3,000.00 which the City will hold in escrow to cover the estimated cost for completion of the one-year warranty inspection to be conducted by the City Engineer. After completion of the one-year warranty and action by the City Council to officially end the warranty period, the City shall perform a reconciliation and final accounting within

forty-five (45) days and shall reimburse Developer any unused funds.

2. Tract II (Multi-Family): The City will provide Developer a cost estimate of inspection costs related to the On-Site Waterline, and upon presentation of such estimate and Developer's approval of the same (such approval not to be unreasonably withheld), Developer agrees to deposit with the City the funds due for the inspection services of the On-Site Waterline. The City will keep accurate records of Developer's deposits and On-Site Waterline inspection costs, and the City will make such records available for Developer's inspection upon request. Within forty-five (45) days of City acceptance of the On-Site Waterline, the City shall perform a reconciliation and final accounting and reimburse Developer any unpaid funds under the escrow account, less \$3,000.00 which the City will hold in escrow to cover the estimated cost for completion of the one-year warranty inspections to be conducted by the City Engineer. After completion of the one-year warranty and action by the City Council to officially end the warranty period, the City shall perform a reconciliation and final accounting within forty-five (45) days and shall reimburse Developer any unused funds.
- iii. **Timing.** The City is obligated to being design of the Buffalo Springs and SH-105 Waterlines upon the mutual execution of this Agreement and receipt of Developer's deposit of the pro rata share of the Design Phase deposit, and is obligated to commence construction of the Buffalo Springs and SH-105 Waterlines within six (6) months after the Effective Date and receipt of the Developer's pro rata share of the required Construction Phase deposit of this Agreement. Developer and the City understand that there are certain factors outside of both Developer's and City's control. Developer agrees to timely fund such design and construction. In the event that the City does not timely commence design and/or construction of the Buffalo Springs and/or SH-105 Waterlines in accordance with this Agreement, or once commenced diligently complete the same, the City agrees that Developer may design and construct the Buffalo Springs and/or SH-105 Waterlines to meet its development needs as stated in Section 2.1(e) below.
- iv. **Ownership.**

1. Tract I (Commercial): The City will accept the Buffalo Springs and SH-105 Waterlines for ownership and

operation, subject only to a one-year maintenance bond to be enforceable by the City from the contractor once the Buffalo Springs and SH-105 Waterlines have been constructed, inspected and all punchlist items have been addressed as confirmed by the City Engineer.

2. Tract II (Multi-Family): The City will accept the On-Site Waterline for ownership and operation subject to a one-year maintenance bond to be enforceable by the City from the contractor once the On-Site Waterline has been constructed, inspected and all punchlist items have been addressed as confirmed by the City Engineer. Upon acceptance of the On-Site Waterline, Developer shall provide the City with as-built drawings in both digital and pdf format.

- c. Wastewater Treatment Facilities. The Parties acknowledge that the Tract will be developed in phases with ultimate wastewater requirements of 73,950 gpd to serve approximately 370 ESFC connections. The City agrees that it will have permitted capacity in its wastewater treatment system to serve the Tract; however, Developer is required to fund the construction of certain improvements to the City's wastewater supply system in order to serve the Tract.

i. Sanitary Sewer Lines.

1. Tract I (Commercial): The City shall be responsible for the extension of an 8" gravity sanitary sewer line along SH-105 and tie into existing Lift Station No. 12, at Developer's expense, as also shown in Exhibit E (the "SH-105 Sanitary Sewer Line"). The SH-105 Sanitary Sewer Line will be sized to serve the Tract; will be deemed to be public facilities; and will be constructed in public right of way or a non-exclusive easement area granted by Developer to the City and, to the extent necessary, the City will be responsible for acquiring any necessary public right of way or easement required for the construction of the SH-105 Sanitary Sewer Line.
2. Tract II (Multi-Family): Developer agrees to design and construct, at its expense, the connection required to serve the Tract II as shown on Exhibit F (the "On-Site Sanitary Sewer Line") by extending a sanitary sewer line north through Tract I of the development. The On-Site Sanitary Sewer Line will be sized to serve the Tract II and will be deemed to be public facilities; and will be constructed in a non-exclusive easement area granted by Developer to the

City. The final layout of the On-Site Sanitary Sewer Line will be approved by the City prior to any construction of the On-Site Sanitary Sewer Line.

ii. Funding.

1. Tract I (Commercial): The City will provide Developer with a cost estimate of the design, engineering, and construction costs of the SH-105 Sanitary Sewer Line, and upon presentation of such estimate, Developer agrees to deposit with the City its pro rata share of the funds due for the design (including preliminary design, design, topographic survey, reimbursable expenses, and bid phase services) of the SH-105 Sanitary Sewer Line. The Linear Cost Estimate is attached hereto as **Exhibit H**. The City will be responsible for bidding the SH-105 Sanitary Sewer Line in accordance with competitive bidding laws. Developer shall have the right to review all bids received for the construction of the SH-105 Sanitary Sewer Line, approve the award of the construction contract for the SH-105 Sanitary Sewer Line, and review and approve all pay estimates and change orders related thereto. Upon approval of bids, Developer will deposit its pro rata share of the accepted bid plus ten percent (10%) contingencies of the estimated cost for construction administration, inspection, construction staking, and construction materials testing, with the City. The City will keep accurate records of Developer's deposits and the SH-105 Sanitary Sewer Line costs and the City will make such records available for Developer's inspection upon request. Within forty-five (45) days after the City's acceptance of the SH-105 Sanitary Sewer Line, the City shall perform a reconciliation and final accounting and shall reimburse Developer any unpaid funds under the escrow account, less \$3,000.00 which the City will hold in escrow to cover the estimated cost for completion of the one-year warranty inspection to be conducted by the City Engineer. After completion of the one-year warranty and action by the City Council to officially end the warranty period, the City shall perform a reconciliation and final accounting within forty-five (45) days and shall reimburse Developer any unused funds.
2. Tract II (Multi-Family): The City will provide Developer a cost estimate of inspection costs related to the On-Site Sanitary Sewer Line, and upon presentation of such estimate and Developer's approval of the same (such

approval not to be unreasonably withheld), Developer agrees to deposit with the City the funds due for the inspection services of the On-Site Sanitary Sewer Line. The City will keep accurate records of Developer's deposits and On-Site Sanitary Sewer Line inspection costs, and the City will make such records available for Developer's inspection upon request. Within forty-five (45) days of City acceptance of the On-Site Sanitary Sewer Line, the City shall perform a reconciliation and final accounting and reimburse Developer any unpaid funds under the escrow account, less \$3,000.00 which the City will hold in escrow to cover the estimated cost for completion of the one-year warranty inspections to be conducted by the City Engineer. After completion of the one-year warranty and action by the City Council to officially end the warranty period, the City shall perform a reconciliation and final accounting within forty-five (45) days and shall reimburse Developer any unused funds.

- iii. **Timing.** The City is obligated to being design of the SH-105 Sanitary Sewer Line upon the mutual execution of this Agreement and receipt of Developer's pro rata share of the Design Phase services deposit, and is obligated to commence construction of the SH-105 Sanitary Sewer Line within six (6) months after the Effective Date of this Agreement and receipt of the Developer's Pro Rata share of the Construction Phase services. Developer and the City understand that there are certain factors outside of both Developer's and City's control. Developer agrees to timely fund such design and construction. In the event that the City does not timely commence design and/or construction of the SH-105 Sanitary Sewer Line in accordance with this Agreement, or once commenced diligently complete the same, the City agrees that Developer may design and construct the SH-105 Sanitary Sewer Line to meet its development needs as stated in Section 2.1(e) below.

iv. **Ownership.**

- 1. Tract I (Commercial): The City will accept the SH-105 Sanitary Sewer Line for ownership and operation, subject only to a one-year maintenance bond to be enforceable by the City from the contractor once the SH-105 Sanitary Sewer Line has been constructed, inspected and all punchlist items have been addressed as confirmed by the City Engineer.

2. Tract II (Multi-Family): The City will accept the On-Site Sanitary Sewer Line for ownership and operation subject to a one-year maintenance bond to be enforceable by the City from the contractor once the On-Site Sanitary Sewer Line has been constructed, inspected and all punchlist items have been addressed as confirmed by the City Engineer. Upon acceptance of the On-Site Sanitary Sewer Line, Developer shall provide the City with as-built drawings in both digital and pdf format.
- d. Drainage Facilities. Developer will submit and receive approval for a drainage study from the City showing that the Tract has no impact on the drainage downstream from the Tract or to the adjacent properties prior to the commencement of construction. Any revisions to the drainage study must be submitted to the City for review and approval (such approval not to be unreasonably withheld, delayed, or conditioned). All drainage and detention facilities must be designed and constructed in accordance with the City Code and the City's floodplain regulations and any applicable Montgomery County Drainage Criteria Manual Standards. All on-site storm sewer systems will be designated as private facilities and will not be accepted by the City upon completion. Any detention ponds will not be accepted by the City but owned and maintained by Developer or a property owners' association created by Developer. Developer is responsible for providing engineering plans and specifications for the drainage and detention system interior to the Tract to the City Engineer for review and approval prior to commencing construction, and to obtain all required Planning and Zoning Commission, City Council, and development approvals and permits.
 - e. Impact Fees. Subject to the provisions of Section 2.1(b)(iii) and Section 2.1(c)(iii) above, Developer agrees to pay all City adopted impact fees for water supply facilities and wastewater treatment facilities ("Impact Fees") in accordance with the City's adopted capital improvements plan. Developer will be assessed and pay Impact Fees at the time of the City's approval of the final plat for each section.

Section 2.2. Roadway Improvements. The Parties acknowledge that certain Roadway Improvements will be made to Buffalo Springs Dr. and CB Stewart Dr. As required by this Development Agreement, Developer agrees to fund a geotechnical report and supply a Traffic Impact Analysis ("TIA"). The final scope of roadway improvements will be based on the results of the geotechnical analysis and TIA.

a. Roadway Improvements

1. **Buffalo Springs Drive Roadway Improvements**: The City agrees to design and construct, at Developer's expense, certain improvements to Buffalo Springs Drive, including sidewalks, removing and replacing existing asphalt roadway with a concrete roadway from the existing end of

the concrete roadway near the northern boundary of the Home Depot site to the north side of the intersection between Buffalo Springs Drive and CB Stewart Drive (the “Buffalo Springs Drive Roadway Improvements”). The Buffalo Springs Drive Roadway Improvements are shown on Exhibit G.

2. **South CB Stewart Drive Roadway Improvements:** The City agrees to design and construct, at Developer’s expense, certain improvements to CB Stewart Drive, including sidewalks, removing and replacing existing asphalt roadway with a concrete roadway from SH-105 to the south boundary of Clepper Street (the “CB Stewart Drive Roadway Improvements (South)”; the Buffalo Springs Drive Roadway Improvements and the CB Stewart Drive Roadway Improvements (South) are collectively referred to as the “Roadway Improvements”) subject to the results of the TIA and geotechnical analysis. The CB Stewart Drive Roadway Improvements (South) are shown on Exhibit G.

b. **Funding.**

1. **Initial Preliminary Deposit:** The City agrees to provide Developer with a cost estimate of the preliminary design and geotechnical report. Upon presentation of such estimates, Developer agrees to deposit with the City the funds due for the preliminary design and geotechnical report (the “Initial Preliminary Deposit”).
2. **Design Phase Deposit:** Upon completion of the geotechnical report and the TIA, to be supplied by Developer, the City at that time will provide a cost estimate of the design and bid phase services of the Roadway Improvements (the “Design Phase Deposit”).
3. **Construction Phase:** The City will be responsible for bidding the Roadway Improvements in accordance with competitive bidding laws. Upon approval of bids, Developer will deposit the accepted bid plus ten percent (10%) contingencies the estimated cost for construction administration, inspection, construction staking, construction materials testing, with the City (the “Construction Phase Deposit”). Developer shall have the right to review all bids received for the construction of the Roadway Improvements, approve the award of the construction contract for the Roadway Improvements, and review and approve all pay estimates and change orders related thereto. The City will

keep accurate records of Developer's deposits and Roadway Improvements costs, and the City will make such records available for Developer's inspection upon request. Within forty-five (45) days after the City's acceptance of the Roadway Improvements, the City shall perform a reconciliation and final accounting and shall reimburse Developer any unpaid funds under the escrow account.

c. Timing

1. Preliminary Design Phase: Within fifteen (15) days of written request of the City, Developer shall deposit the Initial Preliminary Deposit. Upon receipt of funds, the City will release the geotechnical. Upon receipt of the geotechnical recommendations and the TIA, to be supplied by Developer, the City will provide a final scope, and cost of design phase services to the Developer.
2. Final Design Phase: Upon completion of Preliminary Design Phase, the City will submit a written request for the required Design Phase and Bid Phase services to Developer. Within fifteen (15) days of written request of the City, Developer shall deposit the Design Phase Deposit. Upon receipt of the Design Phase Deposit, the City will begin design of the required Roadway Improvements.
3. Construction Phase: Upon completion of design and receipt of all required agency approvals, the City will bid the Roadway Improvements. Upon receipt of bids, Developer agrees to deposit the Construction Phase Deposit within fifteen (15) days of written receipt from the City on the award of the project.

d. Ownership.

The City will accept such roadway improvements for ownership and operation subject to a one-year maintenance bond to be enforceable by the City from the contractor once the roadway has been constructed, inspected and all punchlist items have been addressed as confirmed by the City Engineer.

ARTICLE III.

Section 3.1. Reimbursement. The Parties shall enter into a 380 agreement, in the form attached hereto as Exhibit J and incorporated herein (the "380 Agreement"), to reimburse Developer up to Four Million Eight Hundred Thousand and No/100 Dollars (\$4,800,000.00) for Developer's funding of the Facilities (collectively, the "Reimbursement"). The Reimbursement will be paid out over a term not to exceed ten (10) years from the Effective Date of this Agreement. The Reimbursement amount shall be paid back from the annual sales revenue received from the development by 95% of the annual sales revenue received by the City and 50% of the annual revenue received by the Montgomery Economic Development

Corporation. The Developer will also be eligible to reimbursement for their pro rata share of the extension of the Buffalo Springs Waterline as outlined by Section 90-109 of the City's Code of Ordinances. Should the Developer collect its pro rata share from a future Developer as outlined by the City's Code of Ordinances, this amount shall be reduced from the total Reimbursement to be paid by the City.

ARTICLE IV

DEFAULT AND TERMINATION

Section 4.1. Material Breach of Agreement. It is the intention of the parties to this Agreement that the Tract be developed in accordance with the terms of this Agreement.

The Parties acknowledge and agree that any substantial deviation by Developer from the material terms of this Agreement would frustrate the intent of this Agreement, and, therefore, would be a material breach of this Agreement. A material breach of this Agreement by Developer shall be deemed to have occurred in the event of failure of Developer to comply with a provision of this Agreement or the City Code provisions applicable to the Tract.

The Parties acknowledge and agree that any substantial deviation by the City from the material terms of this Agreement would frustrate the intent of this Agreement and, therefore, would be a material breach of this Agreement. By way of example only and without limitation, a material breach of this Agreement by the City shall be deemed to have occurred in any of the following instances:

- (i) An attempt by the City to delay or limit reimbursement to Developer in violation of the provisions of this Agreement and/or the Economic Development Incentive Agreement; or
- (ii) An attempt by the City to enforce any provisions of the City Code within the Tract that is inconsistent with the terms and conditions of this Agreement.

In the event that a party to this Agreement believes that another party has, by act or omission, committed a material breach of this Agreement, the provisions of this Article IV shall provide the remedies for such default.

Section 4.2. Notice of Developer's Default.

a. The City shall notify Developer in writing of an alleged failure by Developer to comply with a provision of this Agreement, describing the alleged failure with reasonable particularity. Developer shall, within thirty (30) days after receipt of the notice or a longer period of time as the City may specify in the notice, either cure the alleged failure or, in a

written response to the City, either present facts and arguments in refutation or excuse of the alleged failure or state that the alleged failure will be cured and set forth the method and time schedule for accomplishing the cure.

b. The City shall determine: (i) whether a failure to comply with a provision has occurred; (ii) whether the failure is excusable; and (iii) whether the failure has been cured or will be cured by Developer. The alleged defaulting party shall make available to the City, if requested, any records, documents or other information necessary to make the determination, except to the extent that such information is protected by attorney/client privilege.

c. If the City determines that the failure has not occurred, or that the failure either has been or will be cured in a manner and in accordance with a schedule reasonably satisfactory to the City, or that the failure is excusable, the determination shall conclude the investigation.

d. If the City determines that a failure to comply with a provision has occurred and that the failure is not excusable and has not been or will not be cured by Developer in a manner and in accordance with a schedule reasonably satisfactory to the City, then the City may pursue any and all remedies it has at law or equity.

Section 4.3. Notice of City's Default.

a. Developer shall notify the City in writing specifying any alleged failure by the City to comply with a provision of this Agreement, describing the alleged failure with reasonable particularity. The City shall, within thirty (30) days after receipt of the notice or the longer period of time as Developer may specify in the notice, either cure the alleged failure or, in a written response to Developer, either present facts and arguments in refutation or excuse of the alleged failure or state that the alleged failure will be cured and set forth the method and time schedule for accomplishing the cure.

b. Developer shall determine: (i) whether a failure to comply with a provision has occurred; (ii) whether the failure is excusable; and (iii) whether the failure has been cured or will be cured by the City. The City shall make available to Developer, if requested, any records, documents or other information necessary to make the determination that are subject to the Public Information Act, Chapter 551, Texas Government Code.

c. If Developer determines that the failure has not occurred, or that the failure either has been or will be cured in a manner and in accordance with a schedule reasonably satisfactory to Developer, or that the failure is excusable, the determination shall conclude the investigation.

d. If Developer determines a failure to comply with a provision has occurred and that the failure is not excusable and has not been or will not be cured by the City in a manner and in accordance with a schedule reasonably satisfactory to Developer, then Developer may pursue any and all remedies it has at law or equity.

Section 4.4. Remedies. In addition to all the rights and remedies provided under the laws of the State of Texas, because of the peculiar damage each party hereto might suffer by virtue of a default by another party, each party shall be entitled to the equitable remedy of specific performance or mandamus, as well as all other legal and equitable remedies available.

ARTICLE V.

CITY'S ACKNOWLEDGEMENT TO REZONING

Section 5.1 Acknowledgement to Rezoning of Tract II. On or before the Effective Date of this Agreement, Developer shall submit to the City its petition to rezone Tract II from Commercial to Multi-Family. The City hereby agrees that it shall support a resolution rezoning Tract II from Commercial to Multi-Family and hereby agrees that it shall cooperate with Developer to obtain all required Planning and Zoning Commission and City Council approvals on such terms acceptable to Developer. Additionally, the City hereby agrees that it shall support a variance establishing a parking ratio for Tract II of 1.5 spaces per unit and a parking ratio for Tract I of 4 spaces per 1,000 square feet of leasable square footage.

ARTICLE VI.

MISCELLANEOUS

Section 6.1. Sale of Tract; Assignability. Any agreement by Developer to sell the entirety or any portion of the Tract to a person intending to develop the tract or such portion thereof (a "Successor Developer," whether one or more) and any instrument of conveyance for the entirety or any portion of the Tract to such Successor Developer shall recite and incorporate this Agreement and provide that this Agreement be binding on such Successor Developer. Notwithstanding the foregoing, the City hereby acknowledges that Developer intends to sell Tract II pursuant to that certain Purchase and Sale Agreement dated April 25, 2025 (as may be amended and assigned, the "Tract II PSA"), by and between Developer, as seller, and Morgan PRL Development LLC, a Texas limited liability company (together with its successors and assigns under the Tract II PSA, "Morgan"). In no event shall Morgan be deemed a Successor Developer under this Agreement. In addition, this Agreement is not intended to be, and shall not be, binding on the ultimate purchasers of parcels out of the Tract. This Agreement is assignable upon written notice to the City; such notice of assignment shall be given within thirty (30) days of an assignment and such notice shall include evidence that the assignee has assumed the obligations under this Agreement.

Section 6.2. Force Majeure. In the event a party is rendered unable, wholly or in part, by force majeure, to carry out any of its obligations under this Agreement, it is agreed that on such party's giving notice and full particulars of such force majeure in writing to the other parties as soon as possible after the occurrence of the cause relied upon, then the obligations of the party giving such notice, to the extent it is affected by force majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused to the extent provided, but for no longer period. Such cause shall as far as possible be remedied with all reasonable dispatch.

The term "force majeure" as used herein shall include, but not be limited to, acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy or of

terrorism, war, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, droughts, tornadoes, hurricanes, arrests and restraints of governments and people, suspension of issuance of permits by environmental agencies outside the control of any party, explosions, breakage or damage to machinery or pipelines and any other inabilities of any party, whether similar to those enumerated or otherwise, and not within the control of the party claiming such inability, which by the exercise of due diligence and care such party could not have avoided.

Section 6.3. Law Governing. This Agreement shall be governed by the laws of the State of Texas, and no lawsuit shall be prosecuted on this Agreement except in a federal or state court of competent jurisdiction.

Section 6.4. No Additional Waiver Implied. No waiver or waivers of any breach or default (or any breaches or defaults) by any party hereto of any term, covenant, condition, or liability hereunder, or the performance by any party of any duty or obligation hereunder, shall be deemed or construed to be a waiver of subsequent breaches or defaults of any kind, under any circumstances.

Section 6.5. Addresses and Notice. Unless otherwise provided in this Agreement, any notice, communication, request, reply, or advise (herein severally and collectively, for convenience, called "Notice") herein provided or permitted to be given, made, or accepted by any party to another (except bills), must be in writing and may be given or be served by depositing the same in the United States mail postpaid and registered or certified and addressed to the party to be notified. Notice deposited in the mail in the manner hereinabove described shall be conclusively deemed to be effective, unless otherwise stated in this Agreement, from and after the expiration of three (3) days after it is deposited. Notice given in any such other manner shall be effective when received by the party to be notified. For the purpose of notice, addresses of the parties shall, until changed as hereinafter provided, be as follows:

If to the City, to:

City of Montgomery, Texas
101 Old Plantersville Road
Montgomery, TX 77535
Attention: City Administrator

With a copy to City attorney:

Johnson Petrov LLP
2929 Allen Parkway, Suite 3150
Houston, TX 77019
Attention: Alan P. Petrov

If to Developer, to:

BCS Montgomery LLC
Attn: Jack Burgher, Partner
1940 Fountain View Drive, Suite 220
Houston, Texas 77057

With a copy to:

Acuff & Associates, PLLC
2340 Lipscomb Street
Fort Worth, Texas 76110

The Parties shall have the right from time to time and at any time to change their respective addresses and each shall have the right to specify any other address by at least fifteen (15) days' written notice to the other party.

Section 6.6. Merger and Modification. This Agreement, including the exhibits that are attached hereto and incorporated herein for all purposes, embodies the entire agreement between the Parties relative to the subject hereof. This Agreement shall be subject to change or modification only with the mutual written consent of all the Parties.

Section 6.7. Severability. The provisions of this Agreement are severable, and if any part of this Agreement or the application thereof to any person or circumstances shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of part of this Agreement to other persons or circumstances shall not be affected thereby.

Section 6.8. Benefits of Agreement. This Agreement is for the benefit of the City and Developer and shall not be construed to confer any benefit on any other person except as expressly provided for herein.

Section 6.9. Recordation. The City shall record this Agreement and any amendments thereof in the deed records of Montgomery County. In addition, any assignments of this Agreement shall be recorded in the deed records of Montgomery County. This Agreement, when recorded, shall be a covenant running with the land and binding upon the Tract, the Parties and their assignees during the term of this Agreement. However, this Agreement shall not be binding upon and shall not constitute any encumbrance to title as to any purchaser of a tract or lot within the Tract who does not intend to resell, subdivide or develop the tract or lot in the ordinary course of business.

Section 6.10. Term. This Agreement shall be in force and effect from the Effective Date and continue for a term of thirty (30) years unless otherwise previously terminated pursuant to some term or condition of this Agreement or by express written agreement by the City and Developer. Upon expiration of thirty (30) years from the Effective Date of this Agreement, this Agreement may be extended upon mutual consent of Developer and the City.

Section 6.11. Authority for Execution. The City hereby certifies, represents and warrants that the execution of this Agreement is duly authorized and adopted in conformity with the City Code. Developer hereby certifies, represents and warrants that the execution of this Agreement is duly authorized and adopted in conformity with the articles of incorporation and bylaws or partnership agreement of such entity.

(Signature Pages to Follow)

Executed by Developer and the City to be effective on the Effective Date.

BCS MONTGOMERY LLC,
a Texas limited liability company

By: BCS Capital Management LLC,
its Manager

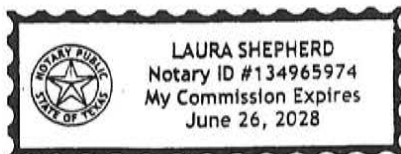
By: [Signature]
Name: Robert Cannon
Title: Manager
Date: August 5, 2025

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me this 5th day of August, 2025, by Robert Cannon, Manager of BCS Capital Management LLC, a Texas limited liability company, the Manager of BCS Montgomery LLC, a Texas limited liability company.

[Signature]
Notary Public, State of Texas

(NOTARY SEAL)



CITY OF MONTGOMERY, TEXAS

Sara Countryman, Mayor

ATTEST:

Name: Ruby Beaven
Title: City Secretary

STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

This instrument was acknowledged before me this _____ day of July 2025, by Sara Countryman, Mayor, City of Montgomery, Texas, on behalf of said City.

Notary Public, State of Texas

(NOTARY SEAL)

EXHIBIT "A"
METES AND BOUNDS DESCRIPTION OF THE TRACT

Tract I:

County: Montgomery
Project: 20500 Eva St Montgomery
M&B No: 24-226(r)
CS Job No: 24222

METES AND BOUNDS DESCRIPTION OF A 32.409 ACRE TRACT

Being a tract of land containing 32.409 acres, located in the John Corner Survey, Abstract Number 9, in Montgomery County, Texas; Said 32.409 acres being out of a called 84.10 acre tract of land recorded in the name of Mara Moja Holdings, LLC in Montgomery County Clerk's File (M.C.C.F.) Number 2004110206 and being out of Restricted Reserve "B" of Mara Mojaville, a subdivision recorded in Cabinet "Z", Sheet 1624, of the Montgomery County Map Records (M.C.M.R.); Said 32.409 acre tract being more particularly described by metes and bounds as follows (all bearings are referenced to the Texas Coordinate System of 1983, Central Zone):

BEGINNING, at a 5/8-inch iron rod found at the north corner of Restricted Reserve "A" of said Mara Mojaville on the southeast Right-of-Way (R.O.W.) line of C.B. Stewart Drive (width varies per Cabinet "Y", Sheet 51, of the M.C.M.R.);

THENCE, with the southeast R.O.W. line of said C.B. Stewart Drive the following three (3) courses:

1. 205.87 feet along the arc of a curve to the right, having a radius of 610.00 feet, a central angle of 19° 20' 11", and a chord that bears North 38° 16' 00" East, a distance of 204.89 feet to a 5/8-inch iron rod found for a point of tangency;
2. North 47° 56' 06" East, a distance of 396.03 feet to a 5/8-inch iron rod found for an angle point;
3. North 54° 32' 00" East, a distance of 71.22 feet to a 5/8-inch iron rod found for the west corner of a transition line from the southeast R.O.W. line of said C.B. Stewart Drive to the southwest R.O.W. line of Buffalo Springs Drive (width varies per Cabinet "Y", Sheet 51, of the M.C.M.R.);

THENCE, South 89° 13' 47" East, with said transition line, a distance of 16.46 feet to a 5/8-inch iron rod found for the east corner of said transition line;

THENCE, with the southwest and west R.O.W. lines of said Buffalo Springs Drive the following six (6) courses:

1. South 52° 59' 33" East, a distance of 95.45 feet to a 5/8-inch iron rod found for an angle point;
2. South 47° 27' 18" East, a distance of 545.16 feet to a 5/8-inch iron rod found for the beginning of a curve to the right;
3. 689.43 feet along the arc of a curve to the right, having a radius of 710.00 feet, a central angle of 55° 38' 08", and a chord that bears South 19° 38' 14" East, a distance of 662.66 feet to a 5/8-inch capped iron rod set for a point of tangency;

4. South 08° 10' 49" West, a distance of 285.23 feet to a 5/8-inch capped iron rod found for an angle point;
5. South 11° 32' 49" West, a distance of 340.59 feet to a 5/8-inch iron rod found for an angle point;
6. South 08° 10' 49" West, a distance of 146.53 feet to a 5/8-inch capped iron rod set at the northwest intersection of said Buffalo Springs Drive and State Highway 105 (width varies) on the south line of said 84.10 acre tract;

THENCE, North 81° 56' 46" West, with south line of said 84.10 acre tract and the north R.O.W. line of said State Highway 105, a distance of 793.09 feet to a 5/8-inch capped iron rod found for the southeast corner of a called 6.59 acre tract of land recorded in the name of AMJJ, LLC in M.C.C.F. Number 2013017790, from which a Texas Department of Transportation monument found for an angle point in the north line of said State Highway 105 bears North 81° 56' 46" West, a distance of 288.26 feet;

THENCE, North 01° 53' 11" East, through and across said 84.10 acre tract and said Restricted Reserve "B" and with the east line of said 6.59 acre tract, a distance of 776.31 feet to a 5/8-inch capped iron rod found for the northeast corner of said 6.59 acre tract;

THENCE, North 89° 22' 41" West, continuing through and across said 84.10 acre tract and said Restricted Reserve "B" and with the north line of said 6.59 acre tract, a distance of 388.34 feet to a 5/8-inch capped iron rod found for the northwest corner of said 6.59 acre tract on the southeast R.O.W. line of aforesaid C.B. Stewart Drive;

THENCE, North 02° 24' 12" East, with the west line of said Restricted Reserve "B" and the southeast R.O.W. line of said C.B. Stewart Drive, a distance of 30.01 feet to a 5/8-inch capped iron rod set at the northwest corner of said Restricted Reserve "B" and the southwest corner of Restricted Reserve "A" of said Mara Mojaville;

THENCE, South 89° 23' 37" East, with a line common to said Restricted Reserve "B" and said Restricted Reserve "A", a distance of 339.00 feet to a 5/8-inch capped iron rod set for an angle point;

THENCE, through and across said Restricted Reserve "B", the following two (2) courses:

1. North 04° 42' 11" West, a distance of 116.44 feet to a 5/8-inch capped iron rod set for an angle point;
2. North 34° 33' 56" West, a distance of 140.83 feet to a 5/8-inch capped iron rod set on the east line of said Restricted Reserve "A";

THENCE, with the lines common to said Restricted Reserve "A" and "B", the following two (2) courses:

1. North 02° 13' 14" West, a distance of 106.54 feet to a 5/8-inch iron rod found for the northeast corner of said Restricted Reserve "A";
2. **THENCE**, North 61° 57' 37" West, with the north line of said Restricted Reserve "A", a distance of 186.90 feet to the **POINT OF BEGINNING** and containing 32.409 acres of land.

Tract II:

County: Montgomery

Project: 20500 Eva St Montgomery
M&B No: 25-070
CS Job No: 24222

METES AND BOUNDS DESCRIPTION OF A 6.591 ACRE TRACT

Being a tract of land containing 6.591 acres, located in the John Corner Survey, Abstract Number 9, in Montgomery County, Texas; Said 6.591 acres being all of a called 6.59 acre tract of land recorded in the name of AMJJ, LLC in Montgomery County Clerk's File Number (M.C.C.F. No.) 2013017790; Said 6.591 acre tract being more particularly described by metes and bounds as follows (all bearings are referenced to the Texas Coordinate System of 1983, Central Zone):

BEGINNING, at a 5/8-inch iron rod found at the southwest corner of said 6.59 acre tract, same being the northeast intersection of State Highway 105 (width varies) and C.B. Stewart Drive (width varies per Cabinet "Y", Sheet 51, of the Montgomery County Map Records (M.C.M.R.)), for the southwest corner of the herein described tract;

THENCE, with the west lines of said 6.59 acre tract and with the east Right-of-Way (R.O.W.) line of said C.B. Stewart Drive, the following three (3) courses:

1. North 02° 19' 12" East, a distance of 152.89 feet to a 5/8-inch iron rod found at an angle point;
2. North 00° 32' 17" West, a distance of 400.50 feet to a 5/8-inch iron rod found at an angle point;
3. North 02° 24' 12" East, at a distance of 36.56 feet pass a 5/8-inch iron rod found at the southwest corner of Restricted Reserve "B" of Mara Mojaville, a subdivision recorded in Cabinet "Z", Sheet 1624, of the M.C.M.R., continuing with the west line of said Restricted Reserve "B" an overall distance of 182.09 feet to a 5/8-inch capped iron rod found at the northwest corner of said 6.59 acre tract and the herein described tract;

THENCE, South 89° 22' 41" East, with the north line of said 6.59 acre tract, through and across said Restricted Reserve "B", a distance of 388.34 feet to a 5/8-inch capped iron rod found at the northeast corner of said 6.59 acre tract and the herein described tract;

THENCE, South 01° 53' 11" West, with the east line of said 6.59 acre tract and continuing through and across said Restricted Reserve "B", at a distance of 126.76 feet pass the south line of said Restricted Reserve "B", same being an angle point in the remainder of a called 84.10 acre tract recorded in the name of Mara Moja Holdings, Ltd. in M.C.C.F. No. 2004110206, continuing an overall distance of 776.31 feet to a 5/8-inch capped iron rod found at the southeast corner of said 6.59 acre tract, on the north R.O.W. line of said State Highway 105, for the southeast corner of the herein described tract;

THENCE, with the south lines of said 6.59 acre tract, and with the north R.O.W. lines of said State Highway 105, the following two (2) courses:

1. North 81° 49' 28" West, a distance of 288.26 feet to a 5/8-inch iron rod with a Texas Department of Transportation aluminum disk found at an angle point;
2. North 87° 25' 36" West, a distance of 87.58 feet to the **POINT OF BEGINNING** and containing 6.591 acres of land.

EXHIBIT "B"
METES AND BOUNDS DESCRIPTION OF TRACT I

Tract I:

County: Montgomery
Project: 20500 Eva St Montgomery
M&B No: 24-226(r)
CS Job No: 24222

METES AND BOUNDS DESCRIPTION OF A 32.409 ACRE TRACT

Being a tract of land containing 32.409 acres, located in the John Corner Survey, Abstract Number 9, in Montgomery County, Texas; Said 32.409 acres being out of a called 84.10 acre tract of land recorded in the name of Mara Moja Holdings, LLC in Montgomery County Clerk's File (M.C.C.F.) Number 2004110206 and being out of Restricted Reserve "B" of Mara Mojaville, a subdivision recorded in Cabinet "Z", Sheet 1624, of the Montgomery County Map Records (M.C.M.R.); Said 32.409 acre tract being more particularly described by metes and bounds as follows (all bearings are referenced to the Texas Coordinate System of 1983, Central Zone):

BEGINNING, at a 5/8-inch iron rod found at the north corner of Restricted Reserve "A" of said Mara Mojaville on the southeast Right-of-Way (R.O.W.) line of C.B. Stewart Drive (width varies per Cabinet "Y", Sheet 51, of the M.C.M.R.);

THENCE, with the southeast R.O.W. line of said C.B. Stewart Drive the following three (3) courses:

1. 205.87 feet along the arc of a curve to the right, having a radius of 610.00 feet, a central angle of 19° 20' 11", and a chord that bears North 38° 16' 00" East, a distance of 204.89 feet to a 5/8-inch iron rod found for a point of tangency;
2. North 47° 56' 06" East, a distance of 396.03 feet to a 5/8-inch iron rod found for an angle point;
3. North 54° 32' 00" East, a distance of 71.22 feet to a 5/8-inch iron rod found for the west corner of a transition line from the southeast R.O.W. line of said C.B. Stewart Drive to the southwest R.O.W. line of Buffalo Springs Drive (width varies per Cabinet "Y", Sheet 51, of the M.C.M.R.);

THENCE, South 89° 13' 47" East, with said transition line, a distance of 16.46 feet to a 5/8-inch iron rod found for the east corner of said transition line;

THENCE, with the southwest and west R.O.W. lines of said Buffalo Springs Drive the following six (6) courses:

1. South 52° 59' 33" East, a distance of 95.45 feet to a 5/8-inch iron rod found for an angle point;
2. South 47° 27' 18" East, a distance of 545.16 feet to a 5/8-inch iron rod found for the beginning of a curve to the right;
3. 689.43 feet along the arc of a curve to the right, having a radius of 710.00 feet, a central angle of 55° 38' 08", and a chord that bears South 19° 38' 14" East, a distance of 662.66 feet to a 5/8-inch capped iron rod set for a point of tangency;

4. South 08° 10' 49" West, a distance of 285.23 feet to a 5/8-inch capped iron rod found for an angle point;
5. South 11° 32' 49" West, a distance of 340.59 feet to a 5/8-inch iron rod found for an angle point;
6. South 08° 10' 49" West, a distance of 146.53 feet to a 5/8-inch capped iron rod set at the northwest intersection of said Buffalo Springs Drive and State Highway 105 (width varies) on the south line of said 84.10 acre tract;

THENCE, North 81° 56' 46" West, with south line of said 84.10 acre tract and the north R.O.W. line of said State Highway 105, a distance of 793.09 feet to a 5/8-inch capped iron rod found for the southeast corner of a called 6.59 acre tract of land recorded in the name of AMJJ, LLC in M.C.C.F. Number 2013017790, from which a Texas Department of Transportation monument found for an angle point in the north line of said State Highway 105 bears North 81° 56' 46" West, a distance of 288.26 feet;

THENCE, North 01° 53' 11" East, through and across said 84.10 acre tract and said Restricted Reserve "B" and with the east line of said 6.59 acre tract, a distance of 776.31 feet to a 5/8-inch capped iron rod found for the northeast corner of said 6.59 acre tract;

THENCE, North 89° 22' 41" West, continuing through and across said 84.10 acre tract and said Restricted Reserve "B" and with the north line of said 6.59 acre tract, a distance of 388.34 feet to a 5/8-inch capped iron rod found for the northwest corner of said 6.59 acre tract on the southeast R.O.W. line of aforesaid C.B. Stewart Drive;

THENCE, North 02° 24' 12" East, with the west line of said Restricted Reserve "B" and the southeast R.O.W. line of said C.B. Stewart Drive, a distance of 30.01 feet to a 5/8-inch capped iron rod set at the northwest corner of said Restricted Reserve "B" and the southwest corner of Restricted Reserve "A" of said Mara Mojaville;

THENCE, South 89° 23' 37" East, with a line common to said Restricted Reserve "B" and said Restricted Reserve "A", a distance of 339.00 feet to a 5/8-inch capped iron rod set for an angle point;

THENCE, through and across said Restricted Reserve "B", the following two (2) courses:

1. North 04° 42' 11" West, a distance of 116.44 feet to a 5/8-inch capped iron rod set for an angle point;
2. North 34° 33' 56" West, a distance of 140.83 feet to a 5/8-inch capped iron rod set on the east line of said Restricted Reserve "A";

THENCE, with the lines common to said Restricted Reserve "A" and "B", the following two (2) courses:

1. North 02° 13' 14" West, a distance of 106.54 feet to a 5/8-inch iron rod found for the northeast corner of said Restricted Reserve "A";
2. **THENCE**, North 61° 57' 37" West, with the north line of said Restricted Reserve "A", a distance of 186.90 feet to the **POINT OF BEGINNING** and containing 32.409 acres of land.

LESS AND EXCEPT:

METES AND BOUNDS DESCRIPTION OF A 11.084 ACRE TRACT

Being a tract of land containing 11.084 acres, located in the John Corner Survey, Abstract Number 8, in Montgomery County, Texas; Said 11.084 acres being out of the remainder of a called 84.10 acre tract of land recorded in the name of Mara Moja Holdings, LLC in Montgomery County Clerk's File (M.C.C.F.) Number 2004110206 and being out of Restricted Reserve "B" of Minor Replat of Mara Mojaville, a subdivision recorded in Cabinet "Z", Sheet 1624, of the Montgomery County Map Records (M.C.M.R.); Said 11.084 acre tract being more particularly described by metes and bounds as follows (all bearings are referenced to the Texas Coordinate System of 1983, Central Zone):

BEGINNING, at a 5/8-inch iron rod found at the north corner of Restricted Reserve "A" of said Minor Replat of Mara Mojaville, on the southeast Right-of-Way (R.O.W.) line of C.B. Stewart Drive (width varies per Cabinet "Y", Sheet 51, of the M.C.M.R.), for the most westerly corner of the herein described tract;

THENCE, with the southeast R.O.W. line of said C.B. Stewart Drive, the following three (3) courses:

1. 205.87 feet along the arc of a curve to the right, having a radius of 610.00 feet, a central angle of $19^{\circ} 20' 11''$, and a chord that bears North $38^{\circ} 16' 00''$ East, a distance of 204.89 feet to a 5/8-inch iron rod found at a point of tangency;
2. North $47^{\circ} 56' 06''$ East, a distance of 396.03 feet to a 5/8-inch iron rod found at an angle point;
3. North $54^{\circ} 32' 00''$ East, a distance of 71.22 feet to a 5/8-inch iron rod found at the west end of a transition line from the southeast R.O.W. line of said C.B. Stewart Drive to the southwest R.O.W. line of Buffalo Springs Drive (width varies per Cabinet "Y", Sheet 51, of the M.C.M.R.), for the westerly north corner of the herein described tract;

THENCE, South $89^{\circ} 13' 47''$ East, with said transition line, a distance of 16.46 feet to a 5/8-inch iron rod found at the east end of said transition line, for the easterly north corner of the herein described tract;

THENCE, with the southwest R.O.W. line of said Buffalo Springs Drive, the following three (3) courses:

1. South $52^{\circ} 59' 33''$ East, a distance of 95.45 feet to a 5/8-inch iron rod found at an angle point;
2. South $47^{\circ} 27' 18''$ East, a distance of 545.16 feet to a 5/8-inch iron rod found at the beginning of a curve to the right;
3. 87.66 feet along the arc of said curve to the right, having a radius of 710.00 feet, a central angle of $07^{\circ} 04' 26''$, and a chord that bears South $43^{\circ} 55' 06''$ East, a distance of 87.60 feet to a 5/8-inch capped iron rod set for the most easterly corner of the herein described tract;

THENCE, through and across said remainder tract, the following four (4) courses:

1. South $87^{\circ} 35' 42''$ West, a distance of 133.48 feet to a 5/8-inch capped iron rod set at the beginning of a curve to the left;
2. 45.27 feet along the arc of said curve to the left, having a radius of 30.00 feet, a central angle of $86^{\circ} 27' 26''$, and a chord that bears South $44^{\circ} 54' 53''$ West, a distance of 41.09 feet to a 5/8-inch capped iron rod set at a point of tangency;

3. South 00° 41' 22" East, a distance of 301.08 feet to a 5/8-inch capped iron rod set for the southeast corner of the herein described tract;
4. North 81° 53' 01" West, at a distance of 453.58 feet pass the east line of said Restricted Reserve "B", continuing through and across said Restricted Reserve "B" a total distance of 664.97 feet to a 5/8-inch capped iron rod set for the southwest corner of the herein described tract;

THENCE, North 34° 33' 56" West, continuing through and across said Restricted Reserve "B", a distance of 84.32 feet to a 5/8-inch capped iron rod set on a northerly west line of said Restricted Reserve "B" and on the east line of said Restricted Reserve "A";

THENCE, North 02° 13' 14" West, with a line common to said Restricted Reserves "A" and "B", a distance of 106.54 feet to a 5/8-inch iron rod found at the northerly northwest corner of said Restricted Reserve "B" and the northeast corner of said Restricted Reserve "A";

THENCE, North 61° 57' 37" West, with the north line of said Restricted Reserve "A", a distance of 186.90 feet to the **POINT OF BEGINNING** and containing 11.084 acres of land.

Tract II:

County: Montgomery
Project: 20500 Eva St Montgomery
M&B No: 25-070
CS Job No: 24222

METES AND BOUNDS DESCRIPTION OF A 6.591 ACRE TRACT

Being a tract of land containing 6.591 acres, located in the John Corner Survey, Abstract Number 9, in Montgomery County, Texas; Said 6.591 acres being all of a called 6.59 acre tract of land recorded in the name of AMJJ, LLC in Montgomery County Clerk's File Number (M.C.C.F. No.) 2013017790; Said 6.591 acre tract being more particularly described by metes and bounds as follows (all bearings are referenced to the Texas Coordinate System of 1983, Central Zone):

BEGINNING, at a 5/8-inch iron rod found at the southwest corner of said 6.59 acre tract, same being the northeast intersection of State Highway 105 (width varies) and C.B. Stewart Drive (width varies per Cabinet "Y", Sheet 51, of the Montgomery County Map Records (M.C.M.R.)), for the southwest corner of the herein described tract;

THENCE, with the west lines of said 6.59 acre tract and with the east Right-of-Way (R.O.W.) line of said C.B. Stewart Drive, the following three (3) courses:

1. North 02° 19' 12" East, a distance of 152.89 feet to a 5/8-inch iron rod found at an angle point;
2. North 00° 32' 17" West, a distance of 400.50 feet to a 5/8-inch iron rod found at an angle point;
3. North 02° 24' 12" East, at a distance of 36.56 feet pass a 5/8-inch iron rod found at the southwest corner of Restricted Reserve "B" of Mara Mojaville, a subdivision recorded in Cabinet "Z", Sheet 1624, of the M.C.M.R., continuing with the west line of said Restricted Reserve "B" an overall distance of 182.09 feet to a 5/8-inch capped iron rod found at the northwest corner of said 6.59 acre tract and the herein described tract;

THENCE, South 89° 22' 41" East, with the north line of said 6.59 acre tract, through and across said Restricted Reserve "B", a distance of 388.34 feet to a 5/8-inch capped iron rod found at the northeast corner of said 6.59 acre tract and the herein described tract;

THENCE, South 01° 53' 11" West, with the east line of said 6.59 acre tract and continuing through and across said Restricted Reserve "B", at a distance of 126.76 feet pass the south line of said Restricted Reserve "B", same being an angle point in the remainder of a called 84.10 acre tract recorded in the name of Mara Moja Holdings, Ltd. in M.C.C.F. No. 2004110206, continuing an overall distance of 776.31 feet to a 5/8-inch capped iron rod found at the southeast corner of said 6.59 acre tract, on the north R.O.W. line of said State Highway 105, for the southeast corner of the herein described tract;

THENCE, with the south lines of said 6.59 acre tract, and with the north R.O.W. lines of said State Highway 105, the following two (2) courses:

1. North 81° 49' 28" West, a distance of 288.26 feet to a 5/8-inch iron rod with a Texas Department of Transportation aluminum disk found at an angle point;
2. North 87° 25' 36" West, a distance of 87.58 feet to the **POINT OF BEGINNING** and containing 6.591 acres of land.

EXHIBIT "C"
METES AND BOUNDS DESCRIPTION OF TRACT II

METES AND BOUNDS DESCRIPTION OF A 11.084 ACRE TRACT

Being a tract of land containing 11.084 acres, located in the John Corner Survey, Abstract Number 8, in Montgomery County, Texas; Said 11.084 acres being out of the remainder of a called 84.10 acre tract of land recorded in the name of Mara Moja Holdings, LLC in Montgomery County Clerk's File (M.C.C.F.) Number 2004110206 and being out of Restricted Reserve "B" of Minor Replat of Mara Mojaville, a subdivision recorded in Cabinet "Z", Sheet 1624, of the Montgomery County Map Records (M.C.M.R.); Said 11.084 acre tract being more particularly described by metes and bounds as follows (all bearings are referenced to the Texas Coordinate System of 1983, Central Zone):

BEGINNING, at a 5/8-inch iron rod found at the north corner of Restricted Reserve "A" of said Minor Replat of Mara Mojaville, on the southeast Right-of-Way (R.O.W.) line of C.B. Stewart Drive (width varies per Cabinet "Y", Sheet 51, of the M.C.M.R.), for the most westerly corner of the herein described tract;

THENCE, with the southeast R.O.W. line of said C.B. Stewart Drive, the following three (3) courses:

1. 205.87 feet along the arc of a curve to the right, having a radius of 610.00 feet, a central angle of 19° 20' 11", and a chord that bears North 38° 16' 00" East, a distance of 204.89 feet to a 5/8-inch iron rod found at a point of tangency;
2. North 47° 56' 06" East, a distance of 396.03 feet to a 5/8-inch iron rod found at an angle point;
3. North 54° 32' 00" East, a distance of 71.22 feet to a 5/8-inch iron rod found at the west end of a transition line from the southeast R.O.W. line of said C.B. Stewart Drive to the southwest R.O.W. line of Buffalo Springs Drive (width varies per Cabinet "Y", Sheet 51, of the M.C.M.R.), for the westerly north corner of the herein described tract;

THENCE, South 89° 13' 47" East, with said transition line, a distance of 16.46 feet to a 5/8-inch iron rod found at the east end of said transition line, for the easterly north corner of the herein described tract;

THENCE, with the southwest R.O.W. line of said Buffalo Springs Drive, the following three (3) courses:

1. South 52° 59' 33" East, a distance of 95.45 feet to a 5/8-inch iron rod found at an angle point;
2. South 47° 27' 18" East, a distance of 545.16 feet to a 5/8-inch iron rod found at the beginning of a curve to the right;
3. 87.66 feet along the arc of said curve to the right, having a radius of 710.00 feet, a central angle of 07° 04' 26", and a chord that bears South 43° 55' 06" East, a distance of 87.60 feet to a 5/8-inch capped iron rod set for the most easterly corner of the herein described tract;

THENCE, through and across said remainder tract, the following four (4) courses:

1. South 87° 35' 42" West, a distance of 133.48 feet to a 5/8-inch capped iron rod set at the beginning of a curve to the left;

2. 45.27 feet along the arc of said curve to the left, having a radius of 30.00 feet, a central angle of $86^{\circ} 27' 26''$, and a chord that bears South $44^{\circ} 54' 53''$ West, a distance of 41.09 feet to a 5/8-inch capped iron rod set at a point of tangency;
3. South $00^{\circ} 41' 22''$ East, a distance of 301.08 feet to a 5/8-inch capped iron rod set for the southeast corner of the herein described tract;
4. North $81^{\circ} 53' 01''$ West, at a distance of 453.58 feet pass the east line of said Restricted Reserve "B", continuing through and across said Restricted Reserve "B" a total distance of 664.97 feet to a 5/8-inch capped iron rod set for the southwest corner of the herein described tract;

THENCE, North $34^{\circ} 33' 56''$ West, continuing through and across said Restricted Reserve "B", a distance of 84.32 feet to a 5/8-inch capped iron rod set on a northerly west line of said Restricted Reserve "B" and on the east line of said Restricted Reserve "A";

THENCE, North $02^{\circ} 13' 14''$ West, with a line common to said Restricted Reserves "A" and "B", a distance of 106.54 feet to a 5/8-inch iron rod found at the northerly northwest corner of said Restricted Reserve "B" and the northeast corner of said Restricted Reserve "A";

THENCE, North $61^{\circ} 57' 37''$ West, with the north line of said Restricted Reserve "A", a distance of 186.90 feet to the **POINT OF BEGINNING** and containing 11.084 acres of land.

EXHIBIT "D"
PUBLIC WATERLINE EXTENSION (OFF-SITE)



- Legend**
- Tax Parcel
 - City EIT
 - City Limits
 - Subject Property

- Water
- Hydrant
- Water Main Valve
- Water Main
- Proposed Water Main



EXHIBIT C: Public Waterline Improvements



Disclaimer: This project is intended for general purposes only and may not be used for any other purpose without the express written consent of the City of Montgomery. The City of Montgomery is not responsible for any errors or omissions on this exhibit represents the approximate location of property, marked boundaries or lot lines.

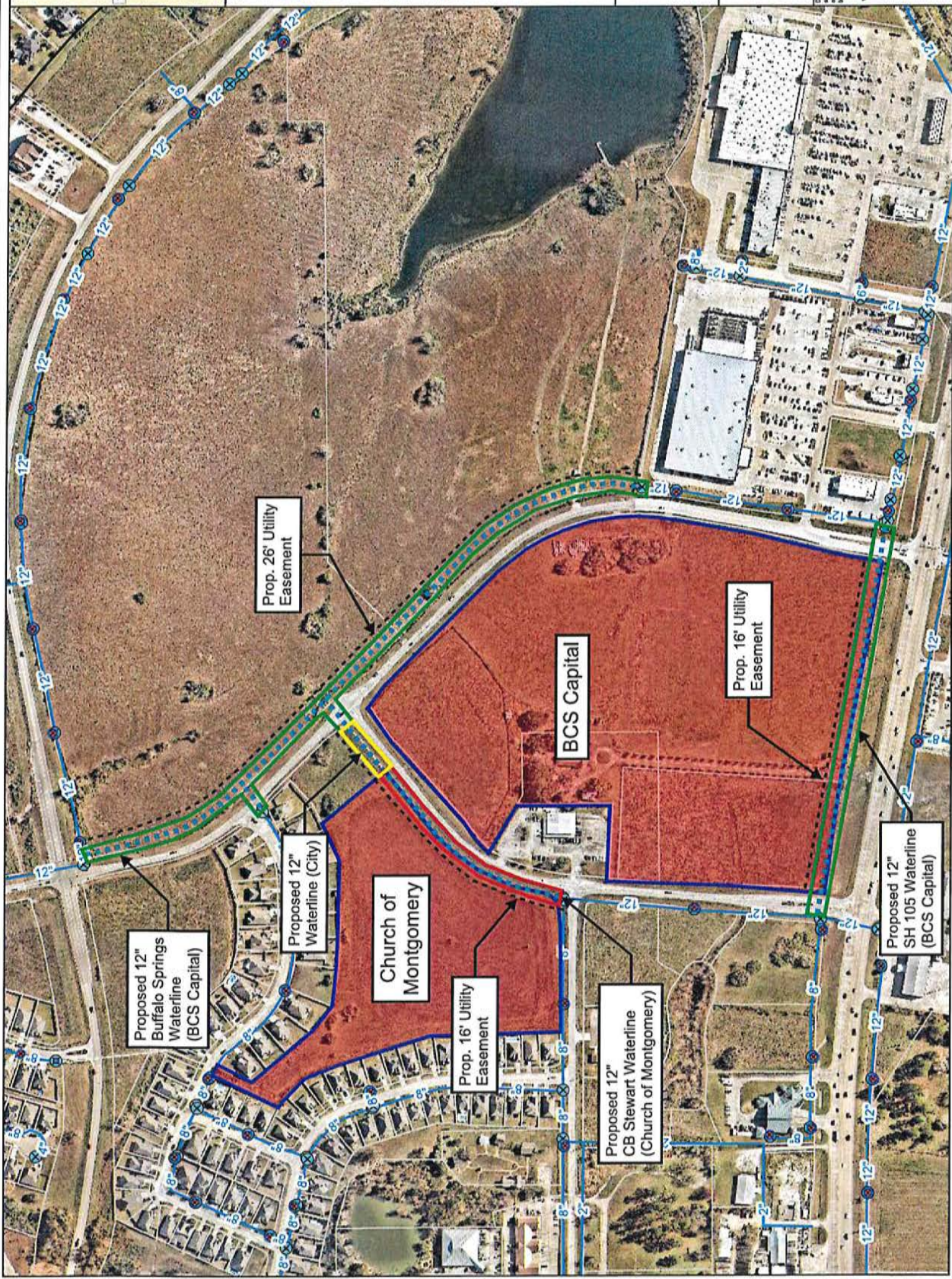


EXHIBIT "E"
PUBLIC SANITARY SEWER EXTENSION (OFF-SITE)



Legend

- Tax Parcel
- City ETJ
- City Limits
- Subject Property

- Sanitary Sewer
- Sanitary Sewer Gravity Main
- Proposed Gravity Main
- Sanitary Sewer Manhole
- Lift Station



**EXHIBIT D:
Public Sanitary Sewer
Improvements**



Disclaimer: This project is offered for informational purposes only and may not be used for any other purpose without the express written consent of the City of Montgomery. The City of Montgomery is not responsible for the accuracy of the information presented on this exhibit, which represents the approximate location of property boundaries and easements.



EXHIBIT "F"
PUBLIC UTILITY EXTENSION (ON-SITE)



L SQUARED ENGINEERING
 CIVIL, MECHANICAL, ELECTRICAL
 1000 N. 10TH ST. SUITE 100
 DENVER, CO 80202
 (303) 733-1100
 www.l2engineering.com

DESIGNED BY: L2 ENGINEERING
 CHECKED BY: L2 ENGINEERING
 DATE: 06/15/2021

BCS MASS GRADING

OVERALL SITE PLAN

NO.	DATE	DESCRIPTION
1	06/15/2021	ISSUED FOR PERMIT
2	06/15/2021	REVISIONS
3	06/15/2021	REVISIONS
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99	06/15/2021	REVISIONS
100	06/15/2021	REVISIONS

THIS DOCUMENT IS PREPARED FOR THE PROJECT AND IS NOT TO BE USED FOR ANY OTHER PROJECT WITHOUT THE WRITTEN CONSENT OF L2 ENGINEERING.

DATE: 06/15/2021

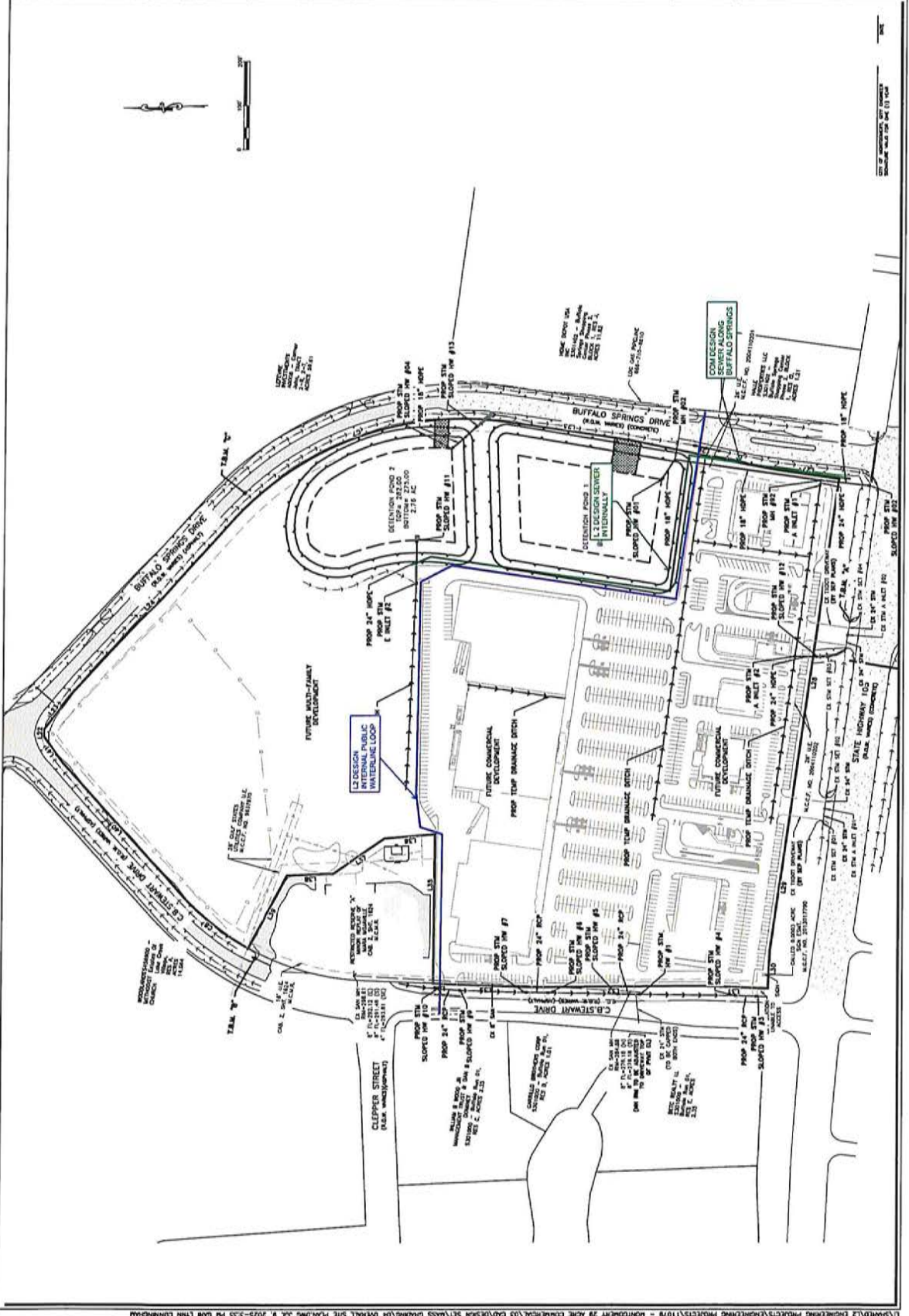
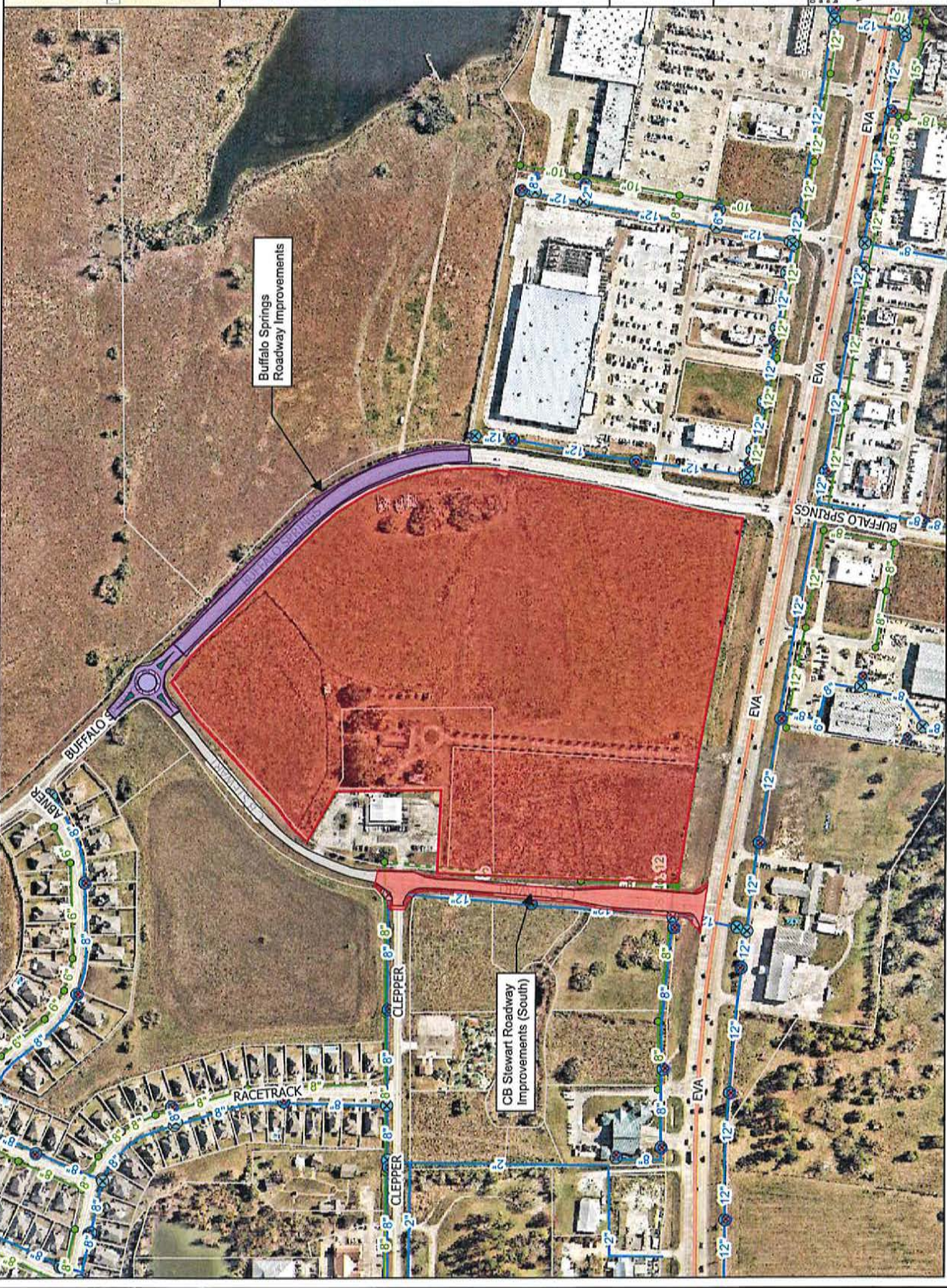


EXHIBIT "G"
ROADWAY IMPROVEMENTS



Legend

- BCS Capital Additional Tract (6 AC)
- Road Improvement Area (CB Stewart)
- Road Improvement Area (Buffalo Springs)
- Mountable Curb
- Center Median
- Proposed Divided Median
- Tax Parcel



**EXHIBIT H:
Boundary & Road
Improvements**



Disclaimer: This project is offered for informational purposes only and may not be used for any other purpose. The City of Montgomery is not responsible for the accuracy of the information on this exhibit represents the approximate location of property boundaries and the location of the project.



EXHIBIT "H"
LINEAR COST ESTIMATE



Preliminary Cost Estimate
Buffalo Springs and CB Stewart Public Infrastructure Improvements
City of Montgomery
7/2/2025

Item No.	Description	Quantity	Unit	Unit Price	Cost
<u>General</u>					
1	Mobilization, Bonds, and Insurance	1	LS	\$ 35,000	\$ 35,000
2	Construction Staking	1	LS	7,500	7,500
3	Trench Safety System	6,070	LF	2	12,100
4	SWPPP	1	LS	10,000	10,000
5	Traffic Control Plan	1	LS	15,000	15,000
6	Site Restoration	1	LS	10,000	10,000
Total General Costs					\$ 89,600
<u>Waterline - Church of Montgomery</u>					
7	12-Inch C900 PVC Waterline (Open Cut Construction) ⁽⁵⁾	800	LF	100	80,000
8	12-Inch Gate Valve	2	EA	2,500	5,000
9	12-Inch Wet Connect & Removal of Plug and Clamp	1	EA	2,000	2,000
10	Hydrants	2	EA	8,000	16,000
Total Church of Montgomery Costs					\$ 103,000
<u>Waterline - BCS Capital</u>					
11	12-Inch C900 PVC Waterline (Open Cut Construction)	3,550	LF	100	355,000
12	Additional Cost for 16-Inch Steel Casing via Jack & Bore	470	LF	225	105,800
13	12-Inch Gate Valve	9	EA	2,500	22,200
14	12-Inch Wet Connect & Removal of Plug and Clamp	5	EA	2,000	10,000
15	Hydrants	9	EA	8,000	72,000
Total BCS Capital Costs					\$ 565,000
<u>Sanitary Sewer - BCS Capital</u>					
15	8" PVC Sanitary Sewer (Open Cut Construction)	2,230	LF	100	223,000
16	Additional Cost for 16-Inch Steel Casing (Trenchless Construction)	240	LF	225	54,000
17	4' Sanitary Sewer Manhole	6	EA	10,000	55,800
18	Demolition of Lift Station No. 12	1	LS	12,000	12,000
19	Core into Existing Manhole	1	EA	2,000	2,000
Total BCS Capital Costs					\$ 346,800
<u>Waterline - City</u>					
16	12-Inch C900 PVC Waterline (Open Cut Construction)	200	LF	100	20,000
17	12-Inch Gate Valve	1	EA	2,500	1,300
18	12-Inch Wet Connect & Removal of Plug and Clamp	1	EA	2,000	2,000
19	Hydrants	1	EA	8,000	4,000
Total City Costs					\$ 27,300
Construction Subtotal					\$ 1,132,000
Contingencies (15%)					\$ 170,000
Engineering - Preliminary, Design, and Bidding					\$ 80,000
Construction Administration and Inspection					\$ 45,000
Fees and Expenses					\$ 5,000
Construction Materials Testing					\$ 15,000
Total					\$ 1,447,000
Church of Montgomery Pro Rata Share					\$ 170,700
BCS Capital Pro Rata Share					\$ 1,233,600
City Pro Rata Share					\$ 42,700

Notes:

- (1) All values rounded up to the nearest hundred.
- (2) This estimate is based on my best judgement as a design professional familiar with the construction industry. We cannot and do not guarantee that bids will not vary from this cost estimate.
- (3) This includes reproduction, advertising expenses, and other miscellaneous reimbursable costs.
- (4) Amounts to be funded by each party will be based on pro-rata share of the total linear footage of the proposed utility extensions.
- (5) Due to the proposed demand of the Church of Montgomery an 8" waterline will be required. The City is requesting to upsize this line to 12" to assist with projected future demand in the area.

EXHIBIT "I"
MASTER GENERAL PLAN

EXHIBIT "J"
380 AGREEMENT

CHAPTER 380 ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT
BCS MONTGOMERY, LLC

THIS ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT (the “**Agreement**”) is executed by and between the City of Montgomery, Texas (the “**City**”), the Montgomery Economic Development Corporation (the “**MEDC**”), and BCS Montgomery, LLC, a Texas limited liability company (“**BCS**”). The City, MEDC, and BCS may individually be referred to as a “**Party**” and collectively as the “**Parties**.”

WITNESSETH:

WHEREAS, BCS is in the process of purchasing and developing approximately 39 acres of land located within Montgomery County, Texas (the “**Tract**”), as generally described and depicted in Exhibit “A.” The Tract will be composed of (i) approximately 27.916 acres of land (“**Tract I**”) located inside the corporate limits of the City, and (ii) approximately 11.084 acres of land (“**Tract II**”) to be used for a new commercial and multi-family developments; and

WHEREAS, the City has requested BCS to fund the design, management, and construction of certain public infrastructure improvements adjacent to the Tract, and, in return, BCS requested certain economic development incentives to defray a portion of those costs of the improvements and infrastructure associated with the Tract; and

WHEREAS, Chapter 380 of the Texas Local Government Code provides that Texas municipalities may create programs to promote local economic development; and

WHEREAS, the City has concluded and hereby finds that this Agreement clearly promotes economic development in the City and, as such, meets the requisites under Chapter 380 of the Texas Local Government Code, as amended, and further, is in the best interests of the City, BCS and MEDC; and

WHEREAS, the Texas Development Corporation Act, contained in Chapters 501-505 of the Texas Local Government Code, as amended (the “**Act**”), authorizes the MEDC to provide economic development grants for infrastructure necessary to promote or develop new or expanded business enterprises and as such, constitutes a “**project**,” as that term is defined in the Act; and

WHEREAS, the City and the MEDC have determined that making economic development grants to BCS in accordance with this Agreement will further the objectives of the City and the MEDC, will benefit the City and the City’s inhabitants, will promote local economic development, will stimulate commercial and business activity, and will generate additional sales tax and will enhance the property tax base and economic vitality of the City; and

WHEREAS, the City has adopted programs for promoting economic development, and this Agreement and the economic development incentives set forth herein are given and provided by the City pursuant to and in accordance with those programs.

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 City, the MEDC, and BCS covenant and agree as follows:

1. **Definitions.** For purposes of this Agreement, each of the following terms shall have the meaning set forth below unless the context clearly indicates otherwise:

"Annual Sales Tax Grants" shall mean economic development grants, each in the amount equal to that portion of the Sales Tax Receipts received by the City and the MEDC for the applicable Sales Tax Reporting Period, to be paid annually to BCS as set forth herein. The amount of each Annual Sales Tax Grant shall be computed by multiplying the Sales Tax Receipts received by the City by ninety-five percent (95%) and for the MEDC by fifty percent (50%) for the given Sales Tax Reporting Period times, less the administrative fee charged to the City and MEDC by the State of Texas. For purposes of clarification, and as defined in "Sales and Use Tax," below, the sales tax referenced herein subject to the aforementioned ninety-five percent (95%) and fifty percent (50%) limitation is (i) the City's one percent (1.0%) general municipal sales and use tax imposed pursuant to Chapter 321, Texas Tax Code, on the sale of Taxable Items consummated on the Tract; and (ii) with respect to the MEDC, one-quarter of one percent (0.25%) sales and use tax imposed pursuant to the Texas Development Corporation Act, Chapter 501, Texas Local Government Code.

"Bankruptcy or Insolvency" shall mean the dissolution or termination of a Party's existence as a going business, insolvency, appointment of receiver for any part of such Party's property and such appointment is not terminated within one hundred twenty (120) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such Party and such proceeding is not dismissed within one hundred twenty (120) days after the filing thereof.

"Commencement Date" shall mean the date a certificate of occupancy is issued by the City for occupancy of the Improvements by BCS.

"Completion of Construction" shall mean that (i) substantial completion of the Improvements has occurred; and (ii) the City has issued a certificate of occupancy for occupancy of the Improvements by BCS.

"Consummated" is defined in Section 321.203, Texas Tax Code, or its successor.

"Effective Date" shall mean the last date of execution hereof.

"Expiration Date" shall mean the earlier of: (i) ten (10) years from the Effective Date of this agreement; or (ii) the date of payment of the Maximum Sales Tax Grant amount.

"Force Majeure" shall mean any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, government or de facto governmental action or inaction (unless caused by the intentionally wrongful acts or omissions of the Party), fires, explosions or floods, strikes,

slowdowns or work stoppages, and epidemic, pandemic, or other widespread disease (and including delays due thereto continuing after such event has ended).

"Impositions" shall mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees and other charges, whether general or special, ordinary or extraordinary, foreseen or unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority or the City on BCS, and/or a BCS affiliate, and applicable to the development of the Tract or any property or any business owned by BCS.

"Improvements" shall mean the SH-105 Waterline, the SH-150 Sanitary Sewer Line, the On-Site Waterline, the On-Site Sanitary Sewer Line, and the South CB Stewart Drive Roadway Improvements (as such terms are defined in that certain Development Agreement dated _____, by the City and BCS) to be constructed on the Tract, more fully described in the submittals filed by BCS with the City, from time to time, in order to obtain a building permit(s).

"Maximum Sales Tax Grant" shall mean the cumulative payment of Annual Sales Tax Grants to BCS in the amount up to four million eight hundred thousand dollars (\$4,800,000.00), provided however, in the event the North CB Stewart Drive Roadway Improvements (as such term is defined in the Development Agreement) are required, the payment of Annual Sales Tax Grants to BCS shall be proportionately increased.

"Party" shall mean any party to this Agreement.

"Payment Request" shall mean a written request from BCS to the City and the MEDC for payment of an Annual Sales Tax Grant for the applicable Sales Tax Reporting Period.

"Sales and Use Tax" shall mean (i) with respect to the City, the City's one percent (1.0%) general municipal sales and use tax imposed pursuant to Chapter 321, Texas Tax Code, on the sale of Taxable Items consummated on the Tract; and (ii) with respect to the MEDC, one-quarter of one percent (0.25%) sales and use tax imposed pursuant to the Texas Development Corporation Act, Chapter 501, Texas Local Government Code, on behalf of MEDC, on the sale of Taxable Items consummated on the Tract, and MEDC sales and use tax proceeds shall be utilized only for those purposes authorized pursuant to the Texas Development Corporation Act.

"Sales Tax Area Reports" shall mean reports provided by the Comptroller to the City pursuant to Texas Tax Code, Section 321.3022, or other provision of the Texas Tax Code, with respect to Sales and Use Tax allocations to the City attributable to the sale of Taxable Items by BCS consummated on the Tract or if such reports are not available from the Comptroller, such other documentation in a form reasonably acceptable to the City setting forth the collection of Sales and Use Tax by BCS received by the City from the Comptroller for the sale of Taxable Items by BCS consummated on the Tract.

"Sales Tax Certificate" shall mean one or more Sales Tax Area Reports or a report provided by the Comptroller to the City in accordance with Section 321.3022, Texas Tax Code (or other applicable provision of the Texas Tax Code), which lists the amount of Sales and Use Tax collected (including any refunds, credits or adjustments) for the Sales Tax Reporting Period paid by a business located on the property and received by the City (and the MEDC) from the

Comptroller from the sale of Taxable Items consummated on the Tract and, in turn, paid by the Comptroller to the City (and to the City on behalf of the MEDC) for use by the City in accordance with this Agreement; or, if such a report is not available, then a certificate or statement in a form reasonably approved by the City, setting forth the collection of Sales and Use Tax (including any refunds, credits or adjustments) received by the City from the Comptroller, from the sale of Taxable Items consummated on the Tract, including supporting documentation, to be provided by BCS that provides the same or similar information, as such other information as the City may reasonably require from time to time.

"Sales Tax Receipts" shall mean (i) with respect to the City, the City's receipt of the City's Sales and Use Tax from the Comptroller from collection of Sales and Use Tax (it being expressly understood that the City's use of the sales and use tax receipts are being used only as a measurement for its use of general funds to make a grant for economic development purposes) as a result of the sale of Taxable Items for the Sales Tax Reporting Period consummated on the Tract; and (ii) with respect to the MEDC, the MEDC's receipt of the MEDC's Sales and Use Tax from the Comptroller from collection of Sales and Use Tax (it being expressly understood that the MEDC use of the sales and use tax receipts are being used only as a measurement for its use of general funds to make a grant for authorized economic development purposes) as a result of the sale of Taxable Items by BCS for the Sales Tax Reporting Period consummated on the Tract.

"Sales Tax Reporting Period" shall mean a calendar year (with the calendar year ending December 31) except that the first Sales Tax Reporting Period shall begin on the Commencement Date and continue through and include the last day of the first full calendar year following the Commencement Date.

"State of Texas" shall mean the Office of the Texas Comptroller, or its successor.

"Taxable Items" shall mean both "taxable items" and "taxable services" as those terms are defined by Chapter 151, Texas Tax Code, as amended.

"Tract" shall mean the approximately 39 acres of land to be developed by Developer, as described in **Exhibit A** attached hereto and incorporated herein.

"Tract I" shall mean the approximately 27.916 acres of land to be developed by Developer for commercial purposes, as described in **Exhibit B** attached hereto and incorporated herein.

"Tract II" shall mean the approximately 11.084 acres of land to be developed by Developer for multi-family purposes, as described in **Exhibit C** attached hereto and incorporated herein.

2. Sales Tax Grants.

(a) **Annual Sales Tax Grants.** Subject to the continued satisfaction of all the terms and conditions of this Agreement by BCS, the City and the MEDC (collectively referred to as "Grantors") agree to provide BCS with an Annual Sales Tax Grant until the Expiration Date of this Agreement, not to exceed the Maximum Sales Tax Grant in the aggregate. The Annual Sales

Tax Grants shall be paid within ninety (90) days after receipt of a Payment Request. Each Payment Request shall be submitted to the City not later than April 1 of the calendar year immediately following the end of the applicable Sales Tax Reporting Period (or 90 days immediately following the end of the applicable Sales Tax Reporting Period if such period is not on a calendar year basis), beginning with the first Sales Tax Reporting Period. Failure to timely submit a Payment Request for a given Sales Tax Grant Reporting Period shall require the City to notify BCS of such failure to submit and give BCS thirty (30) days to cure after its receipt of such notice.

(b) Refunds and Underpayments of Annual Sales Tax Grants. In the event the State of Texas issues a final determination that the City erroneously received (or failed to receive), for the benefit of the City and the MEDC, Sales Tax Receipts, or that the amount of Sales and Use Tax paid exceeds (or is less than) the correct amount of Sales and Use Tax for a previous Sales Tax Reporting Period, for which BCS has received an Annual Sales Tax Grant, BCS shall, within sixty (60) days after receipt of notification thereof from the City specifying the amounts by which such Annual Sales Tax Grant exceeded (or was less than) the amount to which BCS was entitled, adjust (up or down, depending on the facts) the amount claimed due for the Annual Sales Tax Grant payment for the Sales Tax Reporting Period immediately following such determination. If BCS does not adjust the amount claimed due for the Annual Sales Tax Grant payment for the Sales Tax Reporting Period immediately following such State of Texas determination the City may, at its option, adjust the Annual Sales Tax Grant payment for the Sales Tax Reporting Period immediately following such State of Texas determination. If the adjustment results in funds to be paid back to the City for the benefit of the City and the MEDC, BCS shall repay its respective amounts to the City within ninety (90) days after receipt of such State of Texas determination; provided as a condition precedent to payment of such refund, the City shall provide BCS with a copy of such determination issued by the State of Texas. If the adjustment results in additional funds to be paid to BCS, the City shall pay such amount to BCS as part of the next Annual Sales Tax Grant payment. The provisions of this Section shall survive termination of this Agreement.

(c) Grant Payment Termination: Suspension. The payment of the Annual Sales Tax Grants shall terminate on the effective date of a final determination by the State of Texas or other appropriate agency or court of competent jurisdiction that the Tract is not a place of business resulting in Sales and Use Taxes being due the City (and/or the MEDC) from the sale of Taxable Items on the Tract. In the event the State of Texas seeks to invalidate the Tract as a place of business where Sales and Use Tax was properly remitted to the State of Texas (the "Comptroller Challenge") the payment of Annual Sales Tax Grants by the City (including the MEDC) hereunder shall be suspended until such Comptroller Challenge is resolved in whole favorably to the City (including the MEDC). In such event, BCS shall not be required to return or refund Annual Sales Tax Grants previously received from the City provided BCS is actively defending against and/or contesting the Comptroller Challenge and BCS promptly informs the City in writing of such BCS actions and with copies of all documents and information related thereto. In the event the Comptroller Challenge is resolved favorably to the City, the City shall remit to BCS all unpaid Annual Sales Tax Grants that it would have otherwise been entitled to during the suspension due to the Comptroller Challenge. In the event the Comptroller Challenge is not resolved favorably to the City and/or in the event the State of Texas determines that the Tract is not a place of business where the Sales and Use Tax was properly remitted to the State of Texas, and Sales and Use Tax Receipts previously paid or remitted to the City relating to the Improvements are reversed and

required to be repaid to the State of Texas, then the obligation to pay the Annual Sales Tax Grants shall terminate and BCS shall refund all respective amounts of Annual Sales Tax Grants received by BCS from the City that relate to the Comptroller Challenge, which refund shall be paid to the City within ninety 90 days after the date that the Comptroller Challenge required the City to repay Sales and Use Tax Receipts.

(d) Sales Tax Reports. The City and BCS designate this Agreement as a “revenue sharing agreement,” thereby entitling the City to request annual sales and use tax information from the Comptroller, pursuant to Section 321.3022 of the Texas Tax Code, as amended. The City shall request in writing that the Comptroller issue sales tax reports pursuant to Section 321.3022 for total sales of Taxable Items consummated on the Tract by BCS and the payment of Sales and Use Tax (the “Sales Tax Reports”) for each calendar year during the term hereof.

(e) Confidentiality. Unless otherwise determined by the Texas Attorney General in writing, the sales and use tax documentation referenced in this Agreement shall be considered confidential financial information contained in a public document (or other reproduction media) not subject to release to the public. The City shall seek a written opinion from the Texas Attorney General raising any applicable exception to release, prior to any release to a third-party under the Texas Public Information Act. The Parties agree, however, that this Agreement shall not be considered confidential.

3. Administration. The City, by and through its City Administrator, or designee, shall have the authority to administer this Agreement on behalf of the MEDC, including the receipt of Payment Requests and the payment of Annual Sales Tax Grants on behalf of the MEDC.

4. Obligations. The obligation of the City and the MEDC to provide the Annual Sales Tax Grants hereunder shall be conditioned upon the compliance and satisfaction of each of the terms and conditions of this Agreement by BCS and each of the terms and conditions set forth below:

(a) Tenant Lists. BCS shall provide the City with an updated list of tenants at the Tract each year in December. This list should include all businesses that occupied the Tract during the calendar year. This list will be used to calculate the Annual Sales Tax collected at the Tract. Failure to provide the tenant list may impact the timely delivery of the Sales Tax Grant payment.

(b) Good Standing. BCS shall not have an uncured breach of this Agreement.

(c) Completion of Construction of the Improvements. BCS shall, subject to events of Force Majeure, cause Completion of Construction to occur on or before _____.

5. Termination Provisions.

(a) Termination. This Agreement terminates on the Expiration Date, and may, prior to the Expiration Date, be terminated upon any one or more of the following:

- (1) by mutual written agreement of the Parties;
 - (2) by a Party, if another Party defaults or breaches any of the terms or conditions of this Agreement, and such default or breach is not cured within ninety (90) days after written notice thereof, provided it shall not constitute a breach or default if corrective action is instituted by or on behalf of such Party within the ninety (90) day period and diligently pursued until the breach or default is corrected;
 - (3) by the City and/or the MEDC, if any Impositions owed to the City, the MEDC or the State of Texas by BCS with respect to the Tract shall have become delinquent (provided, however, BCS retains the right to timely and properly protest and contest any such taxes or Impositions);
 - (4) by the City and/or the MEDC, if BCS suffers a Bankruptcy or Insolvency;
 - (5) by any Party if any subsequent federal or state legislation or any final and non-appealable decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal or unenforceable; or
- (b) Offsets. The City (and on behalf of the MEDC) may at its option, offset any amounts due and payable under this Agreement against any debt (including taxes) lawfully due to the City and/or the MEDC from BCS, regardless of whether the amount due arises pursuant to the terms of this Agreement or otherwise, provided, however, the debt due the City has been finally determined or reduced to judgment by a court of competent jurisdiction.

6. **Binding Agreement.** The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the Parties.

7. **Limitation on Liability.** It is understood and agreed between the Parties that BCS in satisfying the conditions of this Agreement has acted independently, and the City and the MEDC assume no responsibilities or liabilities to third parties in connection with BCS actions. Further, BCS agrees to indemnify and hold harmless the City and the MEDC from all claims, suits, demands, and causes of actions by a third party arising solely out of its own, but not the other's, actions and performance under this Agreement, as hereinafter referenced.

8. **No Joint Venture.** It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the Parties.

9. **Authorization.** Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement.

10. **Construction of Agreement; 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 Montgomery County, Texas. Venue for any action arising under this Agreement shall lie in Montgomery County, Texas.

11. **Notices.** Any notices required or permitted to be given hereunder 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, to:

City of Montgomery, Texas
101 Old Plantersville Road
Montgomery, TX 77535
Attention: City Administrator

With a copy to City attorney:

Johnson Petrov LLP
2929 Allen Parkway, Suite 3150
Houston, TX 77019
Attention: Alan P. Petrov

If to the Developer, to:

BCS Montgomery LLC Attn:
Jack Burgher, Manager
1940 Fountain View Drive, Suite 220
Houston, Texas 77057 With

a copy to:

Acuff & Associates, PLLC 2340
Lipscomb Street
Fort Worth, Texas 76110

12. **Attorney's Fees to Prevailing Party.** In the event any Party initiates or defends any legal action or proceeding against another Party 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).

13. **Entire Agreement; Binding Effect of Agreement.** This Agreement contains the entire agreement between the parties hereto and supersedes all prior agreements, oral or written, with respect to the subject matter hereof.

14. **Indemnification.**

(a) BCS AGREES TO DEFEND, INDEMNIFY AND HOLD THE CITY, THE MEDC, AND THEIR RESPECTIVE OFFICERS, AGENTS AND EMPLOYEES (COLLECTIVELY FOR THE PURPOSE OF THIS SECTION, THE "CITY") HARMLESS FROM AND AGAINST ANY AND ALL REASONABLE LIABILITIES, DAMAGES, CLAIMS, LAWSUITS, JUDGMENTS, ATTORNEY FEES, COSTS, EXPENSES, AND DEMANDS BY THE STATE OF TEXAS INsofar AS SUCH LIABILITIES, DAMAGES, CLAIMS, LAWSUITS, JUDGMENTS, ATTORNEY FEES, COSTS, EXPENSES, AND DEMANDS ARISE OUT OF A CLAIM BY THE STATE OF TEXAS THAT THE CITY HAS BEEN PAID ERRONEOUSLY, HAS BEEN OVER-PAID OR HAS BEEN INCORRECTLY ALLOCATED SALES AND USE TAX ATTRIBUTED SOLELY TO THE SALE OF TAXABLE ITEMS BY BCS AND/OR BCS AFFILIATES CONSUMMATED ON THE TRACT DURING THE TERM OF THIS AGREEMENT, IT BEING THE INTENTION OF THE PARTIES THAT BCS SHALL BE RESPONSIBLE FOR THE REPAYMENT OF ANY ANNUAL SALES TAX GRANTS PAID TO BCS HEREIN BY THE CITY (AND THE MEDC) THAT RELATE TO SALES AND USE TAX RECEIPTS THAT THE STATE OF TEXAS HAS DETERMINED WERE ERRONEOUSLY PAID, DISTRIBUTED, OR ALLOCATED TO OR COLLECTED BY THE CITY. THE INDEMNIFICATION SHALL NOT APPLY TO ANY LIABILITY RESULTING SOLELY FROM ERRORS OR OMISSIONS OF THE CITY OR THE MEDC. THE PROVISIONS OF THIS SECTION SHALL SURVIVE TERMINATION OF THIS AGREEMENT. THE PROVISIONS OF THIS SECTION ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND DO NOT CREATE ANY OBLIGATIONS FROM OR GRANT ANY CONTRACTUAL OR OTHER RIGHTS TO ANY OTHER PERSON OR ENTITY, OTHER THAN OBLIGATIONS, IF ANY, THAT ARISE FROM BCS TO THE CITY TO PERFORM OBLIGATIONS CREATED BY THIS SECTION.

(b) NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS SECTION 15, IT IS UNDERSTOOD AND AGREED THAT IN THE EVENT AND TO THE EXTENT THAT ANY INDEMNIFIED PARTY IS ENTITLED TO INDEMNIFICATION FROM BCS UNDER THE TERMS OF PARAGRAPH (A) ABOVE IN RESPECT OF ANY OF THE LIABILITIES, DAMAGES, CLAIMS, LAWSUITS, JUDGMENTS, ATTORNEY FEES, COSTS, EXPENSES, AND DEMANDS REFERRED TO THEREIN, BCS SHALL NOT BE JOINTLY AND SEVERALLY LIABLE FOR SUCH AMOUNT, BUT INSTEAD SHALL EACH BE RESPONSIBLE INDIVIDUALLY ONLY FOR AN AMOUNT EQUAL TO FIFTY PERCENT (50%) OF THE AMOUNT PAYABLE TO ANY SUCH INDEMNIFIED PARTY AND SUCH AMOUNT PAYABLE BY EACH OF BCS SHALL LIMITED TO AND SHALL NOT EXCEED THE TOTAL AMOUNT OF ANNUAL SALES TAX GRANTS PREVIOUSLY RECEIVED BY EACH OF THEM PURSUANT TO THIS AGREEMENT.

15. **Invalidation.** Invalidation of any one of the provisions of this Agreement by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.

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

17. **Severability.** In the event any provision of this Agreement shall be determined by any court of competent jurisdiction to be invalid or unenforceable, this 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.

18. **Authority to Execute Agreement.** This Agreement shall become a binding obligation on the signatories upon execution by all signatories hereto. The City warrants and represents that (1) it has all requisite power and authority under the Constitution and laws of the State of Texas to enter into and perform its obligations under this Agreement, and (2) the individual executing this Agreement on behalf of the City has full authority to execute this Agreement and bind the City to the same. The MEDC warrants and represents (1) it has all requisite power and authority under the Constitution and laws of the State of Texas to enter into and perform its obligations under this Agreement, and (2) the individual executing this Agreement on behalf of the MEDC has full authority to execute this Agreement and bind the MEDC to the same.

BCS warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind BCS to same.

19. **Non-Binding 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.

20. **Compliance with Chapter 2264, Texas Government Code.** BCS certifies that it does not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. If during the term of this Agreement, BCS, or its successors, heirs, assigns, grantees, trustees, representatives, and all others holding any interest in the Tract now or in the future, is convicted of a violation under 8 U.S.C. § 1324a(f), BCS shall repay the amount of the public subsidy provided under this Agreement plus interest, at the rate of eight percent (8%), not later than the 120th day after the date the City notifies BCS of the violation.

21. **Amendment.** This Agreement may only be amended by a written agreement executed by the Parties.

22. **Recitals.** The recitals in this Agreement are true and correct, represent representations and warranties of the Parties, and are incorporated as part of this Agreement for all purposes.

23. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

24. **Exhibits.** All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

25. **Survival of Covenants.** Any covenants of the Parties that are to be performed after termination of this Agreement shall survive termination of this Agreement.

26. **Assignment.** This Agreement may not be assigned by BCS, in whole or in part, without the prior written consent of the City and the MEDC. Any attempted assignment by BCS in violation of the terms and provisions of this section shall be void.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

CITY OF MONTGOMERY, TEXAS

Sara Countryman, Mayor

Date: _____

**MONTGOMERY ECONOMIC
DEVELOPMENT CORPORATION**

By: _____

Name: _____

Title: _____

Date: _____

**BCS MONTGOMERY LLC,
a Texas limited liability company**

By: BCS Capital Management LLC,
its Manager

By: _____

Name: Robert Cannon

Title: Manager

Date: _____

EXHIBIT "A"
METES AND BOUNDS DESCRIPTION OF THE TRACT

Tract I:

County: Montgomery
Project: 20500 Eva St Montgomery
M&B No: 24-226(r)
CS Job No: 24222

METES AND BOUNDS DESCRIPTION OF A 32.409 ACRE TRACT

Being a tract of land containing 32.409 acres, located in the John Corner Survey, Abstract Number 9, in Montgomery County, Texas; Said 32.409 acres being out of a called 84.10 acre tract of land recorded in the name of Mara Moja Holdings, LLC in Montgomery County Clerk's File (M.C.C.F.) Number 2004110206 and being out of Restricted Reserve "B" of Mara Mojaville, a subdivision recorded in Cabinet "Z", Sheet 1624, of the Montgomery County Map Records (M.C.M.R.); Said 32.409 acre tract being more particularly described by metes and bounds as follows (all bearings are referenced to the Texas Coordinate System of 1983, Central Zone):

BEGINNING, at a 5/8-inch iron rod found at the north corner of Restricted Reserve "A" of said Mara Mojaville on the southeast Right-of-Way (R.O.W.) line of C.B. Stewart Drive (width varies per Cabinet "Y", Sheet 51, of the M.C.M.R.);

THENCE, with the southeast R.O.W. line of said C.B. Stewart Drive the following three (3) courses:

1. 205.87 feet along the arc of a curve to the right, having a radius of 610.00 feet, a central angle of 19° 20' 11", and a chord that bears North 38° 16' 00" East, a distance of 204.89 feet to a 5/8-inch iron rod found for a point of tangency;
2. North 47° 56' 06" East, a distance of 396.03 feet to a 5/8-inch iron rod found for an angle point;
3. North 54° 32' 00" East, a distance of 71.22 feet to a 5/8-inch iron rod found for the west corner of a transition line from the southeast R.O.W. line of said C.B. Stewart Drive to the southwest R.O.W. line of Buffalo Springs Drive (width varies per Cabinet "Y", Sheet 51, of the M.C.M.R.);

THENCE, South 89° 13' 47" East, with said transition line, a distance of 16.46 feet to a 5/8-inch iron rod found for the east corner of said transition line;

THENCE, with the southwest and west R.O.W. lines of said Buffalo Springs Drive the following six (6) courses:

1. South 52° 59' 33" East, a distance of 95.45 feet to a 5/8-inch iron rod found for an angle point;
2. South 47° 27' 18" East, a distance of 545.16 feet to a 5/8-inch iron rod found for the beginning of a curve to the right;
3. 689.43 feet along the arc of a curve to the right, having a radius of 710.00 feet, a central angle of 55° 38' 08", and a chord that bears South 19° 38' 14" East, a distance of 662.66 feet to a 5/8-inch capped iron rod set for a point of tangency;

4. South 08° 10' 49" West, a distance of 285.23 feet to a 5/8-inch capped iron rod found for an angle point;
5. South 11° 32' 49" West, a distance of 340.59 feet to a 5/8-inch iron rod found for an angle point;
6. South 08° 10' 49" West, a distance of 146.53 feet to a 5/8-inch capped iron rod set at the northwest intersection of said Buffalo Springs Drive and State Highway 105 (width varies) on the south line of said 84.10 acre tract;

THENCE, North 81° 56' 46" West, with south line of said 84.10 acre tract and the north R.O.W. line of said State Highway 105, a distance of 793.09 feet to a 5/8-inch capped iron rod found for the southeast corner of a called 6.59 acre tract of land recorded in the name of AMJJ, LLC in M.C.C.F. Number 2013017790, from which a Texas Department of Transportation monument found for an angle point in the north line of said State Highway 105 bears North 81° 56' 46" West, a distance of 288.26 feet;

THENCE, North 01° 53' 11" East, through and across said 84.10 acre tract and said Restricted Reserve "B" and with the east line of said 6.59 acre tract, a distance of 776.31 feet to a 5/8-inch capped iron rod found for the northeast corner of said 6.59 acre tract;

THENCE, North 89° 22' 41" West, continuing through and across said 84.10 acre tract and said Restricted Reserve "B" and with the north line of said 6.59 acre tract, a distance of 388.34 feet to a 5/8-inch capped iron rod found for the northwest corner of said 6.59 acre tract on the southeast R.O.W. line of aforesaid C.B. Stewart Drive;

THENCE, North 02° 24' 12" East, with the west line of said Restricted Reserve "B" and the southeast R.O.W. line of said C.B. Stewart Drive, a distance of 30.01 feet to a 5/8-inch capped iron rod set at the northwest corner of said Restricted Reserve "B" and the southwest corner of Restricted Reserve "A" of said Mara Mojaville;

THENCE, South 89° 23' 37" East, with a line common to said Restricted Reserve "B" and said Restricted Reserve "A", a distance of 339.00 feet to a 5/8-inch capped iron rod set for an angle point;

THENCE, through and across said Restricted Reserve "B", the following two (2) courses:

1. North 04° 42' 11" West, a distance of 116.44 feet to a 5/8-inch capped iron rod set for an angle point;
2. North 34° 33' 56" West, a distance of 140.83 feet to a 5/8-inch capped iron rod set on the east line of said Restricted Reserve "A";

THENCE, with the lines common to said Restricted Reserve "A" and "B", the following two (2) courses:

1. North 02° 13' 14" West, a distance of 106.54 feet to a 5/8-inch iron rod found for the northeast corner of said Restricted Reserve "A";
2. **THENCE**, North 61° 57' 37" West, with the north line of said Restricted Reserve "A", a distance of 186.90 feet to the **POINT OF BEGINNING** and containing 32.409 acres of land.

Tract II:

County: Montgomery

Project: 20500 Eva St Montgomery
M&B No: 25-070
CS Job No: 24222

METES AND BOUNDS DESCRIPTION OF A 6.591 ACRE TRACT

Being a tract of land containing 6.591 acres, located in the John Corner Survey, Abstract Number 9, in Montgomery County, Texas; Said 6.591 acres being all of a called 6.59 acre tract of land recorded in the name of AMJJ, LLC in Montgomery County Clerk's File Number (M.C.C.F. No.) 2013017790; Said 6.591 acre tract being more particularly described by metes and bounds as follows (all bearings are referenced to the Texas Coordinate System of 1983, Central Zone):

BEGINNING, at a 5/8-inch iron rod found at the southwest corner of said 6.59 acre tract, same being the northeast intersection of State Highway 105 (width varies) and C.B. Stewart Drive (width varies per Cabinet "Y", Sheet 51, of the Montgomery County Map Records (M.C.M.R.)), for the southwest corner of the herein described tract;

THENCE, with the west lines of said 6.59 acre tract and with the east Right-of-Way (R.O.W.) line of said C.B. Stewart Drive, the following three (3) courses:

1. North 02° 19' 12" East, a distance of 152.89 feet to a 5/8-inch iron rod found at an angle point;
2. North 00° 32' 17" West, a distance of 400.50 feet to a 5/8-inch iron rod found at an angle point;
3. North 02° 24' 12" East, at a distance of 36.56 feet pass a 5/8-inch iron rod found at the southwest corner of Restricted Reserve "B" of Mara Mojaville, a subdivision recorded in Cabinet "Z", Sheet 1624, of the M.C.M.R., continuing with the west line of said Restricted Reserve "B" an overall distance of 182.09 feet to a 5/8-inch capped iron rod found at the northwest corner of said 6.59 acre tract and the herein described tract;

THENCE, South 89° 22' 41" East, with the north line of said 6.59 acre tract, through and across said Restricted Reserve "B", a distance of 388.34 feet to a 5/8-inch capped iron rod found at the northeast corner of said 6.59 acre tract and the herein described tract;

THENCE, South 01° 53' 11" West, with the east line of said 6.59 acre tract and continuing through and across said Restricted Reserve "B", at a distance of 126.76 feet pass the south line of said Restricted Reserve "B", same being an angle point in the remainder of a called 84.10 acre tract recorded in the name of Mara Moja Holdings, Ltd. in M.C.C.F. No. 2004110206, continuing an overall distance of 776.31 feet to a 5/8-inch capped iron rod found at the southeast corner of said 6.59 acre tract, on the north R.O.W. line of said State Highway 105, for the southeast corner of the herein described tract;

THENCE, with the south lines of said 6.59 acre tract, and with the north R.O.W. lines of said State Highway 105, the following two (2) courses:

1. North 81° 49' 28" West, a distance of 288.26 feet to a 5/8-inch iron rod with a Texas Department of Transportation aluminum disk found at an angle point;
2. North 87° 25' 36" West, a distance of 87.58 feet to the **POINT OF BEGINNING** and containing 6.591 acres of land.

EXHIBIT "B"
METES AND BOUNDS DESCRIPTION OF TRACT I

Tract I:

County: Montgomery
Project: 20500 Eva St Montgomery
M&B No: 24-226(r)
CS Job No: 24222

METES AND BOUNDS DESCRIPTION OF A 32.409 ACRE TRACT

Being a tract of land containing 32.409 acres, located in the John Corner Survey, Abstract Number 9, in Montgomery County, Texas; Said 32.409 acres being out of a called 84.10 acre tract of land recorded in the name of Mara Moja Holdings, LLC in Montgomery County Clerk's File (M.C.C.F.) Number 2004110206 and being out of Restricted Reserve "B" of Mara Mojaville, a subdivision recorded in Cabinet "Z", Sheet 1624, of the Montgomery County Map Records (M.C.M.R.); Said 32.409 acre tract being more particularly described by metes and bounds as follows (all bearings are referenced to the Texas Coordinate System of 1983, Central Zone):

BEGINNING, at a 5/8-inch iron rod found at the north corner of Restricted Reserve "A" of said Mara Mojaville on the southeast Right-of-Way (R.O.W.) line of C.B. Stewart Drive (width varies per Cabinet "Y", Sheet 51, of the M.C.M.R.);

THENCE, with the southeast R.O.W. line of said C.B. Stewart Drive the following three (3) courses:

1. 205.87 feet along the arc of a curve to the right, having a radius of 610.00 feet, a central angle of 19° 20' 11", and a chord that bears North 38° 16' 00" East, a distance of 204.89 feet to a 5/8-inch iron rod found for a point of tangency;
2. North 47° 56' 06" East, a distance of 396.03 feet to a 5/8-inch iron rod found for an angle point;
3. North 54° 32' 00" East, a distance of 71.22 feet to a 5/8-inch iron rod found for the west corner of a transition line from the southeast R.O.W. line of said C.B. Stewart Drive to the southwest R.O.W. line of Buffalo Springs Drive (width varies per Cabinet "Y", Sheet 51, of the M.C.M.R.);

THENCE, South 89° 13' 47" East, with said transition line, a distance of 16.46 feet to a 5/8-inch iron rod found for the east corner of said transition line;

THENCE, with the southwest and west R.O.W. lines of said Buffalo Springs Drive the following six (6) courses:

1. South 52° 59' 33" East, a distance of 95.45 feet to a 5/8-inch iron rod found for an angle point;
2. South 47° 27' 18" East, a distance of 545.16 feet to a 5/8-inch iron rod found for the beginning of a curve to the right;
3. 689.43 feet along the arc of a curve to the right, having a radius of 710.00 feet, a central angle of 55° 38' 08", and a chord that bears South 19° 38' 14" East, a distance of 662.66 feet to a 5/8-inch capped iron rod set for a point of tangency;

4. South 08° 10' 49" West, a distance of 285.23 feet to a 5/8-inch capped iron rod found for an angle point;
5. South 11° 32' 49" West, a distance of 340.59 feet to a 5/8-inch iron rod found for an angle point;
6. South 08° 10' 49" West, a distance of 146.53 feet to a 5/8-inch capped iron rod set at the northwest intersection of said Buffalo Springs Drive and State Highway 105 (width varies) on the south line of said 84.10 acre tract;

THENCE, North 81° 56' 46" West, with south line of said 84.10 acre tract and the north R.O.W. line of said State Highway 105, a distance of 793.09 feet to a 5/8-inch capped iron rod found for the southeast corner of a called 6.59 acre tract of land recorded in the name of AMJJ, LLC in M.C.C.F. Number 2013017790, from which a Texas Department of Transportation monument found for an angle point in the north line of said State Highway 105 bears North 81° 56' 46" West, a distance of 288.26 feet;

THENCE, North 01° 53' 11" East, through and across said 84.10 acre tract and said Restricted Reserve "B" and with the east line of said 6.59 acre tract, a distance of 776.31 feet to a 5/8-inch capped iron rod found for the northeast corner of said 6.59 acre tract;

THENCE, North 89° 22' 41" West, continuing through and across said 84.10 acre tract and said Restricted Reserve "B" and with the north line of said 6.59 acre tract, a distance of 388.34 feet to a 5/8-inch capped iron rod found for the northwest corner of said 6.59 acre tract on the southeast R.O.W. line of aforesaid C.B. Stewart Drive;

THENCE, North 02° 24' 12" East, with the west line of said Restricted Reserve "B" and the southeast R.O.W. line of said C.B. Stewart Drive, a distance of 30.01 feet to a 5/8-inch capped iron rod set at the northwest corner of said Restricted Reserve "B" and the southwest corner of Restricted Reserve "A" of said Mara Mojaville;

THENCE, South 89° 23' 37" East, with a line common to said Restricted Reserve "B" and said Restricted Reserve "A", a distance of 339.00 feet to a 5/8-inch capped iron rod set for an angle point;

THENCE, through and across said Restricted Reserve "B", the following two (2) courses:

1. North 04° 42' 11" West, a distance of 116.44 feet to a 5/8-inch capped iron rod set for an angle point;
2. North 34° 33' 56" West, a distance of 140.83 feet to a 5/8-inch capped iron rod set on the east line of said Restricted Reserve "A";

THENCE, with the lines common to said Restricted Reserve "A" and "B", the following two (2) courses:

1. North 02° 13' 14" West, a distance of 106.54 feet to a 5/8-inch iron rod found for the northeast corner of said Restricted Reserve "A";
2. **THENCE**, North 61° 57' 37" West, with the north line of said Restricted Reserve "A", a distance of 186.90 feet to the **POINT OF BEGINNING** and containing 32.409 acres of land.

LESS AND EXCEPT:

METES AND BOUNDS DESCRIPTION OF A 11.084 ACRE TRACT

Being a tract of land containing 11.084 acres, located in the John Corner Survey, Abstract Number 8, in Montgomery County, Texas; Said 11.084 acres being out of the remainder of a called 84.10 acre tract of land recorded in the name of Mara Moja Holdings, LLC in Montgomery County Clerk's File (M.C.C.F.) Number 2004110206 and being out of Restricted Reserve "B" of Minor Replat of Mara Mojaville, a subdivision recorded in Cabinet "Z", Sheet 1624, of the Montgomery County Map Records (M.C.M.R.); Said 11.084 acre tract being more particularly described by metes and bounds as follows (all bearings are referenced to the Texas Coordinate System of 1983, Central Zone):

BEGINNING, at a 5/8-inch iron rod found at the north corner of Restricted Reserve "A" of said Minor Replat of Mara Mojaville, on the southeast Right-of-Way (R.O.W.) line of C.B. Stewart Drive (width varies per Cabinet "Y", Sheet 51, of the M.C.M.R.), for the most westerly corner of the herein described tract;

THENCE, with the southeast R.O.W. line of said C.B. Stewart Drive, the following three (3) courses:

1. 205.87 feet along the arc of a curve to the right, having a radius of 610.00 feet, a central angle of $19^{\circ} 20' 11''$, and a chord that bears North $38^{\circ} 16' 00''$ East, a distance of 204.89 feet to a 5/8-inch iron rod found at a point of tangency;
2. North $47^{\circ} 56' 06''$ East, a distance of 396.03 feet to a 5/8-inch iron rod found at an angle point;
3. North $54^{\circ} 32' 00''$ East, a distance of 71.22 feet to a 5/8-inch iron rod found at the west end of a transition line from the southeast R.O.W. line of said C.B. Stewart Drive to the southwest R.O.W. line of Buffalo Springs Drive (width varies per Cabinet "Y", Sheet 51, of the M.C.M.R.), for the westerly north corner of the herein described tract;

THENCE, South $89^{\circ} 13' 47''$ East, with said transition line, a distance of 16.46 feet to a 5/8-inch iron rod found at the east end of said transition line, for the easterly north corner of the herein described tract;

THENCE, with the southwest R.O.W. line of said Buffalo Springs Drive, the following three (3) courses:

1. South $52^{\circ} 59' 33''$ East, a distance of 95.45 feet to a 5/8-inch iron rod found at an angle point;
2. South $47^{\circ} 27' 18''$ East, a distance of 545.16 feet to a 5/8-inch iron rod found at the beginning of a curve to the right;
3. 87.66 feet along the arc of said curve to the right, having a radius of 710.00 feet, a central angle of $07^{\circ} 04' 26''$, and a chord that bears South $43^{\circ} 55' 06''$ East, a distance of 87.60 feet to a 5/8-inch capped iron rod set for the most easterly corner of the herein described tract;

THENCE, through and across said remainder tract, the following four (4) courses:

1. South $87^{\circ} 35' 42''$ West, a distance of 133.48 feet to a 5/8-inch capped iron rod set at the beginning of a curve to the left;
2. 45.27 feet along the arc of said curve to the left, having a radius of 30.00 feet, a central angle of $86^{\circ} 27' 26''$, and a chord that bears South $44^{\circ} 54' 53''$ West, a distance of 41.09 feet to a 5/8-inch capped iron rod set at a point of tangency;

3. South 00° 41' 22" East, a distance of 301.08 feet to a 5/8-inch capped iron rod set for the southeast corner of the herein described tract;
4. North 81° 53' 01" West, at a distance of 453.58 feet pass the east line of said Restricted Reserve "B", continuing through and across said Restricted Reserve "B" a total distance of 664.97 feet to a 5/8-inch capped iron rod set for the southwest corner of the herein described tract;

THENCE, North 34° 33' 56" West, continuing through and across said Restricted Reserve "B", a distance of 84.32 feet to a 5/8-inch capped iron rod set on a northerly west line of said Restricted Reserve "B" and on the east line of said Restricted Reserve "A";

THENCE, North 02° 13' 14" West, with a line common to said Restricted Reserves "A" and "B", a distance of 106.54 feet to a 5/8-inch iron rod found at the northerly northwest corner of said Restricted Reserve "B" and the northeast corner of said Restricted Reserve "A";

THENCE, North 61° 57' 37" West, with the north line of said Restricted Reserve "A", a distance of 186.90 feet to the **POINT OF BEGINNING** and containing 11.084 acres of land.

Tract II:

County: Montgomery
Project: 20500 Eva St Montgomery
M&B No: 25-070
CS Job No: 24222

METES AND BOUNDS DESCRIPTION OF A 6.591 ACRE TRACT

Being a tract of land containing 6.591 acres, located in the John Corner Survey, Abstract Number 9, in Montgomery County, Texas; Said 6.591 acres being all of a called 6.59 acre tract of land recorded in the name of AMJJ, LLC in Montgomery County Clerk's File Number (M.C.C.F. No.) 2013017790; Said 6.591 acre tract being more particularly described by metes and bounds as follows (all bearings are referenced to the Texas Coordinate System of 1983, Central Zone):

BEGINNING, at a 5/8-inch iron rod found at the southwest corner of said 6.59 acre tract, same being the northeast intersection of State Highway 105 (width varies) and C.B. Stewart Drive (width varies per Cabinet "Y", Sheet 51, of the Montgomery County Map Records (M.C.M.R.)), for the southwest corner of the herein described tract;

THENCE, with the west lines of said 6.59 acre tract and with the east Right-of-Way (R.O.W.) line of said C.B. Stewart Drive, the following three (3) courses:

1. North 02° 19' 12" East, a distance of 152.89 feet to a 5/8-inch iron rod found at an angle point;
2. North 00° 32' 17" West, a distance of 400.50 feet to a 5/8-inch iron rod found at an angle point;
3. North 02° 24' 12" East, at a distance of 36.56 feet pass a 5/8-inch iron rod found at the southwest corner of Restricted Reserve "B" of Mara Mojaville, a subdivision recorded in Cabinet "Z", Sheet 1624, of the M.C.M.R., continuing with the west line of said Restricted Reserve "B" an overall distance of 182.09 feet to a 5/8-inch capped iron rod found at the northwest corner of said 6.59 acre tract and the herein described tract;

THENCE, South 89° 22' 41" East, with the north line of said 6.59 acre tract, through and across said Restricted Reserve "B", a distance of 388.34 feet to a 5/8-inch capped iron rod found at the northeast corner of said 6.59 acre tract and the herein described tract;

THENCE, South 01° 53' 11" West, with the east line of said 6.59 acre tract and continuing through and across said Restricted Reserve "B", at a distance of 126.76 feet pass the south line of said Restricted Reserve "B", same being an angle point in the remainder of a called 84.10 acre tract recorded in the name of Mara Moja Holdings, Ltd. in M.C.C.F. No. 2004110206, continuing an overall distance of 776.31 feet to a 5/8-inch capped iron rod found at the southeast corner of said 6.59 acre tract, on the north R.O.W. line of said State Highway 105, for the southeast corner of the herein described tract;

THENCE, with the south lines of said 6.59 acre tract, and with the north R.O.W. lines of said State Highway 105, the following two (2) courses:

1. North 81° 49' 28" West, a distance of 288.26 feet to a 5/8-inch iron rod with a Texas Department of Transportation aluminum disk found at an angle point;
2. North 87° 25' 36" West, a distance of 87.58 feet to the **POINT OF BEGINNING** and containing 6.591 acres of land.

EXHIBIT "C"
METES AND BOUNDS DESCRIPTION OF TRACT II

METES AND BOUNDS DESCRIPTION OF A 11.084 ACRE TRACT

Being a tract of land containing 11.084 acres, located in the John Corner Survey, Abstract Number 8, in Montgomery County, Texas; Said 11.084 acres being out of the remainder of a called 84.10 acre tract of land recorded in the name of Mara Moja Holdings, LLC in Montgomery County Clerk's File (M.C.C.F.) Number 2004110206 and being out of Restricted Reserve "B" of Minor Replat of Mara Mojaville, a subdivision recorded in Cabinet "Z", Sheet 1624, of the Montgomery County Map Records (M.C.M.R.); Said 11.084 acre tract being more particularly described by metes and bounds as follows (all bearings are referenced to the Texas Coordinate System of 1983, Central Zone):

BEGINNING, at a 5/8-inch iron rod found at the north corner of Restricted Reserve "A" of said Minor Replat of Mara Mojaville, on the southeast Right-of-Way (R.O.W.) line of C.B. Stewart Drive (width varies per Cabinet "Y", Sheet 51, of the M.C.M.R.), for the most westerly corner of the herein described tract;

THENCE, with the southeast R.O.W. line of said C.B. Stewart Drive, the following three (3) courses:

1. 205.87 feet along the arc of a curve to the right, having a radius of 610.00 feet, a central angle of $19^{\circ} 20' 11''$, and a chord that bears North $38^{\circ} 16' 00''$ East, a distance of 204.89 feet to a 5/8-inch iron rod found at a point of tangency;
2. North $47^{\circ} 56' 06''$ East, a distance of 396.03 feet to a 5/8-inch iron rod found at an angle point;
3. North $54^{\circ} 32' 00''$ East, a distance of 71.22 feet to a 5/8-inch iron rod found at the west end of a transition line from the southeast R.O.W. line of said C.B. Stewart Drive to the southwest R.O.W. line of Buffalo Springs Drive (width varies per Cabinet "Y", Sheet 51, of the M.C.M.R.), for the westerly north corner of the herein described tract;

THENCE, South $89^{\circ} 13' 47''$ East, with said transition line, a distance of 16.46 feet to a 5/8-inch iron rod found at the east end of said transition line, for the easterly north corner of the herein described tract;

THENCE, with the southwest R.O.W. line of said Buffalo Springs Drive, the following three (3) courses:

1. South $52^{\circ} 59' 33''$ East, a distance of 95.45 feet to a 5/8-inch iron rod found at an angle point;
2. South $47^{\circ} 27' 18''$ East, a distance of 545.16 feet to a 5/8-inch iron rod found at the beginning of a curve to the right;
3. 87.66 feet along the arc of said curve to the right, having a radius of 710.00 feet, a central angle of $07^{\circ} 04' 26''$, and a chord that bears South $43^{\circ} 55' 06''$ East, a distance of 87.60 feet to a 5/8-inch capped iron rod set for the most easterly corner of the herein described tract;

THENCE, through and across said remainder tract, the following four (4) courses:

1. South $87^{\circ} 35' 42''$ West, a distance of 133.48 feet to a 5/8-inch capped iron rod set at the beginning of a curve to the left;

2. 45.27 feet along the arc of said curve to the left, having a radius of 30.00 feet, a central angle of $86^{\circ} 27' 26''$, and a chord that bears South $44^{\circ} 54' 53''$ West, a distance of 41.09 feet to a 5/8-inch capped iron rod set at a point of tangency;
3. South $00^{\circ} 41' 22''$ East, a distance of 301.08 feet to a 5/8-inch capped iron rod set for the southeast corner of the herein described tract;
4. North $81^{\circ} 53' 01''$ West, at a distance of 453.58 feet pass the east line of said Restricted Reserve "B", continuing through and across said Restricted Reserve "B" a total distance of 664.97 feet to a 5/8-inch capped iron rod set for the southwest corner of the herein described tract;

THENCE, North $34^{\circ} 33' 56''$ West, continuing through and across said Restricted Reserve "B", a distance of 84.32 feet to a 5/8-inch capped iron rod set on a northerly west line of said Restricted Reserve "B" and on the east line of said Restricted Reserve "A";

THENCE, North $02^{\circ} 13' 14''$ West, with a line common to said Restricted Reserves "A" and "B", a distance of 106.54 feet to a 5/8-inch iron rod found at the northerly northwest corner of said Restricted Reserve "B" and the northeast corner of said Restricted Reserve "A";

THENCE, North $61^{\circ} 57' 37''$ West, with the north line of said Restricted Reserve "A", a distance of 186.90 feet to the **POINT OF BEGINNING** and containing 11.084 acres of land.