

FIRST AMENDMENT TO DEVELOPMENT AGREEMENT

THIS FIRST AMENDMENT TO DEVELOPMENT AGREEMENT (“First Amendment to Development Agreement”) is entered into by and between the Town of Prosper, Texas (“Town”), and PR Ladera, LLC, a Texas Limited Liability Company (“Owner”) (individually, a “Party” and collectively, the “Parties”) to be effective (the “Effective Date”) on the latest date executed by a Party.

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

WHEREAS, Owner is developing an approximate 63.3-acre tract in the Town (the “Property”), the legal description of which is attached hereto as Exhibit A and incorporated by reference; and

WHEREAS, on or about July 1, 2021, the Town and Owner entered into a Development Agreement, recorded as Document No. 20210709001382440, Real Property Records of Collin County, Texas (“Development Agreement”), which addressed, in part, the negotiated and agreed upon development standards for the Brookhollow Ladera Project which was the subject of the Development Agreement (“Project”), contained in the underlying zoning ordinance to recognize Owner’s reasonable investment-backed expectations in the Project; and

WHEREAS, the Town and Owner agree and acknowledge that the Project is unique among other developments in the Town; to-wit, (1) the Project consists of a single lot rather than traditional, single lots offered for sale, and will be gated; (2) the Project will contain, upon build-out, 244 single-family detached condominium units where individuals purchase the interior dwelling space of each unit, with the dwelling exterior, yard and street to be owned and maintained by a community association; (3) the Project will be age-restricted and it will be the responsibility of the Project’s community association to enforce such rules and compliance therewith; (4) traditional residential project development standards, such as building setbacks, parking requirements, sidewalk and street construction standards, tree planting and tree mitigation standards and requirements, in part, pose unique issues due to single-lot, multiple condominium units being constructed rather than one (1) residential single-family unit per lot; (5) the Town has addressed the unique nature of the Project by zoning the Property as a planned development district with standards and requirements that, in part, are dissimilar from traditional single-family residential standards and requirements; (6) the Project presents the Town with the opportunity to provide a housing option (that is, enhanced quality of life for active adults seeking a “lock and leave,” low-maintenance lifestyle) that currently does not exist in the Town; and (7) and it is the desire of the Town to facilitate such a unique housing product in the Town; and

WHEREAS, park improvement fees applicable to the Property were addressed, in part, by the “Agreement Between the Town of Prosper, Texas, 104 Prosper, LP and 310 Prosper, LP,” dated October 3, 2005, and recorded as Document No. 2005-0144357,

Real Property Records of Collin County, Texas (“2005 Agreement”), the terms of which are incorporated by reference into this First Amendment to Development Agreement; and

WHEREAS, it is not the intent of the Town and Owner to amend any provisions of the Development Agreement except to the extent noted in this First Amendment to Development Agreement.

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

1. **Park Improvement and Parkland Dedication Fees; Credit.** The Town and Owner agree and acknowledge that pursuant to applicable Town ordinances and applicable provisions of the 2005 Agreement, for the Project, Owner owes the Town \$54,000.00 in park improvement fees and parkland dedication fees in the amount of \$492,584.96, for a total of \$546,584.96, less a credit of \$365,866.950 for trail construction costs incurred by Owner, a depiction of which Trail is attached hereto as Exhibit B, for a grand total of \$180,718.01 due and owing the Town by Owner. Payment of such fees to the Town shall be in accordance with Section 6.20, “Park Land Designs, Dedications, and Fees,” of the Town’s Subdivision Ordinance, as amended.

2. **Tree Mitigation Fees.** Pursuant to Section 3, “Tree Mitigation,” of Chapter 4, “Development Requirements,” of the Town’s Zoning Ordinance, as amended, the Town and Owner agree and acknowledge that, due to the unique nature of the Project, as noted in the Preamble to this First Amendment to Development Agreement and incorporated by reference, Owner’s tree mitigation fees have been mutually determined to be \$481,000.00; however, Owner is entitled to a fifty percent (50%) reduction in tree mitigation fees, thereby owing the Town a grand total of \$240,000.00 in tree mitigation fees. Payment of such tree mitigation fees to the Town shall occur on or before February 1, 2023, and the failure by Owner to timely remit such tree mitigation fees to the Town shall result in payment of the full tree mitigation amount of \$481,000.00 without any reduction in such tree mitigation fees.

3. **Reduction in Number of Berms along Custer Road.** In a mutual effort by the Town and Owner to save trees on the Property, the Parties agree that one (1) or both of the two (2) southernmost berms along Custer Road, located south of Street A, as depicted in Exhibit C to the Development Agreement, may be eliminated by Owner, in Owner’s discretion, and Owner shall have no obligation to construct said berm(s).

4. **Covenant Running with the Land.** The terms, conditions, rights, obligations, benefits, covenants and restrictions of the provisions of this First Amendment to Development Agreement shall be deemed covenants running with the land, and shall be binding upon and inure to the benefit of the Owner and its heirs, representatives, successors and assigns. This First Amendment to Development Agreement shall be deemed to be incorporated into each deed and conveyance of the Property or any portion

thereof hereafter made by any other owners of the Property, regardless of whether this First Amendment to Development Agreement is expressly referenced therein.

5. Effect of Development Agreement. Except to the extent referenced in this First Amendment to Development Agreement, the Development Agreement shall remain unchanged and in full force and effect.

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

TOWN:

THE TOWN OF PROSPER, TEXAS

By: _____
Name: Harlan Jefferson
Title: Town Manager, Town of Prosper

STATE OF TEXAS)
)
COUNTY OF COLLIN)

This instrument was acknowledged before me on the ___ day of December, 2021, by Harlan Jefferson, Town Manager of the Town of Prosper, Texas, on behalf of the Town of Prosper, Texas.

Notary Public, State of Texas
My Commission Expires: _____

OWNER:

PR LADERA, LLC

**By: Integrity Companies, LLC, Member
Manager**

By: _____

Name: John Delin

Title: Member

STATE OF TEXAS)

)

COUNTY OF DENTON)

This instrument was acknowledged before me on the ____ day of December, 2021, by John Delin in his capacity as Member of Integrity Companies, LLC, known to be the person whose name is subscribed to the foregoing instrument, and that he executed the same on behalf of and as the act of Owner.

Notary Public, State of Texas

My Commission Expires: _____

EXHIBIT A

(Property Description)

EXHIBIT B
(Trail Depiction)

EXHIBIT C
(Berm Depiction)