

SCHOOL HOUSE DEVELOPMENT AGREEMENT

THIS SCHOOL HOUSE DEVELOPMENT AGREEMENT ("Agreement") is entered into by and between the Town of Prosper, Texas ("Town"), and Naznat, LP ("Developer"), 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, Developer is developing a project in the Town known as The School House ("Property"), a legal description of which Property is attached hereto as Exhibit A and incorporated by reference; and

WHEREAS, the Property was rezoned by the Town Council on or about _____, 2024, and this Agreement seeks to incorporate, in part, the negotiated and agreed upon development standards contained in the underlying zoning ordinance, as may be amended, and/or this Development Agreement, to recognize Developer's reasonable investment-backed expectations in said development, as may be amended, and as more fully described herein.

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

1. Development Standards. For any structure built on the Property following the Effective Date, it shall comply with the requirements contained in Exhibit B, "Building Materials," attached hereto and incorporated herein. The Parties agree and acknowledge that the provisions of this Paragraph shall apply to any structure constructed subsequent to the execution of this Agreement. Nothing in this Agreement shall be deemed to modify or otherwise amend any zoning regulation duly adopted by the Town, previously or in the future.

2. Maintenance of Landscape Areas.

A. Developer agrees to maintain all Landscape Areas (including all vegetation) on the Property, as referenced and/or depicted in the applicable zoning ordinance, as amended, free of weeds, tall grass, rubbish, brush and other objectionable, unsightly or unsanitary matter, as defined in Article 6.03 of Chapter 6 of the Town's Code of Ordinances, as amended. Further, Developer agrees that landscape maintenance obligations referenced herein include mulching of Landscape Areas, prompt replacement of dead or dying vegetation with new vegetation, mowing of

Landscape Areas, where required, and other routine and regular maintenance of plants and other vegetation.

B. In the event that any Landscape Area or plants or vegetation is/are not properly maintained in accordance with this Agreement, the Town may give written notice to Developer of such failure to maintain and Developer shall promptly address such failure, taking into account the type(s) and species of such plants and vegetation and applicable planting cycles of same. After such notice, and Developer's failure to address same, Developer agrees and acknowledges that the Town shall have the right to go onto Developer's property and replace, replant or otherwise address such failure to maintain any Landscape Area or plants or vegetation, with an invoice of costs incurred by the Town being promptly provided by the Town to Developer. In the event Developer does not pay such invoice within thirty (30) days of receipt by Developer, the Town may file a lien on the Property for the costs it incurred for the work done, including a reasonable administrative fee. Any failure to maintain any Landscape Area, plants or vegetation shall not be considered a default in accordance with Paragraph 7 of this Agreement, and any obligations referenced in said Paragraph shall not be applicable to this Paragraph 2.

C. Notwithstanding any provision in this Paragraph to the contrary, the Town specifically reserves the right to take enforcement action and/or file a complaint against Developer in the Town's municipal court (or other appropriate forum) relative to weeds, tall grass, rubbish, brush and other objectionable, unsightly or unsanitary matter on the Property, in accordance with Article 6.03 of Chapter 6 of the Town's Code of Ordinances, as amended.

3. Certain Business Establishments Prohibited. Developer agrees and acknowledges that it will not lease, sell or otherwise permit or authorize on the Property any of the following business establishments: (1) credit access businesses, as defined in Texas Finance Code § 393.601, as amended, including but not limited to payday lending businesses, "cash for title" lenders, and credit services businesses, as defined in Texas Finance Code § 393.001, as amended); (2) body art facilities; (3) smoke or vape shops; (4) any business entity that sells drug paraphernalia; (5) any business establishment offering gaming or slot machines; (6) sex shops, including but not limited to business entities whose primary purpose is the sale of lewd merchandise; (7) pawn shops; and (8) business entities which primarily utilize outdoor storage or displays. Additionally, Developer agrees and acknowledges that it will not lease, sell or otherwise permit or authorize on the Property a package liquor store, which for purposes of this Agreement is defined as any business entity that is required to obtain a Package Store Permit (P) from the Texas Alcoholic Beverage Commission for the off-premises consumption of alcohol.

4. Covenant Running with the Land. The terms, conditions, rights, obligations, benefits, covenants and restrictions of the provisions of this Agreement shall

be deemed covenants running with the land, and shall be binding upon and inure to the benefit of the Developer and its heirs, representatives, successors and assigns. This Agreement shall be deemed to be incorporated into each deed and conveyance of the Property or any portion thereof hereafter made by any other Developers of the Property, regardless of whether this Agreement is expressly referenced therein.

5. Applicability of Town Ordinances. Developer shall develop the Property, and construct all structures on the Property, in accordance with all applicable Town ordinances and building/construction codes.

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

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

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

If to the Town: The Town of Prosper
 250 W. First Street
 Prosper, Texas 75078
 Attention: Town Manager

If to Developer: Naznat, LP
 P.O. Box 704074
 Dallas, Texas 75370
 Attention: Mehrdad Ghani

9. Prevailing Party. In the event any person initiates or defends any legal action or proceeding to enforce or interpret any of the terms of this Agreement, the

prevailing party in any such action or proceeding shall be entitled to recover its reasonable costs and attorney's fees (including its reasonable costs and attorney's fees on any appeal).

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

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

12. Binding Agreement. A telecopied facsimile of a duly executed counterpart of this Agreement shall be sufficient to evidence the binding agreement of each party to the terms herein, including without limitation a scanned copy sent via electronic mail by either Party.

13. Authority to Execute. This Agreement shall become a binding obligation on the Parties upon execution by all Parties hereto. The Town warrants and represents that the individual executing this Agreement on behalf of the Town has full authority to execute this Agreement and bind the Town to the same. Developer warrants and represents that the individual executing this Agreement on behalf of Developer has full authority to execute this Agreement and bind Developer to the same. The Town Council hereby authorizes the Town Manager of the Town to execute this Agreement on behalf of the Town.

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

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

16. Notification of Sale or Transfer; Assignment of Agreement. Developer shall notify the Town in writing of any sale or transfer of all or any portion of the Property, within ten (10) business days of such sale or transfer. Developer has the right (from time to time without the consent of the Town, but upon written notice to the Town) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of Developer under this Agreement, to any person or entity (an "Assignee") that is or will

become a Developer of any portion of the Property or that is an entity that is controlled by or under common control with Developer. Each assignment shall be in writing executed by Developer and the Assignee and shall obligate the Assignee to be bound by this Agreement. A copy of each assignment shall be provided to the Town within ten (10) business days after execution. Provided that the successor Developer assumes the liabilities, responsibilities, and obligations of the assignor under this Agreement, the assigning party will be released from any rights and obligations under this Agreement as to the Property that is the subject of such assignment, effective upon receipt of the assignment by the Town. No assignment by Developer shall release Developer from any liability that resulted from an act or omission by Developer that occurred prior to the effective date of the assignment. Developer shall maintain true and correct copies of all assignments made by Developer to Assignees, including a copy of each executed assignment and the Assignee's Notice information.

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

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

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

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

21. Amendment. This Agreement shall not be modified or amended except in writing signed by the Parties. A copy of each amendment to this Agreement, when fully executed and recorded, shall be provided to each Party, Assignee and successor Developer of all or any part of the Property; however, the failure to provide such copies shall not affect the validity of any amendment.

22. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all Parties hereto. The language of all parts of this Agreement shall

be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any Party shall not apply.

23. Waiver of Texas Government Code § 3000.001 et seq. With respect to any and all Structures to be constructed on the Property pursuant to this Agreement, Developer hereby waives any right, requirement or enforcement of Texas Government Code §§ 3000.001-3000.005, as amended.

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

25. Rough Proportionality. Developer hereby agrees that any land or property donated and/or dedicated pursuant to this Agreement, whether in fee simple or otherwise, to the Town relative to any development on the Property is roughly proportional to the need for such land and Developer hereby waives any claim therefor that it may have. Developer further acknowledges and agrees that all prerequisites to such a determination of rough proportionality have been met, and that any costs incurred relative to said donation are related both in nature and extent to the impact of the development referenced herein. Both Developer and the Town further agree to waive and release all claims one may have against the other related to any and all rough proportionality and individual determination requirements mandated by the United States Supreme Court in *Dolan v. City of Tigard*, 512 U.S. 374 (1994), and its progeny, as well as any other requirements of a nexus between development conditions and the provision of roadway services to the Property.

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

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: Mario Canizares
Title: Town Manager, Town of Prosper

[illegible]

This instrument was acknowledged before me on the ____ day of _____, 2024, by Mario Canizares, Town Manager of the Town of Prosper, Texas, on behalf of the Town of Prosper, Texas.

Notary Public, State of Texas
My Commission Expires:

DEVELOPER:

NAZNAT, LP

By: M. Ghani

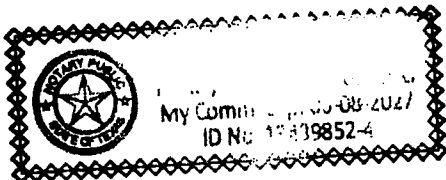
Name: Mehrdad Ghani

Title: President

STATE OF TEXAS)

COUNTY OF COLLIN)

This instrument was acknowledged before me on the 5th day of November, 2024, by Mehrdad Ghani on behalf of Naznat, LP, 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 Developer.



Kubrom Yosief
Notary Public, State of Texas
My Commission Expires:
06/08/2027

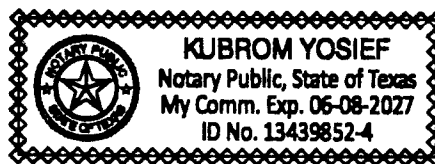
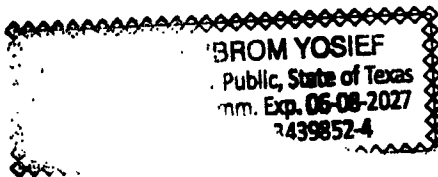


EXHIBIT A
(Property Description & Depiction)

survey of all of Tract One, Tract Two and Tract Three and part of Tract Four described in a deed from Ida D. (Mrs. J. E.) Rhea, et al to Jerry Standerfer, dated September 29, 1972, recorded in volume 839, page 237; a survey of part of the 6.680 acre tract described in a deed from Folsom Investments, Inc. to Jerry Standerfer, dated March 28, 1985, recorded in volume 2100, page 59; a survey of part of the 0.745 acre tract described in a deed from Louise Dowell and Caroline Dowell, dated April 14, 1981, recorded in volume 1381, page 759, all deeds of the Collin County deed records, being described by metes and bounds as follows:

BEGINNING at a ½-inch iron pin found at the southwest corner of said 6.680 acre tract and the east-southeast corner of Collin Green Addition recorded in volume G, page 245 of the Collin County plat records;

THENCE North 02°14'37" West, with the east line of said Collin Green Addition, 508.44 feet to a ½-inch iron pin set at the southwest corner of Lot 1, Block A of the Prosper Self Storage Addition recorded in volume 2010, page 108 of the Collin County plat records;

THENCE North 89°36'24" East, with the south line of said Lot 1, Block A, 488.82 feet to a ½-inch iron pin set in the west right-of-way line of Farm Road 2478(Custer Road);

THENCE South 01°24'19" East, with the west right-of-way line of said Farm Road 2478(Custer Road), 508.26 feet to a ½-inch iron pin found in the south line of said Tract Two;

THENCE South 89°42'57" West, with the south line of said Tract Two, 195.87 feet to a ½-inch iron pin found at the southwest corner of said Tract Two and the south-southeast corner of said 6.680 acre tract;

THENCE South 89°32'00" West, with the south line of said 6.680 acre tract, 285.51 feet to the PLACE OF BEGINNING and containing 5.657 acres.

The above described tract was surveyed on the ground and under my supervision.

Office work completed on June 21, 2014

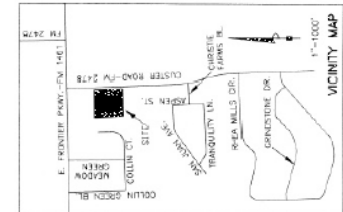
Bruce Geer
Registered Professional Land Surveyor, No. 4117
1101 W. University Drive(U.S. Highway 380)
McKinney, Texas 75069
972-562-3959
972-542-5751 fax



01 | METES & BOUNDS


SCALE: 1" = 20'-0"





COORDINATES
United States TX, Collin Co.
-96.733413, 33.240031
<http://www.bing.com/maps/?cp=-96.733413,33.240031>
-96.733286&lat=20.4

SCALE: NTS



THE SCHOOL HOUSE

NEW PRESCHOOL AGES 4-5

SCALE: 1" = 30'-0"

5799 OLD CUSTER RD., PROSPER, TX. 75078

ZONE-24-0017
"EXHIBIT A-2"
 Situated in the Town of Prosper, Collin
 County, Texas, the single home survey
 of all of Tract One, Tract Two, & Tract
 Three and part of Tract Four.

PLANNED DEVELOPMENT 5.657 Acre Tract
Located in the Town of Prosper, Texas

[illegible]

PD EX A-2

EXHIBIT B
(Building Materials)

Tract 1 (Retail Building):

1. Architectural and Material Standards.

i. Review and Approval Process.

1. The applicant shall submit a Façade Plan and Material Sample Board for each structure at the time of Site Plan submission and is subject to the approval of the Director of Development Services.

ii. Design Guidelines.

1. Permitted primary exterior materials are clay fired brick, natural, precast, and manufactured stone, granite, and marble.
2. Other materials are subject to the approval of the Director of Development Services.

Tract 2 (The School House):

1. Architectural and Material Standards.

i. Review and Approval Process.

1. The applicant shall submit a Façade Plan and Material Sample Board for each structure at the time of Site Plan submission and is subject to the approval of the Director of Development Services.
2. The conceptual elevations in Exhibit F are intended to evoke a general look and feel of the architecture of the various land use types. Changes to materials and architectural elements are permitted so long as the building elevations adhere to the design guidelines outlined in the Design Guidelines of this Exhibit C.

ii. Design Guidelines.

1. Permitted primary exterior materials are hardi board siding with batten and trim as shown in Exhibit F.



PERSPECTIVE ENTRY WEST VIEW - FROM PARKING

- Height from entry grade to upper roof ridge 26'-9"
- 2 Stories w/ Mezzanine



MATERIALS

- All Elevations - 100% Hardi Board w/ Battens & Trim all painted white, over Existing Stucco, except for Windows. With addition Metal Shutters and
- Composition Roof
- Low E Windows w/ Attached Divided Lites - Painted White
- Trex Decking Grey
- Steel Shutters - Painted
- Concrete Road & Parking



PERSPECTIVE NORTH VIEW - FROM SCHOOL



PERSPECTIVE DUMPSTER ENCLOSURE



PERSPECTIVE EAST VIEW - FROM BARN

[illegible]