RABURN RESERVE PUBLIC IMPROVEMENT DISTRICT
IMPROVEMENT AREA #3 REIMBURSEMENT AGREEMENT

This Raburn Reserve Public Improvement District Improvement Area #3 Reimbursement Agreement (this "Reimbursement Agreement") is executed by and between the City of Tomball, Texas (the "City") and HT Raburn Reserve Development L.P. a Texas limited partnership, (the "Developer") (referred to as a "Party" and collectively as the "Parties") to be effective as of August 21, 2023 (the "Effective Date").

RECITALS

WHEREAS, capitalized terms used in this Reimbursement Agreement shall have the meanings given to them in this Reimbursement Agreement or in the *Raburn Reserve Amended and Restated Public Improvement District Service and Assessment Plan*, to be approved by the City at the time of the City's levy of assessments, as the same may be amended, supplemented, and updated from time to time (the "SAP"); and

WHEREAS, the City Council approved the creation of the Raburn Reserve Public Improvement District (the "District") by Resolution approved on October 7, 2019 as amended on November 4, 2019 and December 7, 2020 to add additional land pursuant to notice and public hearings (collectively the "Creation Resolution") and published the Creation Resolution as authorized by the Act; and

WHEREAS, the purpose of the District is to finance public improvements (the "Authorized Improvements") as provided by Chapter 372, Texas Local Government Code, as amended (the "PID Act") that promote the interests of the City and confer a special benefit on the Assessed Property within the District; and

WHEREAS, the District Property is being developed in accordance with that certain "Raburn Reserve Development Agreement," executed by and between the Developer, and the City effective December 7, 2019, as amended by that certain "First Amendment to Raburn Reserve Development Agreement," executed by and between the Developer and the City effective June 15, 2020 (together, the "Development Agreement"); and

WHEREAS, the District Property is being developed in improvement areas (each an "Improvement Area"), and special assessments for each Improvement Area have been or will be levied against the Assessed Property within such phase to pay the costs of Authorized Improvements that confer a special benefit on the Assessed Property within such Improvement Area; and

WHEREAS, On September 21, 2020, the City adopted an ordinance approving a Service and Assessment Plan and Assessment Roll for the Raburn Reserve Public Improvement District and levied assessments on property within Improvement Area #1 of the District (the "Original

Service and Assessment Plan"). The Ordinance also levied assessments against benefited properties within the District and established a lien on such properties; and

WHEREAS, On October 3, 2022, the City adopted an ordinance approving an Amended and Restated Service and Assessment Plan for the District and levied assessments on property within Improvement Area #2 of the District (the "First Amended Service and Assessment Plan); and

WHEREAS, the City now desires to levy assessments on property within Improvement Area #3 of the District and to approve an amendment to the First Amended and Restated Service and Assessment Plan to reflect the levy of assessments on such property (the "Second Amended and Restated Service and Assessment Plan" and together with the Original Assessment Plan and the First Amended and Restated Service and Assessment Plan, the "Amended and Restated Service and Assessment Plan"); and

WHEREAS, the Developer is constructing certain public improvements in Improvement Area #3 (the "Improvement Area #3 Improvements") to serve Improvement Area #3 of the District Property, service and assessment Plan (the "SAP"); and

WHEREAS, the City shall levy assessments against District Property in Improvement Area #3 (the Improvement Area #3 Assessments) for the financing of the Improvement Area #3 Assessments; and

WHEREAS, the City and the Developer desire to memorialize the reimbursement due to the Developer for the costs of the Improvement Area #3 Improvements pursuant to the SAP; and

WHEREAS, all revenue received and collected by the City from the collection of the Improvement Area #3 Assessments and the annual installments of the Improvement Area #3 consisting of principal and interest pursuant to this Agreement and the SAP (the "Improvement Area #3 Assessment Revenue") shall be deposited first for the payment of debt service on any bonds issued by the City for the financing of the Improvement Area #3 Improvements and second, into an assessment fund and accounts therein for Improvement Area #3, that is segregated from all other funds of the City (the "Improvement Area #3 Reimbursement Fund"); and

WHEREAS, the Improvement Area #3 Assessment Revenue deposited into the Improvement Area #3 Reimbursement Fund shall be used to reimburse Developer and its assigns for the cost of the Improvement Area #3 Improvements advanced in a principal amount to be set forth in the SAP, plus interest as set forth herein; and

WHEREAS, the obligations of the City to use the Improvement Area #3 Assessments hereunder is authorized by the PID Act;

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS OF THE PARTIES SET FORTH IN THIS REIMBURSEMENT AGREEMENT AND FOR VALUABLE CONSIDERATION THE RECEIPT AND ADEQUACY OF WHICH ARE ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. The recitals in the "WHEREAS" clauses of this Reimbursement Agreement are true and correct, create obligations of the Parties, and are incorporated as part of this Reimbursement Agreement for all purposes.

2. Strictly subject to the terms, conditions, and requirements and solely from the revenues as herein provided and in accordance with Development Agreement and the SAP, the City agrees to pay the Developer and the Developer shall be entitled to receive from the City, the amount equal to the actual costs of the Improvement Area #3 Improvements paid by the Developer as to be set forth in the SAP, in accordance with the terms of this Reimbursement Agreement, in a principal amount not to exceed $2,308,000 as set forth in the SAP (the "Reimbursement Obligation"), plus interest accrued, as provided in Section 2(a) below. The City hereby covenants to create, concurrently with the execution of this Reimbursement Agreement, a separate fund to be designated the "Improvement Area #3 Reimbursement Fund". The Reimbursement Obligation is payable from Improvement Area #3 Assessment Revenue to be deposited in the Improvement Area #3 Reimbursement Fund as described below and in accordance with the Development Agreement and the SAP:

    a. The Reimbursement Obligation is payable solely from: (i) Improvement Area #3 Assessment Revenue received and collected by the City from Improvement Area #3 Assessments deposited to the Improvement Area #3 Reimbursement Fund after the payment of debt service on any outstanding bonds issued with a pledge of the Improvement Area #3 Assessment Revenue (the "Improvement Area #3 Bonds") (ii) the net proceeds (after funding reserve funds, payment of costs of issuance, including the costs paid or incurred by the City and City administrative expenses) of one or more series of Improvement Area #3 Bonds issued by the City to fund all or a portion of the Reimbursement Obligation in accordance with the terms of the Development Agreement and the SAP and secured by the Improvement Area #3 Assessment Revenue; or (iii) a combination of items (i) and (ii) immediately above. The Improvement Area #3 Assessment Revenue shall be received, collected and deposited into the Improvement Area #3 Reimbursement Fund subject to the following limitations:

        i. Calculation of the Improvement Area #3 Assessments and the first annual installment for a Lot or Parcel in Improvement Area #3 of the District shall begin as shall be provided in the SAP.

        ii. Improvement Area #3 Assessments collected for the Reimbursement Obligation shall accrue simple interest annually at the rate to be set forth in the SAP, such rate to be in compliance with Subsections 372.023(e)(1) and (e)(2) of the PID Act. Such interest shall accrue upon levy of the Improvement Area #3 Assessments only for the portion of the Improvement Area #3 Assessment that is not allocated to outstanding Improvement Area

#3 Bonds. If accrued, interest shall begin and continue on the unpaid principal amount of the Improvement Area #3 Assessments as set forth in the SAP until the earlier of (i) the expiration of the term set forth in the SAP, or (ii) the issuance of Improvement Area #3 Bonds to fund a portion of the Reimbursement Obligation, as reduced by annual payments made pursuant to (iv) below.

iii. Improvement Area #3 Assessment Revenue dedicated to the payment of all or a portion of the Reimbursement Obligation and interest thereon, shall be deposited into the Improvement Area #3 Reimbursement Fund after the payment of debt service on outstanding Improvement Area #3 Bonds.

iv. The Developer shall receive the Reimbursement Obligation in annual installments as to be set forth in the SAP and in Section 3 below from the Improvement Area #3 Reimbursement Fund, for the time period to be set forth in the SAP or until Improvement Area #3 Bonds are issued to fund such Reimbursement Obligation, and as allowed under Section 2(a) above. The Improvement Area #3 Reimbursement Amount as set forth in the SAP shall control over any amounts set forth in this Agreement.

v. The unpaid Improvement Area #3 Reimbursement Amount shall bear simple interest per annum beginning on the date and at the rate of ____% as set forth in the Service and Assessment Plan and shall comply with Subsections 372.023(e)(1) and (e)(2) of the PID Act. Upon the issuance of Future Improvement Area #3 Bonds for the payment of the Improvement Area #3 Improvement Costs, the Assessments shall bear interest at the rate of the Future Improvement Area #3 Bonds plus additional interest as set forth in the Service and Assessment Plan, and interest on the Improvement Area #3 Reimbursement Amount pursuant to this section shall cease.

3. The Reimbursement Obligation, as set forth in the SAP, plus the interest as described above, if accruing, are collectively, the "Unpaid Balance." The Unpaid Balance is secured by and payable solely from Improvement Area #3 Assessment Revenue received and collected for such purpose and deposited into Improvement Area #3 Reimbursement Fund subject to Section 2(a)(iii), and Section 5 herein. No other City funds, revenue, taxes, or income of any kind shall be used to pay the Unpaid Balance, even if the Unpaid Balance is not paid in full by the term of this Agreement, as set forth herein. Payment of Improvement Area #3 Assessment Revenue from the Improvement Area #3 Reimbursement Fund after the payment of debt service on outstanding Improvement Area #3 Bonds, shall be made annually to the Developer upon approval by the City of the submitted cost information and subject to the term of this Reimbursement Agreement and the SAP as set forth in Section 22. The outstanding Unpaid Balance and the

Reimbursement Obligation shall be reduced by the amount of each annual payment to the Developer from the Improvement Area #3 Reimbursement Fund.

4. This Reimbursement Agreement shall not, under any circumstances, give rise to or create a charge against the general credit or taxing power of the City or a debt or other obligation of the City payable from any source other than Improvement Area #3 Assessment Revenue received, collected and deposited into the Improvement Area #3 Reimbursement Fund. The City covenants that it will comply with the provisions of this Reimbursement Agreement, the Development Agreement, and the PID Act, including provisions relating to the administration of the District and the enforcement and collection of assessments, and all other covenants provided therein. Notwithstanding its collection efforts, if the City fails to receive all or any part of the Improvement Area #3 Assessment Revenue or does not receive an amount in excess of the annual debt service due on the outstanding Improvement Area #3 Bonds, and, as a result, is unable to make transfers from the Improvement Area #3 Reimbursement Fund for payments to the Developer as required under this Reimbursement Agreement, such failure and inability shall not constitute a Failure or Default by the City under this Reimbursement Agreement.

5. Notwithstanding the foregoing, the Developer shall only be entitled to repayment of the Improvement Area #3 Improvement Costs as set forth in the Service and Assessment Plan. If the Improvement Area #3 Improvement Costs are less than the amounts set forth in Service and Assessment Plan, the Developer shall not be entitled to such excess amounts. The Parties acknowledge that upon the issuance of Improvement Area #3 Bonds, the payment of bond proceeds to the Developer for reimbursement of the costs of the Improvement Area #3 Improvements, and for any costs incurred in the administration and operation of the District, shall be as set forth in and subject to the terms and provisions of the Improvement Area #3 Bond Indenture relating to the Improvement Area #3 Bonds, including the form of a certification for payment (a "Certification for Payment") as provided in the Improvement Area #3 Bond Indenture.

6. Improvement Area #3 Bonds may be issued to fund the cost of Improvement Area #3 Improvements as set forth in the SAP. If Improvement Area #3 Assessments are levied concurrently with the issuance of Improvement Area #3 Bonds, such Improvement Area #3 Bond proceeds shall reimburse or pay directly the costs of the Improvement Area #3 Improvements, as set forth in an indenture. If Improvement Area #3 Bonds are issued to fund all or a portion of the Reimbursement Obligation after the levy of the Improvement Area #3 Assessments, the net proceeds of such Improvement Area #3 Bonds shall be used to pay the outstanding Reimbursement Obligation, as reduced by payments made pursuant to Section 3 herein, due to the Developer under this Reimbursement Agreement for the costs of the Improvement Area #3 Improvements as set forth in the SAP. However, no Improvement Area #3 Bonds shall be issued unless the funds necessary to complete the Improvement Area #3 Improvements are deposited with the net proceeds of the applicable

series of Improvement Area #3 Bonds on the closing date of such Improvement Area #3 Bonds, or alternately, (i) the Developer has expended funds (verified by the City) for construction of the Improvement Area #3 Improvements to be financed with the Improvement Area #3 Bonds in an amount that is greater than the deposit that would have otherwise been required at the time such Improvement Area #3 Bonds are issued, or (ii) Developer and the City have made other arrangements acceptable to the City in its sole discretion. The Reimbursement Agreement shall terminate on the earlier of (i) the issuance of Improvement Area #3 Bonds to fund the Reimbursement Obligation as reduced by payments made pursuant to Section 3 herein, (ii) the expiration of the Improvement Area #3 Assessments as set forth in the SAP, or (iii) termination of this Agreement pursuant to an Event of Default or termination event herein or under the Development Agreement. Notwithstanding the foregoing, the Developer shall only be entitled to repayment of the costs of the Improvement Area #3 Improvements in the amounts set forth in the SAP. The Developer represents and warrants that it will not request payment with respect to any Improvement Area #3 Improvement that is not part of the Improvement Area #3 Improvement identified in the SAP and it will follow all procedures set forth in the Development Agreement with respect to certification for payments, including for payments of the Unpaid Balance from the Improvement Area #3 Reimbursement Fund.

7. Payment of amounts due pursuant to this Reimbursement Agreement shall be after the City's acceptance of the Improvement Area #3 Improvements, pursuant to the City's customary process, and submittal of sufficient documentation as reasonably determined by the City's PID Administrator that reflect the Improvement Area #3 Improvement Costs paid by Developer (a "Reimbursement Payment Request") in a form acceptable to the City and the City's PID Administrator. Upon the issuance of Improvement Area #3 Bonds, payment of the Improvement Area #3 Improvements Costs shall be made pursuant to a Certificate for Payment as set forth in the applicable Indenture.

8. The Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part without the consent of (but with written notice to) the City, the Developer's right, title, or interest in the revenue streams identified in this Reimbursement Agreement including, but not limited to, any right, title, or interest of the Developer in and to payment of the Unpaid Balance (any of the foregoing, a "Transfer," and the person or entity to whom the Transfer is made, a "Transferee"). Notwithstanding the foregoing, however, no Transfer shall be effective until five (5) days after Developer's written notice of the Transfer is received by the City, including for each Transferee the information required by Section 9 below. The City may rely on any notice of a Transfer received from the Developer without obligation to investigate or confirm the validity or occurrence of such Transfer. No conveyance, transfer, assignment, mortgage, pledge or other encumbrance shall be made by the Developer or any successor or assignee of the Developer that results in the City being an "obligated person" within the meaning of Rule

15c2-12 of the United States Securities and Exchange Commission. The Developer waives all rights or claims against the City for any such funds provided to a third party as a result of a Transfer for which the City has received notice. The City shall not be required to make payments pursuant to this Reimbursement Agreement to more than two parties, nor shall it be required to execute any consent or make any representations or covenants relating to the assignment of this Reimbursement Agreement or any revenues received hereunder.

9. The obligations of the City under this Reimbursement Agreement are non-recourse and payable only from the Improvement Area #3 Reimbursement Fund and such obligations do not create a debt or other obligation payable from any other City revenues, taxes, income, or property. None of the City or any of its elected or appointed officials or any of its officers or employees shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of this Reimbursement Agreement or their acts or omissions under this Reimbursement Agreement.

10. The Developer shall not be relieved of its obligation to construct or cause to be constructed each Improvement Area #3 Improvement, and, upon completion, inspection and acceptance, convey each such Improvement Area #3 Improvement to the City in accordance with the terms of this Reimbursement Agreement and the Development Agreement, even if there are insufficient funds in the Project Fund of the Improvement Area #3 Bond Indenture (in the event Improvement Area #3 Bonds are issued) or in the Improvement Area #3 Reimbursement Fund to pay the costs thereof. In any event, this Reimbursement Agreement shall not affect any obligation of the Developer under any other agreement to which the Developer is a party or any governmental approval which the Developer or and land within the District is subject, with respect to the Improvement Area #3 Improvements, required in connection with the development of the land within the PID.

11. Nothing in this Reimbursement Agreement is intended to constitute a waiver by the City of any remedy the City may otherwise have outside this Reimbursement Agreement against the Developer, any Transferee, or any other person or entity involved in the design, construction or installation of the Improvement Area #3 Improvements. The obligations of Developer hereunder shall be those as a Party hereto and not solely as an owner of property in the District. Nothing herein shall be constructed, nor is intended, to affect the City's or Developer's rights and duties to perform their respective obligations under other agreements, regulations and ordinances.

12. This Reimbursement Agreement is being executed and delivered, and is intended to be performed in the State of Texas. Except to the extent that the laws of the United States may apply to the terms hereof, the substantive laws of the State of Texas shall govern the validity, construction, enforcement, and interpretation of this Reimbursement Agreement. In the event of a dispute involving this Reimbursement Agreement, exclusive venue for such dispute shall lie in any court of competent jurisdiction in Harris County, Texas.

13. Any notice required or contemplated by this Reimbursement Agreement shall be signed by or on behalf of the Party giving the Notice, and shall be deemed effective as follows: (i) when delivered by a national company such as FedEx or UPS with evidence of delivery signed by any person at the delivery address regardless of whether such person was the named addressee; or (ii) 72 hours after the notice was deposited with the United States Postal Service, Certified Mail, Return Receipt Requested. Any Party may change its address by delivering written notice of such change in accordance with this section. All Notices given pursuant to this Section shall be addressed as follows:

City Manager
401 Market Street
Tomball, TX 77375

With a copy to: Attn: City Attorney
Olson & Olson, LLP
2727 Allen Parkway, Suite 600
Houston, TX 77019

To the Developer: Attn: Carson Nunnley
Hines Acquisitions LLC
609 Main Street, Suite 2400
Houston, Texas 77002

With a copy to: c/o HT Raburn Reserve Development L.P.
Attn: Corporate Counsel
609 Main Street, Suite 2400
Houston, Texas 77002

14. Notwithstanding anything herein to the contrary, nothing herein shall otherwise authorize or permit the use by the City of the Assessments contrary to the provisions of the PID Act.

15. Remedies:

    a. If either Party fails to perform an obligation imposed on such Party by this Reimbursement Agreement (a "Failure") and such Failure is not cured after written notice and the expiration of the cure periods provided in this section, then such Failure shall constitute an "Event of Default." Upon the occurrence of a Failure by a non-performing Party, the other Party shall notify the non-performing Party and all Transferees of the non-performing Party in writing specifying in reasonable detail the nature of the Failure. The non-performing Party to whom notice of a Failure is given shall have at least 30 days from receipt of the notice within which to cure the Failure; however, if the Failure cannot reasonably be cured within 30

days and the non-performing Party has diligently pursued a cure within such 30-day period and has provided written notice to the other Party that additional time is needed, then the cure period shall be extended for an additional 30 day period so long as the non-performing Party cures such default within 90 days. Any Transferee shall have the same rights as the Developer to enforce the obligations of the City under this Reimbursement Agreement and shall also have the right, but not the obligation, to cure any alleged Failure by the Developer within the same time periods that are provided to the Developer. The election by a Transferee to cure a Failure by the Developer shall constitute a cure by the Developer.

b. Notwithstanding the foregoing, the following are Events of Default under this Agreement:

   i. The Developer shall fail to pay to the City any monetary sum hereby required of it as and when the same shall become due and payable and shall not cure such default within thirty (30) days after the later of the date on which written notice thereof is given by the City to the Developer, as provided in this Agreement.

   ii. The Developer shall fail to comply in any material respect with any term, provision or covenant of this Agreement (other than the payment of money to the City), and shall not cure such failure within ninety (90) days after written notice thereof is given by the City to the Developer;

   iii. The filing by Developer of a voluntary proceeding under present or future bankruptcy, insolvency, or other laws respecting debtors, rights;

   iv. The consent by Developer to an involuntary proceeding under present or future bankruptcy, insolvency, or other laws respecting debtor's rights;

   v. The entering of an order for relief against Developer or the appointment of a receiver, trustee, or custodian for all or a substantial part of the property or assets of Developer in any involuntary proceeding, and the continuation of such order, judgment or degree unstayed for any period of ninety (90) consecutive days; OR

   vi. The failure by Developer or any Affiliate to pay Impositions, and Assessments on property owned by the Developer and/or any Affiliates within the PID, if such failure is not cured within thirty (30) days.

   vii. A Developer event of default under the Development Agreement.

   viii. The Developer shall breach any material covenant or default in the performance of any material obligation hereunder.

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

d. If the Developer is in Default, the City may pursue any legal or equitable remedy or remedies, including, without limitation, actual damages, and termination of this Agreement. The City shall not terminate this Agreement unless it delivers to the Developer a second notice expressly providing that the City will terminate within thirty (30) additional days. Termination or non-termination of this Agreement upon a Developer Event of Default shall not prevent the City from suing the Developer for specific performance, actual damages, excluding punitive, special and consequential damages, injunctive relief or other available remedies with respect to obligations that expressly survive termination. In the event the Developer fails to pay any of the expenses or amounts or perform any obligation specified in this Agreement, then to the extent such failure constitutes an Event of Default hereunder, the City may, but shall not be obligated to do so, pay any such amount or perform any such obligations and the amount so paid and the reasonable out of pocket costs incurred by the City in said performance shall be due and payable by the Developer to the City within thirty (30) days after the Developer's receipt of an itemized list of such costs.

e. No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder now or hereafter existing at law or in equity.

f. The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

16. THE DEVELOPER SHALL ASSUME THE DEFENSE OF, AND INDEMNIFY AND HOLD HARMLESS THE CITY'S INSPECTOR, THE CITY EMPLOYEES, OFFICIALS, OFFICERS, REPRESENTATIVE AND AGENTS OF THE CITY AND EACH OF THEM (EACH AN "INDEMNIFIED PARTY") FROM AND AGAINST, ALL ACTIONS, DAMAGES, CLAIMS, LOSES OR EXPENSE OF EVERY TYPE AND DESCRIPTION TO WHICH THEY MAY BE SUBJECT OR PUT, BY REASON OF, OR RESULTING FROM THE BREACH OF ANY PROVISIONS OF THIS REIMBURSEMENT AGREEMENT BY THE DEVELOPER, THE DEVELOPER'S NONPAYMENT UNDER CONTRACTS BETWEEN THE DEVELOPER AND ITS CONSULTANTS, ENGINEERS, ADVISORS, CONTRACTORS, SUBCONTRACTORS AND SUPPLIERS IN THE PROVISION OF THE IMPROVEMENT AREA #3 IMPROVEMENTS CONSTRUCTED BY DEVELOPER, OR ANY CLAIMS BY PERSONS EMPLOYED BY THE DEVELOPER RELATING TO

THE CONSTRUCTION OF SUCH PROJECTS. NOTWITHSTANDING THE FOREGOING, NO INDEMNIFICATION IS GIVEN HEREUNDER FOR ANY ACTION, DAMAGE, CLAIM, LOSS OR EXPENSE DIRECTLY ATTRIBUTABLE TO THE WILLFUL MISCONDUCT OR GROSS NEGLIGENCE OF ANY INDEMNIFIED PARTY. THE CITY DOES NOT WAIVE ITS DEFENSES AND IMMUNITIES, WHETHER GOVERNMENTAL, SOVEREIGN, OFFICIAL OR OTHERWISE AND NOTHING IN THIS REIMBURSEMENT AGREEMENT IS INTENDED TO OR SHALL CONFER ANY RIGHT OR INTEREST IN ANY PERSON NOT A PARTY HERETO.

17. To the extent there is a conflict between this Reimbursement Agreement and an indenture securing the Improvement Area #3 Bonds issued to fund the Reimbursement Obligation or the SAP, the indenture securing such Improvement Area #3 Bonds or the SAP shall control as the provisions relate to the Improvement Area #3 Assessments.

18. The failure by a Party to insist upon the strict performance of any provision of this Reimbursement Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Reimbursement Agreement.

19. The City does not waive or surrender any of its governmental powers, immunities, or rights except to the extent permitted by law and necessary to allow the Developer to enforce its remedies under this Reimbursement Agreement.

20. Nothing in this Reimbursement Agreement, express or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and the Developer and its assigns any rights, remedies, or claims under or by reason of this Reimbursement Agreement, and all covenants, conditions, promises, and agreements in this Reimbursement Agreement shall be for the sole and exclusive benefit of the City and the Developer.

21. The City represents and warrants that this Reimbursement Agreement has been approved by official action by the City Council of the City in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Reimbursement Agreement on behalf of the City has been duly authorized to do so. The Developer represents and warrants that this Reimbursement Agreement has been approved by appropriate action of the Developer, and that the individual executing this Reimbursement Agreement on behalf of the Developer has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Reimbursement Agreement is binding upon such Party and is enforceable

against such Party, in accordance with its terms and conditions and to the extent provided by law.

22. This Reimbursement Agreement represents the entire agreement of the Parties and no other agreement, statement or promise made by any Party or any employee, officer or agent of any Party with respect to any matters covered hereby that is not in writing and signed by all the Parties to this Agreement shall be binding. This Reimbursement Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of this Reimbursement Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Reimbursement Agreement; and (b) the remainder of this Reimbursement Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

23. This Reimbursement Agreement may be executed in any number of counterparts, each of which shall be deemed an original.

24. The term of this Reimbursement Agreement is the earlier of (i) the expiration of the Assessments as set forth in the SAP, (ii) until the Unpaid Balance is paid in full in accordance herewith, (iii) the issuance of Improvement Area #3 Bonds to fund the Reimbursement Amount, as reduced by payments made pursuant to Section 3 herein, or (iv) termination pursuant to an Event of Default under this Agreement or under the Development Agreement, whichever occurs first. If the Developer defaults under this Reimbursement Agreement or the Development Agreement, the Development Agreement shall not terminate with respect to the costs of the Authorized Improvements benefitting Improvement Area #3 that have been previously been approved by the City pursuant to a Certification for Payment (as defined in the Development Agreement) prior to the date of default.

25. Any amounts or remedies due pursuant to this Reimbursement Agreement are not subject to acceleration.

26. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Reimbursement Agreement is a contract for goods or services, will not boycott Israel during the term of this Reimbursement Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary

business purposes. The Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

27. The Developer hereby represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf, https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or https://comptroller.texas.gov/purchasing/docs/fto-list.pdf. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

28. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Trustee hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Indenture. The foregoing verification is made solely to enable the Issuer to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies" shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above. The Trustee understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with Developer within the meaning of SEC Rule 133(f), 17 C.F.R. §230.133(f), and exists to make a profit

29. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Trustee hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that

discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this Indenture against a firearm entity or firearm trade association. The foregoing verification is made solely to enable the Issuer to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, 'discriminate against a firearm entity or firearm trade association' (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association. As used in the foregoing verification, (b) 'firearm entity' means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code), and (c) 'firearm trade association' means a person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code. The Trustee understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with Developer within the meaning of SEC Rule 133(f), 17 C.F.R. §230.133(f), and exists to make a profit

30. The Developer agrees to either (i) file a Texas Ethics Commission Disclosure of Interested Parties form to the City or (ii) represent in writing that it is exempt from filing of such

form, no later than the date upon which the City Council approves this Reimbursement Agreement

[SIGNATURE PAGES TO FOLLOW]

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

ATTEST:

CITY OF TOMBALL

_____

City Secretary

_____

Mayor

APPROVED AS TO FORM

_____

City Attorney

HT RABURN RESERVE DEVELOPMENT LP

By: HT Raburn Reserve Development LLC, its general partner

By: HT Raburn Reserve LP, its sole member

By: Hines Raburn Reserve LLC, its general partner

By: Hines Raburn Reserve Associates LP, its sole member

By: Hines Investment Management Holdings Limited Partnership, its general partner

By: HIMH GP LLC, its general partner

By: Hines Real Estate Holdings Limited Partnership, its sole member

By: JCH Investments, Inc.,
its general partner

By: _____

Name: _____

Title: _____