

ASSIGNMENT AND SALE AGREEMENT

This Assignment and Sale Agreement, dated as of [], 2020 (this “Agreement”), is between Tomball Copper Cove, LLC, a Texas limited liability company (the “Seller”), and [Texas PID Financing I, LLC], a [Delaware limited liability company] (the “Buyer”).

W I T N E S S E T H :

WHEREAS, the City of Tomball (the “City”), a municipal corporation and a home-rule city in the State of Texas, has created the Public Improvement District Number 6 (the “PID”);

WHEREAS, the Seller intends to construct (or cause to be constructed) and is constructing (or is causing to be constructed) a residential development within the PID, consisting of 52 single-family lots, and other related improvements (collectively, the “PID Improvements”);

WHEREAS, the City previously entered into that certain Development Agreement, dated as of November 6, 2017 (the “Development Agreement”), with Seller, pursuant to which the City has agreed to reimburse the Seller for certain amounts advanced by the Seller to finance the development and construction of PID Improvements; and

WHEREAS, the Seller desires to sell to the Buyer, and the Buyer desires to purchase from the Seller, all of the Seller’s rights to be paid any and all amounts payable to the Seller by the City pursuant to the Development Agreement and all amounts paid by the City thereunder (collectively, the “Reimbursements”).

NOW, THEREFORE, in consideration of the premises and of the commitments made hereunder the parties hereto agree as follows:

1. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Seller hereby sells to the Buyer, without recourse, the Reimbursements.

2. It is the express intent of the parties hereto that the transfer of the Reimbursements by the Seller to the Buyer as provided in this Agreement be, and be construed as, an absolute sale of the Reimbursements. It is, further, not the intention of the parties that such transfer be deemed the grant of a security interest in the Reimbursements by the Seller to the Buyer to secure a debt or other obligation of the Seller. In the event, however, that, notwithstanding the intent of the parties, the Reimbursements are held to be the property of the Seller, or if for any other reason this Agreement is held or deemed to create a security interest in the Reimbursements, then this Agreement shall constitute a security agreement. Without derogating from the intent of the parties as set forth above, the Seller hereby grants to the Buyer, to secure all of the Seller’s obligations hereunder, a security interest in all of the Seller’s right, title, and interest, if any, whether now owned or hereafter acquired, in and to the Reimbursements and all proceeds thereof.

3. This Agreement shall be governed and construed in accordance with the laws of the State of Texas.

IN WITNESS whereof this Assignment and Sale Agreement has been entered into the date first above written.

TOMBALL COPPER COVE, LLC

By: _____
Name: _____
Title: _____

[TEXAS PID FINANCING I, LLC]

By: _____
Name: _____
Title: _____