

**SUBDIVISION DEVELOPMENT AGREEMENT
BETWEEN WALLER COUNTY, TEXAS AND
AQU HOCKLEY PROJECT, LLC
FOR SANDHILL RESERVE SUBDIVISION**

This Subdivision Development Agreement with attached exhibits (“Agreement”) is entered into by and between Waller County, Texas (“County”), a political subdivision of the State of Texas, and Aqu Hockley Project, LLC (“Developer”), a Texas limited liability company, registered with the Texas Secretary of State to conduct business in Texas, for the Sandhill Reserve Subdivision, and is effective as of _____, 2025. County and Developer are sometimes referred to herein collectively as “the Parties” and individually as “a Party”.

Recitals

WHEREAS, Developer has purchased approximately 254.4 acres of real property located in Waller County, Texas, which will be developed into the Sandhill Reserve subdivision (“Sandhill Reserve”), which is more particularly described by metes and bounds in Exhibit A, (“Developer’s Property”); and

WHEREAS, Developer desires to develop Developer’s Property in accordance with the uses, layout, configuration, lot sizes, lot widths, landscaping, and traffic circulation patterns detailed in the plan of development attached hereto as Exhibit B – Plan of Development (“Exhibit B” or “Plan of Development”), as well as the general land plan attached hereto as Exhibit C –General Land Plan (“Exhibit C” or “General Land Plan”), and in accordance with the variances approved by the County attached hereto as Exhibit D – Variances (“Exhibit D” or “Variances”); and

WHEREAS, County finds that subdivision development agreements are an appropriate

way of providing for the responsible construction of appropriate and necessary infrastructure, encouraging orderly growth, and promoting the welfare of residents in the County; and

WHEREAS, County desires that the project be developed on the Developer's Property and expects to receive a benefit from the development; and

WHEREAS, in exchange for the approval of certain variances needed to facilitate the development of Developer's Property, Developer agrees to complete the development subject to certain construction and development standards, which are more particularly described in the Plan of Development attached hereto and hereby incorporated.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants and promises set forth in this Agreement and its Exhibits and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **INTEGRATION OF RECITALS.** The Parties agree that the foregoing recitals are true and accurate and constitute matters agreed to herein, and that the recitals are made a part hereof for all purposes.
2. **PURPOSE.** The purpose of this Agreement is to provide for the responsible construction of the appropriate and necessary infrastructure for the Sandhill Reserve subdivision. The Parties shall coordinate the development of certain aspects of Developer's Property as detailed in Exhibits A, B, C, and D. Developer agrees to comply with the terms of this Agreement and its attached Exhibits with respect to the development of the Developer's Property.
3. **AUTHORITY.** The County is entering into this Agreement under the authority of the Constitution and laws of the State of Texas.
4. **ASSIGNMENT.** The Parties acknowledge that rights and obligations under this Agreement are intended to facilitate the development of Developer's Property

in accordance with the terms of this Agreement and its Exhibits. While Developer and its affiliate entities will be the primary actor in grading and laying out the lots, this Agreement is not intended to prevent the construction of single-family homes and their appurtenant infrastructure by a variety of homebuilders who may purchase lots from Developer, as long as construction complies with the terms of this Agreement. Assignment of this Agreement to a different developer or other person or entity shall require the written agreement of County. For the purposes of this Agreement, the term "Affiliate" means (a) an entity that directly or indirectly controls, is controlled by or is under common control with Developer, or (b) an entity at least five percent of whose economic interest is owned by Developer or an entity that directly or indirectly controls, is controlled by or is under common control with Developer; and the term "control" means the power to direct the management of such entity through voting rights, ownership or contractual obligations.

5. **AMENDMENTS AND WAIVERS.** Amendments to this Agreement, including to any Exhibits, must be in writing and signed by both Parties. Verbal amendments or deviations from the requirements herein are not effective or binding. Any failure by a Party to insist upon strict performance by the other Party of any provision of this Agreement will not, regardless of length of time during which that failure continues, be deemed a waiver of that Party's right to insist upon strict compliance with all terms of this Agreement. Any enforceable waiver of a provision of this Agreement must be in writing and signed by both Parties, and such waiver shall only be effective as to the specific default and the specific time period set forth in the waiver. A written waiver will not constitute a waiver of any subsequent default or right to require performance of the same or any other provision of this Agreement in the future.
6. **COVENANT RUNNING WITH THE LAND.** This Agreement shall constitute a covenant that runs with the land and is binding on future owners of Developer's Property. A copy of this Agreement shall be recorded in the Official Public Records of Waller County, Texas.

7. **VESTED DEVELOPMENT RIGHTS.** Upon the mutual execution of this Agreement, County and Developer agree that the covenants, agreements, and privileges regarding the development of Developer's Property between County and Developer as set forth in this Agreement and its Exhibits (the "Development Rights") shall be deemed to have vested, as provided by Texas Local Government Code Chapter 245, as of the Effective Date.
8. **VARIANCES.** County has granted the Variances set forth in Exhibit D prior to the execution and approval of this Agreement. As such, the granted Variances are included in the vested Development Rights regarding the development of the Developer's Property under this Agreement.
9. **MARGERSTADT ROAD DESIGN AND CONSTRUCTION COSTS.** Developer shall be responsible to prepare final design and construction documents that have been approved by the County for the improvement of Margerstadt Road to the condition of a collector road pursuant to County standards for the length of road set forth on the attached Exhibit G. Upon filing of the final plat for the last section of Sandhill Reserve within Waller County, Developer or District, as applicable, shall be required to pay the cost for one-half of the road improvements required for the improvement of Margerstadt Road pursuant to the design and construction documents described above based on the then current schedule of costs adopted by Waller County for the construction of collector roads. Such payment shall relieve Developer of all requirements set forth in the traffic impact analysis.
10. **LAW ENFORCEMENT.** Upon filing of the final plat for Sandhill Reserve, Developer shall undertake reasonable best efforts to cause the Board of Directors of the Harris-Waller County Municipal Utility District No. 13 (the "District") or cause any property owner's association created by the Developer (the "POA") to contract with the Waller County Sheriff's Department to provide supplemental law enforcement services for Developer's Property. The services described in this Section 10 shall be paid ninety percent (90%) by the District or HOA, as applicable, and ten percent (10%) by the County. The estimated costs are attached hereto as Exhibit E. The annual amount owed by the District or POA shall include the costs under the heading "Sheriff's Administration", "Insurance", and

“Employee Benefits”. The costs under the heading “Law Enforcement Vehicle Maintenance” and “Expenses” shall be one time expenses for which the cost structure shall be paid over five (5) years based on the then current schedule of expenses at the time of filing of the final plat for Sandhill Reserve; provided however that the costs of fuel and oil for the patrol vehicle shall be considered annual costs owed.

11. **DEFAULT.** No Party shall be deemed in default of any provision of this Agreement until the expiration of thirty (30) days following the receipt of notice of default from the other Party, during which time the defaulting Party may cure the default. Absent *force majeure* or a written extension of the cure period signed by both Parties, if the default is not cured within the thirty-day cure period, the non-defaulting Party may pursue all available legal and equitable remedies, including specific performance. All remedies will be cumulative, and the pursuit of one remedy will not constitute an election of remedies or waiver of the right to pursue other available remedies. In addition to other remedies, County may withhold acceptance of roads within the Developer’s Property for County maintenance for non-compliance with this Agreement.

12. **TERMINATION FOR FAILURE TO BEGIN DEVELOPMENT.** Provided that County gives prior written notice, and Developer fails to cure within 90 days of receipt of the notice, County shall have the right to terminate this Development Agreement if on or before January 1, 2035, Developer (a) has not completed construction of 95% of the roads and streets, and (b) has not sold to builders at least 5% of the lots. Upon said termination by County, this Agreement shall have no further force and effect.

13. **NOTICES.** All notices for this Agreement shall be in writing and may be affected by sending notice by registered or certified mail, return receipt requested, to the addresses below. Notice shall be deemed given three (3) business days after deposited with the United States Postal Services with sufficient postage affixed. A party may change its address for notices by giving notice to the other Party in accordance with this section.

Notices mailed to County:

County Judge
425 FM 1488, Ste. 106

Hempstead, Texas 77445

With a Copy to Attorney:

Randle Law Office
Attn: J. Grady Randle
820 Gessner, Suite 1570
Houston, Texas 77024

Notices mailed to Developer:

Aqu Hockley Project, LLC
Attn: Srini Gogineni
6464 Savoy Drive, Suite 865
Houston, Texas 77036

With a Copy to Attorney:

ABHR LLP
Attn: Sanjay Bapat
3200 Southwest Freeway
Houston, Texas 77027
sbapat@abhr.com

14. **AUTHORITY FOR EXECUTION.** The Waller County Commissioners Court is the contracting authority for County. The County hereby certifies, represents, and warrants that the execution of this Agreement is duly authorized and adopted in conformity with County ordinances and the laws of the State of Texas. The Developer hereby certifies, represents, and warrants that the execution of this Agreement is duly authorized and adopted in conformity with Developer's governing documents.
15. **TIME IS OF THE ESSENCE.** Time is of the essence with respect to all provisions of this Agreement and its Exhibits that specify a time for performance; provided, however, that this shall not be construed to limit or deprive a Party of the benefits that it may have pursuant to any lawful excuse for delay under this Agreement.
16. **FORCE MAJEURE.** In this Agreement, *force majeure* shall mean acts of God, strikes, riots, epidemics, fires, hurricanes, natural disasters, or other causes not reasonably within the control of the Parties that impact a Party's ability to perform in a timely manner with the provisions of this Agreement. If a Party is wholly or partially unable to perform its obligations under this Agreement due to *force majeure*, then such Party shall give written notice to the other Party within ten (10) days of the occurrence of a *force majeure* event. While a *force majeure* event may delay or postpone a Party's obligations during the continuance of an inability to perform, a *force majeure* event will not waive or alter the substance of a Party's obligations under this Agreement. The Party claiming *force majeure* shall make reasonable efforts to remove or overcome its inability to perform and resume its obligations as soon as practicable.
17. **SEVERABILITY.** If any court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, that provision shall be fully severable. This Agreement shall be construed and enforced as if the invalid or unenforceable provision had never been part of the Agreement, and the remaining provisions of this

Agreement shall remain in full force and effect. Any provision deemed invalid or unenforceable shall be automatically replaced with a provision as similar as possible to the original provision in terms that make the provision valid and enforceable.

18. **JURISDICTION, VENUE, AND GOVERNING LAW.** This Agreement shall be governed by the laws of the State of Texas, without regard to its conflict of laws provisions. Jurisdiction and venue for disputes over this Agreement shall lie exclusively in Waller County, Texas for state claims and the Southern District of Texas for federal claims.

19. **NO JOINT VENTURE.** This Agreement does not create a joint venture or partnership between the Parties. County and its past, present, and future officers, employees, agents, and officials do not assume any responsibilities or liabilities to any third party in connection with the development of Developer's Property.

20. **NO THIRD-PARTY BENEFICIARIES.** This Agreement does not benefit any third parties and does not create any third-party beneficiary rights in any person or entity who is not a Party to this Agreement.

21. **GOVERNMENTAL VERIFICATIONS.** Developer hereby verifies, in compliance with Section 2270.002 of the Texas Government Code, that it does not boycott Israel and that it will not boycott Israel during the term of this Agreement. "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 make for ordinary business purposes.

Developer hereby verifies, in compliance with Section 2274.002 of the Texas Government Code, that it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not

discriminate against a firearm entity or firearm trade association during the term of this Agreement. “Discriminate against a firearm entity or firearm trade association” means refusing to engage in the trade or any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; refraining from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or terminating an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association.

Developer hereby verifies, in compliance with Section 2276.002 of the Texas Government Code, that it does not boycott energy companies and will not boycott energy companies during the term of this Agreement. “Boycott energy company” means, 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 engages in the exploration, production, utilization, transportation, sale, or manufacture of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law, or does business with such a company.

Developer hereby represents, in compliance with Section 2252.152 of the Texas Government Code, that neither it nor any of its parent companies, wholly- or majority-owned subsidiaries, or other affiliates is a company identified on a list maintained by the Texas Comptroller of Public Accounts as a company known to have contacts with or who provides supplies or services to a foreign terrorist organization, Sudan, or Iran.

22. INCORPORATION AND ORDER OF PRECEDENCE. The Exhibits identified in this Agreement and attached hereto are incorporated by reference and made a part hereof. In the event of conflict between the terms of this Agreement and its Exhibits, the order of precedence shall be as follows: 1) this Agreement, 2) Exhibit D, 3) Exhibit A,

4) Exhibit B, then 5) Exhibit C.

23. **DISCLOSURE OF INTERESTED PARTIES.** Developer hereby affirms that it is required to electronically file Form 1295 with the Texas Comptroller, a disclosure of interested parties, prior to the execution and approval of this Agreement.

24. **EFFECT OF STATE AND FEDERAL LAWS.** Notwithstanding any other provision of this Agreement, Developer, its successors or assigns, shall comply with all applicable statutes or regulations of the United States and the State of Texas.

25. **COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

WALLER COUNTY

Carbett “Trey” J. Duhon III
County Judge

Date

STATE OF TEXAS §
 §
COUNTY OF WALLER §

This instrument was acknowledged before me on the _____ day of _____,
2025, by Carbett “Trey” J. Duhon III, Waller County Judge, on behalf of Waller County, Texas, a
political subdivision of the State of Texas.

Notary Public, State of Texas

Contract ID# _____

AQU HOCKLEY PROJECT, LLC,
a Texas limited liability company

By: _____

[name]

[title]

Date

STATE OF _____ §

§

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____,
2025_ by _____, _____ [title] _____ of _[company name]_____,
on behalf of _____, a _____
company.

Notary Public

EXHIBITS

Exhibit A – Real Property Description

Exhibit B – Plan of Development

Exhibit C – General Land Plan

Exhibit D – Variances

Exhibit E – Memorandum of
Agreement

Exhibit F – Estimated Costs for
Contract Deputy

Exhibit G – Margerstadt Road

Exhibit A

Real Property Description

Exhibit B

Plan of Development

Exhibit C

General Land Plan

Exhibit D

Approved Variances

Exhibit E

Memorandum of Agreement

MEMORANDUM OF AGREEMENT

This is a Memorandum of Agreement of the Subdivision Development Agreement Between Waller County, Texas and Aqu Hockley Project, LLC for Sandhill Reserve and Falcon Manor Subdivisions (“Agreement”). The Agreement, dated effective _____, 2025, is identified as Contract ID # _____ in the Official Public Records of Waller County, Texas. Notice is hereby given that the real property described in Exhibit A-1 and Exhibit A-2 attached hereto and incorporated herein by this reference is subject to the Agreement. A copy of the Agreement may be obtained from the Waller County Clerk’s Office.

[The remainder of this page is intentionally blank. Signatures follow on next pages]

WALLER COUNTY

Carbett “Trey” J. Duhon III

County Judge

Date

STATE OF TEXAS §

§

COUNTY OF WALLER §

This instrument was acknowledged before me on the _____ day of _____,
202_____ by Carbett “Trey” J. Duhon III, Waller County Judge, on behalf of Waller County, Texas,
a political subdivision of the State of Texas.

Notary Public, State of Texas

Aqu Hockley Project, LLC

A Texas limited liability company

By: _____

[name]

[title]

Date

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____,
202____ by _____ [title] _____ of Aqu Hockley Project, LLC, on
behalf of Aqu Hockley Project, LLC, a Texas limited liability company.

Notary Public

Exhibit F**Estimated Costs for Sherrif's Deputy Contract**

		90% (Car 100%)	10%
		PERCENTAGE	
516 - Sheriff's Administration	TOTAL CONTRACT	CONTRACT PAY	WC & WCSO PAY
510019 - Staff Salary	\$68,821.00	\$61,938.90	\$6,882.10
510026 - Certification Pay	\$3,600.00	\$3,240.00	\$360.00
520000 - Longevity	\$0.00	\$0.00	\$0.00
520100 - Social Security	\$5,540.00	\$4,986.00	\$554.00
520201 - TCDRS	\$8,169.00	\$7,352.10	\$816.90
	\$86,130.00	\$77,517.00	\$8,613.00
516- Expenses			
530204 - K9 Dog Supplies	\$0.00	\$0.00	\$0.00
533000 - Fuel and Oil	\$12,000.00	\$10,800.00	\$1,200.00
563000 - Training and Conference	\$1,000.00	\$900.00	\$100.00
563900 - Uniforms	\$5,400.00	\$4,860.00	\$540.00
581700 - Equipment	\$10,500.00	\$9,450.00	\$1,050.00
581816 - AirCard/Wireless	\$90.00	\$81.00	\$9.00
	\$28,990.00	\$26,091.00	\$2,899.00
Department 411 - Insurance			
125-411-560300 - Liability Ins	\$800.00	\$720.00	\$80.00
	\$800.00	\$720.00	\$80.00
Department 685 - Employee Benefits			
125-685-520303 - Health Insurance	\$23,493.60	\$21,144.24	\$2,349.36
125-685-520400 - Worker's Compensation	\$1,038.89	\$935.00	\$103.89
125-685-520500 - Unemployment	\$72.42	\$65.18	\$7.24
	\$24,604.91	\$22,144.42	\$2,460.49
518 - Law Enforcement Vehicle Maint			
		100%	
536400- Part and Repairs	\$9,000.00	\$9,000.00	\$0.00
581700 - Equipment	\$140,000.00	\$140,000.00	\$0.00
	\$149,000.00	\$149,000.00	\$0.00
TOTAL	\$289,524.91	\$275,472.42	\$14,052.49

Exhibit G

Margerstradt Road Exhibit