

THE STATE OF TEXAS §

COUNTY OF WALLER §

TAX ABATEMENT AGREEMENT BETWEEN
WALLER COUNTY, TEXAS AND IU HERITAGE, LP

This Agreement is entered into by and between the County of Waller, Texas, duly acting herein by and through the County Judge (“County”), and IU Heritage, LP, (“Owner”), a Texas limited partnership with its principal place of business at 2537 S. Gessner Road, Suite 250, Houston, Texas 77063, which is the owner, of the taxable real property located within Waller County Urban Reinvestment Zone 16 (authorized July 23, 2025), and is entered into as of the last day of signature affixed hereto (the “Effective Date”).

RECITALS:

WHEREAS, on 23rd day of July, 2025, the County passed an Order establishing a Reinvestment Zone for commercial/industrial tax abatement (“Order”), as authorized by Texas Tax Code Chapter 312, herein attached as Exhibit “C”; and

WHEREAS, the County has previously adopted the Waller County Tax Abatement and Incentive Policy Guidelines & Criteria (“Policy”) governing tax abatement agreements and reinvestment zones; and

WHEREAS, the Policy constitutes appropriate guidelines and criteria governing tax abatement agreements to be entered into by the County; and

WHEREAS, the County has adopted a resolution stating that it elects to participate in tax abatement; and

WHEREAS, in order to maintain and/or enhance the commercial/industrial economic and employment base of County, to otherwise further the goals of the policy previously adopted by County, and for the long-term benefit of the County;

NOW THEREFORE, the PARTIES hereto mutually agree as follows:

COVENANTS AND AGREEMENTS:

1. The Agreement Term begins on the Effective Date, and continues through and until December 31, 2028.
2. The Premises is the parcel of land described on Exhibit A, which is attached hereto and incorporated herein, and on which the Improvements (defined hereafter) will be made.
3. Owner shall ensure a prospective lessee/buyer for the Spec Building (as such term is defined in the County's current Policy) at the Premises is diligently and faithfully sought.
4. County and Owner agree that if a lessee/buyer does not lease the Spec Building at the Premises before the end of Year (2) of the Abatement Period, this Agreement will hereby immediately terminate.
5. For purposes of this Agreement, the period from (i) January 1, 2027 through and including December 31, 2027 shall be referred to as Year (1), and (ii) January 1, 2028 through and including December 31, 2028 shall be referred to as Year (2).
6. Upon Owner entering into a lease with a lessee, or sales agreement with a buyer, this Agreement may be terminated, amended, or replaced on mutually acceptable terms by a written instrument duly executed by County and Owner, based on the results of the Economic Impact Analysis as required in the County's then-current Policy.

7. A separate agreement may be made between the County and each lessee or buyer for specified new personal property, except inventory, the terms of which will be determined by the Economic Impact Analysis as required by the County's then-current Policy.
8. The improvements Owner shall make to the Premises, including the Spec Building, shall be referred to as the Improvements, and the Improvements shall be of the kind, number, and location specifically described in Exhibit B, which is attached hereto and incorporated herein. Notwithstanding the foregoing, Owner may amend the Improvements designated in Exhibit B with the prior written approval of the County, which approval shall not be unreasonably withheld, conditioned, or delayed. Such amendment is subject to the notice requirements of Texas Tax Code Chapter 312.
 - a. The Improvements include one tilt wall Spec Building of approximately 33,280 square feet, which is the commercial building described in Exhibit B. The Spec Building, shall have a total appraised value of at least \$2,563,320.00 by the beginning of Year (1).
 - b. Owner shall ensure the Improvements are diligently and faithfully undertaken and completed in a good and workmanlike manner, in compliance with all applicable federal, state, and local laws and regulations.
 - c. Notwithstanding Section 8(a) above, Owner shall have additional reasonable time to complete the Improvements in the event of "force majeure," if Owner is diligently and faithfully pursuing completion of the Improvements. "Force majeure" shall mean any contingency or cause beyond the reasonable control of Owner including, without limitation, an act of God, public enemy, war, riot, civil commotion, insurrection, or labor strikes.

9. Owner shall, until the expiration of this Agreement or until a lessee or buyer occupies the building, continuously operate (or cause to be operated) and maintain the Improvements as a Spec Building.
10. Owner shall, in writing and until the expiration of this Agreement, annually certify compliance with this Agreement to the County.
11. For the duration of this Agreement, Owner is not required to employ persons as part of this Agreement.
12. It is understood and agreed among the Parties that the Improvements shall be appraised at market value for property tax purposes beginning January 1, 2027, including the value of any partially completed Improvements.
 - a. If there are no Improvements on the Premises on January 1, 2027, and if Owner's failure to make Improvements is not excused under Section 8(c), then this Agreement is subject to termination by the County as if a default had occurred under section 15, and there shall be no tax abatement for the tax year beginning January 1, 2027.
 - b. Beginning January 1, 2029 and continuing each year thereafter, the Premises and any and all Improvements shall be appraised at market value effective January 1 of each tax year.
13. Owner agrees to confirm the Premises and Improvements for tax valuation purposes with the Chief Appraiser for the Waller County Appraisal District annually and within the deadline for filing the appropriate forms.
14. Subject to the terms and conditions of this Agreement, and subject to the rights of the holders of any outstanding bonds of the County, a portion of the ad valorem property taxes

which would otherwise be owed to the County for the Improvements shall be abated for a period of two years beginning January 1, 2027 and ending on December 31, 2028 (the “Abatement Period”).

- a. Said abatement shall be in an amount equal to the percentages listed in the following table:

Year 1 (2027) – 100%
Year 2 (2028) – 100%

- b. Said abatement on the Improvements located at the Premises shall terminate if not occupied by a lessee or buyer by December 31, 2028. In such an event, Owner is fully liable for all ad valorem property taxes owed to County beginning January 1, 2029. Year (1) and Year (2) ad valorem property taxes will not be payable by Owner if the Spec Building is not leased by the end of Year (2).
- c. The abatement percentages in Section 14(a) above shall be applied to the taxes assessed for each year during the Abatement Period over the base value of the Premises and Improvements in the year in which this Agreement is entered. The Parties understand and agree that the percentages in Section 14(a) above only apply to Improvements that are eligible for abatement under Texas law.
- d. Owner shall have the right to protest any appraisals of the Premises, Improvements, or any portion thereof, during the term of this Agreement. Nothing in this Agreement shall affect Owner’s right to protest and/or contest any taxes assessed on the Premises and any and all Improvements, and the abatement percentages shall be applied to the amount of taxes finally determined to be due as a result of any such protest and/or contest.

- e. If the certified appraised value of the real property Improvements is reduced, regardless of the initial appraised value, as the result of Owner's protest, then the percentage of abatement granted herein will be adjusted downward by the same percentage, then rounded upward to the nearest whole percentage. For example, if a protest results in the reduction of the certified appraised value by 6.6%, then the percentage of the tax abatement granted in any given year under this Agreement would be decreased by the same percentage rounded to the nearest whole number, thereby reducing the abatement by 7%.

DEFAULT:

- 15. Owner shall be in default if any of the following occurs:
 - a. Improvements are not completed in accordance with this Agreement, including its exhibits, as may be amended in accordance with the terms of this Agreement;
 - b. Owner fails to timely file annual renditions for the Premises and any and all Improvements;
 - c. Owner allows its ad valorem taxes on any of its property that is owed to the County, or any other taxes owed to any other taxing entity located in whole or in part in the County, to become delinquent without timely and properly following the legal procedures for protest and/or contest of any such taxes;
 - d. Owner operates the Premises or Improvements (or causes or allows the Premises or Improvements to be operated) in violation of public health and safety laws, or allows the Premises or Improvements or any part thereof to become a public nuisance; or

- e. Owner fails to comply with or violates any other part of this Agreement.
16. In the event that Owner defaults as described in section 15 above, the County shall give Owner written notice of such default. If Owner has not cured such default within sixty (60) days of said written notice, this Agreement may be terminated by the County. Notice shall be in writing and shall be delivered by personal delivery or certified mail, return receipt requested to Owner or its designated representative.
- a. Any notice or certification to be provided pursuant to this Agreement shall be made to the following persons, unless a substitute representative is designated in writing:

COUNTY
Carbett "Trey" J. Duhon III
County Judge
425 FM 1488 Suite 106
Hempstead, Texas 77445

OWNER
Attn: Don Weaver
IU Heritage, LP
2537 S. Gessner Road, Suite 250
Houston, TX 77063

17. In the event of default or termination, the Parties acknowledge that actual damages would be speculative and difficult to determine and/or calculate. Accordingly, in the event of default or termination, as liquidated damages, Owner shall owe all taxes which would have been paid to the County in the absence of this Agreement for all years during the Abatement Period, and all such taxes shall be paid to the County within sixty (60) days of the expiration of the cure period described in Section 16 above.
- a. In addition to any amounts due under Section 17 above, interest on any such amounts shall be charged at the statutory rate for delinquent taxes, as determined by Chapter 33 of the Texas Tax Code
- b. Notwithstanding Section 17(a) above, in the event of default or termination, no penalty shall be charged under Chapter 33 of the Texas Tax Code.

- c. If the County terminates this Agreement, no abatements for the Premises or Improvements in future years will be allowed.
- 18. Notwithstanding Section 17 above, if Owner completes the Improvements in compliance with this Agreement, but subsequently fails to operate (or cause to be operated) and maintain the Premises or Improvements in accordance with this Agreement, then Section 17 shall not apply to require payment of taxes which would have been paid to the County in the absence of this Agreement for all years during the Abatement Period, unless Owner was not in compliance with this Agreement during those years. Instead, Owner shall only be liable to the County for those taxes which are assessed for the tax years in which Owner ceases to operate (or cause to be operated) and maintain the Premises or Improvements in accordance with this Agreement

MISCELLANEOUS:

- 19. The County represents and warrants that the Premises does not include any property that is owned by a member of the Waller County Commissioners Court, or owned by any party responsible for the approval of this Agreement.
- 20. The terms and conditions of this Agreement are binding upon the permitted successors and assigns of all Parties.
 - a. Except for any collateral assignment to any lender of Owner, this Agreement cannot be assigned by Owner without the County's written consent, which shall not be unreasonably withheld. In order to assign this Agreement, the following conditions must be met: i) the Waller County Commissioners Court must have consented to the assignment by official act at one of its regularly scheduled meetings, ii) notice of the assignment must be publicly posted by the County for 30 days prior to the

regularly scheduled Commissioners Court meeting where consent to the assignment will be considered, iii) the assignee must explicitly accept all of assignor's obligations under this Agreement, iv) the assignor must retain all of its obligations under this Agreement until the assignment becomes effective, v) the assignment must be executed by both the assignor and assignee, and vi) the assignor must provide the County with a fully executed assignment agreement not later than ten (10) business days prior to the date the Commissioners Court will consider consenting to the assignment. If Owner fails to comply with these conditions, then County may, in its sole discretion, terminate this Agreement.

- b. If any lender of Owner becomes the owner of the Premises as a result of a foreclosure, deed-in-lieu of foreclosure or otherwise, notwithstanding anything in this Agreement to the contrary, such lender shall not be liable for any amounts under this Agreement except for the taxes which would have been paid to the County in the absence of this Agreement for the years during which this Agreement was in effect or, if Section 18 is applicable, then such lender shall only be liable for the amounts for which Owner is liable under Section 18.
- c. Owner understands and agrees that an entity must be entitled to a tax abatement on January 1 in order to claim the exemption for that tax year. If an entity is not entitled to the benefits of this Agreement on January 1 of any given tax year during the Abatement Period, then the entity may not receive the abatement for that year. The County is not responsible for ensuring that an assignment is effective prior to January 1 of any given tax year, or for ensuring that any assignee is entitled to the benefits of this Agreement. An assignee shall not be entitled to the benefits of this

Agreement unless the provisions of this Section 20 have been complied with before January 1 of the applicable tax year.

21. Owner shall not subdivide, grant, sell, lease, or otherwise convey the Premises or Improvements, or a portion thereof without first providing 30 day written notice of the intended act. If Owner fails to provide the 30 day written notice, the County may, in its sole discretion, terminate this Agreement without providing Owner the opportunity to cure, but subject to the notice provision in Section 16.
22. This Agreement may be replaced by a subsequent Tax Abatement Agreement consistent with County's Policy, provided that a qualifying lessee/buyer, County, and Owner, in the event of a lease, are able to come to a mutually acceptable agreement. The tax abatement provided by any subsequent AGREEMENT SHALL BE BASED ON THE MERITS OF AN ECONOMIC IMPACT ANALYSIS AND APPLIED CONSISTENTLY WITH THEN-CURRENT COUNTY POLICIES.
23. This Agreement does not inure to the benefit of any third parties.
24. It is understood and agreed between the Parties that Owner is acting independently in the performance of its obligations hereunder, and the County assumes no responsibilities or liabilities for Owner's performance of this Agreement. Owner agrees to defend, indemnify, and hold harmless the County, including but not limited to the County's officials, officers, employees, agents, and affiliates, and the affiliated appraisal district, from any and all claims, losses, damages, injuries, suits or judgments relating to Owner's performance of this Agreement or Owner's construction, operation, or maintenance of the Premises or Improvements.

25. Owner agrees that both the County and the Waller County Appraisal District, and their agents or employees shall have the reasonable right of access to the Premises and Improvements to ensure that the Improvements have been made and are being made in accordance with this Agreement. After completion of the Improvements, the County and the Waller County Appraisal District shall have the continuing right of access to ensure that the Premises and Improvements are thereafter maintained and operated in accordance with this Agreement, during the term of this Agreement. However, the County will neither inspect for nor ensure that Owner is in compliance with federal, state, or local laws or regulations. The County's inspections, if any, shall not constitute an acknowledgment or certification to Owner or any third party that Owner is in compliance with federal, state, or local laws or regulations.
26. This Agreement shall be construed and interpreted in accordance with Texas law, and it is performable in Waller County, Texas. Should any part of this Agreement be found unenforceable by a court of competent jurisdiction, all other parts of this Agreement shall continue in full force and effect, and this Agreement shall be reformed to as closely as possible reflect the original terms of this Agreement.
27. This Agreement was authorized by the Commissioners Court of Waller County, Texas at a meeting on September 17, 2025, whereupon it was duly determined that the County Judge would execute the Agreement on behalf of Waller County, Texas.
28. Venue for disputes arising under or related to this Agreement shall lie exclusively in Waller County, Texas.
29. All amendments and additions to this Agreement and its Exhibits must be duly acted upon and approved in writing by the Waller County Commissioners Court.

30. Signatories to this Agreement represent and warrant that they have authority to bind the respective Parties.
31. Notices delivered hereunder shall be in writing and shall be delivered by personal delivery or certified mail, return receipt requested. Any notice or certification to be provided pursuant to this Agreement shall be delivered to the following persons, unless a substitute representative is designated in writing:

For County:

County Judge
425 FM 1488 Suite 106
Hempstead, Texas 77445

For IU Heritage, LP:

Attn: Don Weaver
2110 Grandway Drive
Katy, TX 77449

Either party may designate a different notice party or address by giving the other parties at least ten (10) days written notice in the manner prescribed above.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

This Agreement is executed as of the date of the last signature affixed hereto.

WALLER COUNTY

Carbett "Trey" Duhon III
Waller County Judge

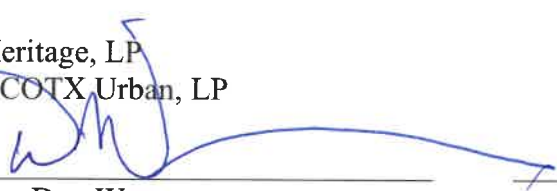
Date

ATTEST:

Debbie Hollan
Waller County Clerk

Date

IU Heritage, LP
By: COTX Urban, LP



By: Don Weaver
Title: Manager

Date

8/27/2025

EXHIBIT A

Premises – the approximately 4.262 acre parcel of land in Waller County, Texas that is identified as Reserve B of the Second Preliminary Replat Pederson Road Business Park dated May 13, 2025 that is attached hereto, and is located at 1045 Heritage West Drive, Katy, Texas 77493.

CALL 1.0655 ACRES
KATY PRAIRIE CONSERVANCY
VOL. 0893, PG. 781, O.P.R.W.C.T.

CALL 454 ACRES
R&Y INTERESTS LTD
0553. PG. 096, O.P.R.W.C.T

EXHIBIT A

[illegible]

RESERVE TABLE				
RESERVE	AVERAGE	SO. PT.	TYPE	
A	25.835	11,153.7	RESTRICTED TO COMMERCIAL	
B	4.782	30,738	RESTRICTED TO COMMERCIAL	
C	6.418	22,818	RESTRICTED TO COMMERCIAL	
D	12.978	54,536	RESTRICTED TO COMMERCIAL	
E	22.435	99,156	RESTRICTED TO COMMERCIAL	
TOTAL	71.876	118,630		

[illegible]

RESTRICTED RESERVE "A", BLOCK 1
REPLAT OF PEDERSON ROAD BUSINESS PARK
INSTRUMENT NO. 1902425. O.P.R.W.C.T.

SECOND FINAL REPLAT
PEDERSON ROAD BUSINESS PARK

SURVEYOR:
GRULLER SURVEYING, LLC
P.O. BOX 1992
HOUSTON, TEXAS 70396
(713) 531-1466
EMAIL: CROSBY@GRULLERSURV.COM

ENGINEER:
 **RSG ENGINEERING**
10415 EAST WINTER
SUITE 100
HOUSTON, TEXAS 77060
TEL: 713-776-7777
WWW.RSGENGINEERING.COM

PLATTING CONSULTANT

3600 W Sam Houston Parkway S
Suite 800
Houston, Texas 77062
Phone 713 863 5200
Fax 713 863 5076
FRR - F-1386

SHEET 2 OF 2

EXHIBIT B - SUPPORT DOCUMENTATION FOR REAL AND PERSONAL PROPERTY THAT QUALIFY FOR ABATEMENT

Total values for both should match those totals provided in the economic impact data sheet that was submitted prior to the application.

Part 1: Real Property Improvements (does not include land):

“Real Property” real property improvements, as designated by the Waller County Appraisal District, are any buildings, including any buildings that are built on skids or portable buildings, parking areas, and any fences attached to the land.

Please complete a list of the value for each building(s), fencing, driveways, parking, and other real property improvements along with the total value. Do not include cost of detention, engineering, or any soft costs. Add as many rows as you need to document your project values. If you have more than one building, then use either their address or corresponding identifier found on your site plan or survey.

Real Property Improvements shown in the table below shall be located on the Premises at 1045 Heritage West Drive, Katy, Texas 77493:

Description		Cost
Number of Buildings: 1		
Bldg. 1 – 33,280SF commercial building	1045 Heritage West Drive, Katy, Texas 77493	
Total Square Footage: 33,280SF		\$2,563,320.00
Driveways & Parking: Included in Building Cost		
Other Improvements		
Total		\$2,563,320.00

Address: Reserve B, Bldg. 1 – 33,280SF – 1045 Heritage West Drive, Katy, Texas 77493

EXHIBIT C

Item 46.

STATE OF TEXAS

IN THE COMMISSIONERS COURT

COUNTY OF WALLER

OF WALLER COUNTY, TEXAS

ORDER DESIGNATING WALLER COUNTY URBAN REINVESTMENT ZONE 16 PURSUANT TO TEXAS TAX CODE SECTIONS 312.401 AND 312.201

AN ORDER DESIGNATING A CERTAIN AREA WITHIN WALLER COUNTY, TEXAS AS A REINVESTMENT ZONE PURSUANT TO CHAPTER 312 OF THE TEXAS TAX CODE, ESTABLISHING THE BOUNDARIES THEREOF, AND PROVIDING FOR AN EFFECTIVE DATE.

RECITALS

WHEREAS, Waller County, Texas (“County”) is a county of the State of Texas, having been duly created and organized under the constitution and laws of Texas, and further, the Waller County Commissioners Court (“Commissioners Court”) is the governing body of the County;

WHEREAS, Texas Tax Code Chapter 312 authorizes the County to designate reinvestment zones and enter into tax abatement agreements;

WHEREAS, the County adopted the Waller County Tax Abatement and Incentive Policy Guidelines and Criteria on November 29, 2023 governing reinvestment zones and tax abatement agreements;

WHEREAS, the Commissioners Court desires to create the proper economic and social environment to induce the investment in the county of private resources in productive business enterprises and to encourage the employment of residents of the County;

WHEREAS, the Commissioners Court desires to promote the development or redevelopment of a certain tract of land (the “Area”) within its jurisdiction by the creation of a reinvestment zone as authorized by Texas Tax Code Chapter 312 and the Waller County Tax Abatement and Incentive Policy Guidelines and Criteria;

WHEREAS, the Area does not include land within the taxing jurisdiction of a municipality;

WHEREAS, the Commissioners Court both published notice of the public hearing on the designation of the Area as Waller County Urban Reinvestment Zone 16 in The Waller County Express and The Katy Times, both newspapers having general circulation in the County, and delivered in writing to the presiding officer of the governing body of each taxing unit that includes in its boundaries real property that is to be included in the proposed reinvestment zone, and such notice was delivered not later than the seventh day before the public hearing;

WHEREAS, the Commissioners Court held a public hearing on the designation of the Area as Waller County Urban Reinvestment Zone 16, during which any interested person was able to appear and speak for or against the creation of the reinvestment zone and whether all or part of the territory described should be included in the proposed reinvestment zone;

WHEREAS, the Commissioners Court finds that designating the Area as a reinvestment zone will contribute to the retention or expansion of primary employment and/or will attract major investment in the zone that will be a benefit to the property to be included in the zone, and will contribute to the economic development of the county;

WHEREAS, the Commissioners Court finds that it is in the best interest of the county to designate the property described as being a tract or parcel of land containing 71.9750 acres of land located in the H & T.C.R.R. Company, Section 107, Abstract 170, Waller County, Texas, said

71.9750 acre tract being all of Reserve B in Block 1 of Replat Pederson Road Business Park, a subdivision duly of record in Plat Number 1902425 in the Deed Records of Waller County, Texas, as a reinvestment zone, pursuant to Sections 312.401 and 312.201 of the Tax Code (The Property Redevelopment and Tax Abatement Act);

IT IS THEREFORE ORDERED BY THE COMMISSIONERS COURT OF WALLER COUNTY, TEXAS THAT:

Section 1. Findings:

- a. The facts and recitations contained in the Recitals of this Order are hereby found and declared to be true and correct, and are adopted as part of this Order for all purposes.
- b. The Commissioners Court conducted the public hearing on July 23, 2025, heard evidence and testimony, and makes the following findings and determinations based on the evidence and testimony presented to it:
 1. The public hearing on the designation of the reinvestment zone was properly called, held, and conducted; and that notice of such hearing was published as required by law and provided to the respective presiding officers of the governing bodies and all taxing units overlapping the territory inside the proposed reinvestment zone;
 2. The designation of the reinvestment zone will result in benefits to Waller County, Texas; and will contribute to the retention or expansion of primary employment, and/or will attract major investment in the zone that will be a benefit to the property included in the zone, and will contribute to the economic development of the County.
 3. The Area meets the criteria set forth in the Texas Tax Code Chapter 312 and the Waller County Tax Abatement and Incentive Policy Guidelines and Criteria.
 4. No portion of the Area includes land within the taxing jurisdiction of a municipality.

Section 3. Zone Designation: The Commissioners Court hereby designates the area described by Exhibit A attached hereto, which is incorporated herein by reference for all purposes, as a reinvestment zone under Texas Tax Code § 312.401. The reinvestment zone shall hereafter be named Waller County Urban Reinvestment Zone Number 16.

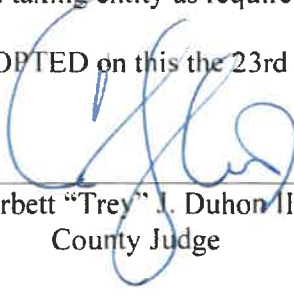
Section 4. Effective Date: The reinvestment zone shall take effect upon the passage of this Order, and shall remain in effect for a period of five years from the date of designation.

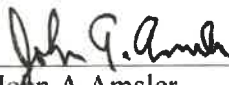
Section 5. Severability: If any section, paragraph, clause, or provision of this Order shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Order.

Section 6. Notice: It is hereby found, determined, and declared that sufficient written notice of the date, hour, place, and subject of the meeting of the Commissioners Court at which this Order was adopted was posted at a place convenient and readily

accessible at all times as required by Texas Government Code, Chapter 551, and that a public hearing was held prior to the designation of such reinvestment zone, and that proper notice of the hearing was published in a newspaper of general circulation within the County, and such notice was delivered to the presiding officers of any affected taxing entity as required by Texas Tax Code, Chapter 312.

ORDERED, APPROVED, AND ADOPTED on this the 23rd day of July, 2025.


Carbett "Trey" J. Duhon III
County Judge

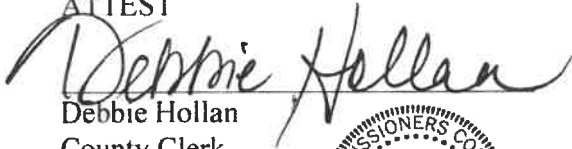

John A Amsler
Commissioner, Precinct No. 1


Kendrick Jones
Commissioner, Precinct No. 3


Walter Smith
Commissioner, Precinct No. 2

Absent
Justin Beckendorff
Commissioner, Precinct No. 4

ATTEST


Debbie Hollan
County Clerk



