DEVELOPMENT AGREEMENT

This Development Agreement ("Agreement") by and between the City of Saginaw, Texas (the "City") and NextMetro Communities, (the "Developer"), each a "Party" and collectively the "Parties," is made and entered into to be effective on March 15, 2022 (the "Effective Date").

WITNESSETH

WHEREAS, the Developer intends to develop the Avilla Saginaw (the "Project") consisting of approximately 16.430 acres located in the City of Saginaw as more particularly described on **Exhibit A** (the "Property"); and

WHEREAS, the City and Developer wish to address issues related to the requested Planned Development zoning and the Project including, architectural standards for development within the Project and a waiver of certain building permit fees; and

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the City and Developer covenant and agree as follows:

l. Parties' Obligations.

a. Architectural Standards. The Project shall be developed in accordance with the architectural standards set forth in Exhibit "B" hereto ("Architectural Standards"). Any future development or modifications to structures within the Property shall be in conformance with and shall adhere to the Architectural Standards. The parties agree that Property will be developed as an area of architectural significance as contemplated by Chapter 3000 of the Texas Government Code ("Code"). Also, the covenant to develop and modify structures within the Property in accordance with the Architectural Standards is made with the irrevocable voluntary consent of the owner of the Property in accordance with Section 3000.002 (d) of the Code and the Developer acknowledges and agrees that the consideration described herein shall constitute adequate consideration for such voluntary consent.

b. Site Development. The Project shall be constructed in accordance with the Development Plan, attached hereto as Exhibit "C," hereto. The Developer and City acknowledge and agree that minor modifications to the Development Plan, which would be the result of knowledge and/or information attained by either the Developer or City, may take place in the normal course of the development of the Project.

c. Building Setbacks. Construction shall be consistent with the building setbacks depicted in Exhibit "C."

d. Building Permit Fee Waiver. The City agrees to waive the building permit fees up to but not exceeding the first $10,000 dollars of application fee costs for new single-family detached structures within the Property. To the extent that the waiver of building permit fees constitutes an economic development incentive, a program authorized under Chapter 380 of the Texas Local Government Code is hereby established to bring the Development to the City ("Program"). The terms of this Agreement shall implement the Program.

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

3. Termination. In the event Developer's pending zoning application, case#: PZ 0322-03 is denied by the City Council, this Agreement shall terminate and City and Developer will be relieved of their respective obligations set forth herein.

4. Captions and Headings. The captions and headings of the sections of this Agreement are for convenience and reference only and shall not affect, modify or amplify the provisions of this Agreement, nor shall they be employed to interpret or aid in the construction of this Agreements.

5. Events of Default. No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time determined based on the nature of the alleged failure, but in no event less than 30 days after written notice of the alleged failure has been given). In addition, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured.

6. REMEDIES. IF A PARTY IS IN DEFAULT, THE AGGRIEVED PARTY MAY, AT ITS OPTION AND WITHOUT PREJUDICE TO ANY OTHER RIGHT OR REMEDY UNDER THIS AGREEMENT, SEEK ANY RELIEF AVAILABLE AT LAW OR IN EQUITY, INCLUDING, BUT NOT LIMITED TO, AN ACTION UNDER THE UNIFORM DECLARATORY JUDGMENT ACT, SPECIFIC PERFORMANCE, MANDAMUS, AND INJUNCTIVE RELIEF. THE PARTIES AGREE THAT NO PARTY WILL BE LIABLE FOR ANY PUNITIVE, SPECULATIVE, CONSEQUENTIAL OR SPECIAL DAMAGES UNDER THIS AGREEMENT.

7. Assignment. The Developer has the right (from time to time without the consent of the City, but upon written notice to the City) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of the Developer under this Agreement, to any person or entity (an "Assignee") that is or will become an owner of any portion of the Property or that is an entity that is controlled by or under common control with the Developer. Each assignment shall be in writing executed by the Developer and the Assignee and shall obligate the Assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned. A copy of each assignment shall be provided to the City within 15 days after execution. From and after such assignment, the City agrees to look solely to the Assignee for the performance of all obligations assigned to the Assignee and agrees that the Developer shall be released from subsequently performing the assigned obligations and from any liability that results from the Assignee's failure to perform the assigned obligations. An Assignee shall be considered a "Party" and the "Developer" for the purposes of the rights, title, interest, and obligations assigned to the Assignee.

8. Estoppel Certificates. From time to time upon written request of the Developer, the City Manager will execute a written estoppel certificate identifying any obligations of the Developer under this Agreement that are in default or, with the giving of notice or passage of time, would be in default; and stating, to the extent true, that to the best knowledge and belief of the City, the Developer is in compliance with its duties and obligations under this Agreement.

9. Interpretation. The Parties acknowledge that each of them has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for or against any Party, regardless of which Party originally drafted the provision.

10. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

11. Notices. Any notices required or permitted to be given hereunder shall be given by certified or registered mail, return receipt requested, by personal delivery, or by overnight courier to the addresses set forth below or to such other single address as either party hereto shall notify the other:

If to the City:

The City of Saginaw, Texas
333 West McLeroy Blvd.
Saginaw, Texas 76179
Attn: City Manager's Office

If to Developer:

NextMetro Communities
2221 Lakeside Blvd.
Richardson, Texas 75082
Attn: Josh Eadie

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

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

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

15. Filing in Tarrant County Deed Records. This Agreement or a memorandum thereof shall be filed by the City in the deed records of Tarrant County, Texas. The Architectural Standards shall be a covenant running with the land that is binding on each owner of the Property.

16. Authority. The Agreement shall become a binding obligation on the signatories upon execution by all signatories hereto. The City warrants and represents that the individual executing this Agreement on behalf of the City has full authority to execute this Agreement and bind the City to the same. Developer warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind Developer to same.

17. Roughly Proportionate Determination under Texas Law and Federal Law. Developer has been represented by legal counsel in the negotiation of this Agreement and has been advised regarding Developer's rights under Texas and federal law. Developer has carefully reviewed the development exactions mandated by this Agreement and has been afforded the opportunity to consult with the City and Developer's own professional consultants in order ascertain whether Developer objects to same. In executing this Agreement, Developer hereby and in good faith agrees that the development exactions required by this Agreement are roughly proportionate to the impact of the Project except as expressly set forth in this Agreement. In addition, if the terms of this Agreement are fulfilled, Developer knows of no development exaction associated with the requirements of this Agreement that would give rise to a claim relating to rough proportionality (procedural or substantive) arising out of 1) the Texas Constitution, §212.904, and Chapter 395 of the Texas Local Government Code and/or 2) the federal constitution, as mandated by the United States Supreme Court in Dolan

v. City of Tigard, 512 U.S. 374 (1994), and its progeny; and Developer further agrees that there exists an essential nexus between said development exactions and the Project.

18. Exhibits. The following exhibits are attached hereto and incorporated into this Agreement for all purposes:

Exhibit A	Legal Description of the Property
Exhibit B	Architectural Standards
Exhibit C	Development Plan

IN WITNESS WHEREOF, the parties hereto have caused this document to be executed as of the Effective Date.

THE CITY OF SAGINAW, TEXAS

_____
Todd Flippo, Mayor,

STATE OF TEXAS §
§
COUNTY OF TARRANT §

This instrument was acknowledged before me on this the _____ day of _____, 2022 by Todd Flippo, Mayor of the City of Saginaw, Texas, on behalf of the City of Saginaw, Texas.

_____
Notary Public, State of Texas

DEVELOPER:
NextMetro Communities

By: _____
Name: Josh Eadie
Title: Development Manager – Dallas Region

STATE OF TEXAS §
§
COUNTY OF TARRANT §

This instrument was acknowledged before me on this the _____ day of _____, 2022 by Josh Eadie, the Development Manager – Dallas Region of NextMetro Communities, on behalf of said company.

_____
Notary Public, State of Texas

Exhibit A
Legal Description

AVILLA METES AND BOUNDS DESCRIPTION

BEING a tract of land situated in the H. Robertson Survey, Abstract No. 1798, City of Saginaw, Tarrant County, Texas, being part of a tract conveyed to Blue Mound Partners, L.P., by deed recorded in Document No. D204343302 of the Official Public Records, Tarrant County, Texas (OPRTCT), with the subject tract being more particularly described as follows:

BEGINNING at a 1/2" iron rod with plastic cap found on the north line of Bailey-Boswell Road, a variable width public right-of-way, for the southeast corner of Lot 17X, Block 1, Creekwood Addition, recorded in Cabinet A, Slide 8347, Plat Records, Tarrant County, Texas (PRTCT), and being the northwest corner of a right-of-way dedication for said road, to the City of Saginaw, recorded in Document No. D197016465 OPRTCT;

THENCE along the east line of Block 1, Creekwood Addition, the following:

N 00°16'48" W, 390.31 feet;

N 27°41'40" E, 85.60 feet;

N 01°52'58" E, 122.49 feet;

And N 25°26'52" W, 154.45 feet to the intersection thereof with another Creekwood Addition, recorded in Cabinet A, Slide 8398 PRTCT;

THENCE along the common line thereof, and of another Creekwood Addition, recorded in Cabinet A, Slide 9989 PRTCT, the following:

A non-tangent curve to the left having a central angle of 04°41'44", a radius of 1245.00 feet, a chord of N 62°12'16" E - 102.00 feet, an arc length of 102.03 feet;

N 59°51'24" E, 227.91 feet;

And N 89°34'06" E, 376.24 feet to a 1/2" iron rod with plastic cap found on the west line of Blue Mound Road, a variable width public right-of-way;

THENCE S 24°21'08" E, 829.59 feet along the west line of Blue Mound Road to the north end of a corner clip being the intersection of Blue Mound Road and Bailey-Boswell Road;

THENCE along said corner clip, around a non-tangent curve to the right having a central angle of 117°58'38", a radius of 90.00 feet, a chord of S 30°43'44" W - 154.27 feet, an arc length of 185.32 feet;

THENCE S 89°43'03" W, 902.35 feet along the north line of Bailey-Boswell Road to the POINT OF BEGINNING with the subject tract containing 715,705 square feet or 16.430 acres of land.

EXHIBIT B
Architectural Standards

Exterior construction. Seventy-five percent (75%) of the exterior of the structure shall be masonry construction, exclusive of windows, doors, and dormers. For purposes of this Section, masonry construction shall mean that form of construction composed of brick, stone, concrete, hollow-clay tile, glass block, or combination of these materials laid up unit by unit and set in mortar.

EXHIBIT C
DEVELOPMENT PLAN