

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF DENTON, TEXAS SUPPORTING LEGISLATION RELATING TO THE CREATION OF CRAVER RANCH MUNICIPAL MANAGEMENT DISTRICT NO. 1 THROUGH SPECIAL ACT OF THE 89TH LEGISLATURE OF THE STATE OF TEXAS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, Old Prosper Partners Acquisitions, LLC (the "Developer") owns approximately 2,500 acres of undeveloped or underdeveloped land within the corporate limits of the City of Denton (the "City"), which the Developer intends to develop as a master-planned residential community (the "Development"); and

WHEREAS, the Developer has proposed the creation of the Craver Ranch Municipal Management District No. 1 (the "District") which, if created, could provide a mechanism to finance public improvements within the Development; and

WHEREAS, the City desires to support legislation for the creation of the District subject to the City's review and consent; and

WHEREAS, the Texas Local Government Code and the Texas Water Code provide that land within a City's corporate limits may not be included within a Municipal Management District without the city's written consent; and

WHEREAS, the City Council finds that it is in the public interest to support the introduction and passage of legislation by the 89th Texas Legislature creating the District subject to conditions including the City's written consent to creation of the District, but reserves the City's right to grant, condition, or withhold its consent to the creation of the District after passage of the legislation; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY RESOLVES:

SECTION 1. The facts and recitations contained in the preamble of this resolution are true and correct.

SECTION 2. The City Council hereby supports the introduction and passage of legislation during the 89th Texas Legislature creating, upon certain conditions, the "Craver Ranch Municipal Management District No. 1" encompassing the property described in Exhibit B, provided that such legislation does not substantially differ from the legislation attached hereto as Exhibit A and incorporated herein by reference and for all purposes.

SECTION 3. This resolution in support of the legislation creating the District does not constitute consent to the creation of this conservation and reclamation district as required by Article XVI, Section 59 of the Texas Constitution, and the City specifically reserves the right to consent to the District and to impose consent conditions on such District.

SECTION 4. The City Council further states that this Resolution is provided subject to and in reliance upon the terms of a Project Agreement, which may be entered into between the City and the Developer or its assignees, and an Operating Agreement which may be entered into between the City and the District. The City does not consent to the issuance of bonds from any revenue available to the District until the Project Agreement and Operating Agreement are executed, if at all, and until the City has provided a separate resolution consenting to the creation of the District contemporaneously with the execution of such Operating Agreement or Project Agreement by the City.

SECTION 5. The City Council retains the right to withdraw its support from the legislation creating the District if during the legislative process provisions in the legislation attached hereto are substantively altered.

SECTION 6. This resolution shall be in full force and effect from and after its passage.

The motion to approve this resolution was made by _____ and seconded by _____. The resolution was passed and approved by the following vote [____ - ____]:

| | Aye | Nay | Abstain | Absent |
|---------------------------------------|------------|------------|----------------|---------------|
| Mayor Gerard Hudspeth: | _____ | _____ | _____ | _____ |
| Vicki Byrd, District 1: | _____ | _____ | _____ | _____ |
| Brian Beck, District 2: | _____ | _____ | _____ | _____ |
| Paul Meltzer, District 3 | _____ | _____ | _____ | _____ |
| Joe Holland, District 4: | _____ | _____ | _____ | _____ |
| Brandon Chase McGee, At-Large Place 5 | _____ | _____ | _____ | _____ |
| Jill Jester, At-Large Place 6 | _____ | _____ | _____ | _____ |

PASSED AND APPROVED this the _____ day of _____, 2025.

GERARD HUDSPETH, MAYOR

ATTEST:

LAUREN THODEN, CITY SECRETARY

APPROVED AS TO LEGAL FORM:

 Scott Bray
Deputy City Attorney

MACK REINWAND, CITY ATTORNEY

**EXHIBIT A
CREATION LEGISLATION**

By: _____

__B. No. _____

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Craver Ranch Municipal Management District No. 1; providing authority to issue bonds; granting a limited power of eminent domain; providing authority to impose assessments and fees.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter _____ to read as follows:

CHAPTER _____ . CRAVER RANCH MUNICIPAL MANAGEMENT DISTRICT NO. 1

SUBCHAPTER A. GENERAL PROVISIONS

Sec. .0101. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "City" means the City of Denton.

(3) "Director" means a board member.

(4) "Developer of property in the district" means a developer of property in the district as determined by the governing body of the city.

(5) "District" means the Craver Ranch Municipal Management District No. 1.

(6) "Operating agreement" means an agreement that provides for:

(A) a general description of the improvement projects that may be financed by the district; and

(B) the terms and conditions of:

(i) the financing of the improvement projects described by Paragraph (A); and

(ii) the operation of the district.

(7) "Project agreement" means an agreement between the city and a developer of property in the district that relates to any aspect of the development of property in or outside of the district. The governing body of the city may determine whether an agreement constitutes a project agreement for purpose of this chapter.

Sec. .0102. NATURE OF DISTRICT. The Craver Ranch Municipal Management District No. 1 is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. .0103. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter.

(b) By creating the district and in authorizing the city and other political subdivisions to contract with the district, the

legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(c) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.

(d) This chapter and the creation of the district may not be interpreted to relieve the city from providing the level of services provided as of the effective date of the Act enacting this chapter to the area in the district. The district is created to supplement and not to supplant city services provided in the district.

Sec. .0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

(a) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(b) The district is created to serve a public use and benefit.

(c) The creation of the district is in the public interest and is essential to further the public purposes of:

(1) developing and diversifying the economy of the

state;

(2) eliminating unemployment and underemployment;

(3) promoting the affordability of housing; and

(4) developing or expanding transportation and

commerce.

(d) The district will:

(1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center;

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty;
and

(4) provide for water, wastewater, drainage, road, and recreational facilities for the district.

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. .0105. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bonds for the purposes for which the district is created or to pay the principal of and interest on the bonds;

(3) right to impose or collect an assessment; or

(4) legality or operation.

Sec. 3796.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. All or any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created under Chapter 311, Tax Code; or

(2) a tax abatement reinvestment zone created under Chapter 312, Tax Code.

Sec. .0107. APPLICABILITY OF MUNICIPAL MANAGEMENT

DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. .0108. PRECONDITION. (a) Except as provided in Subsection (c), before the district may exercise any powers under this chapter:

(1) the city must adopt an ordinance or resolution consenting to the creation of the district and to the inclusion of land in the district;

(2) the city and the district must negotiate and execute a mutually approved and accepted operating agreement; and

(3) the city and each developer of property in the district must negotiate and execute a project agreement.

(b) This chapter expires December 31, 2026, if:

(1) the city and the district have not executed the operating agreement required by Subsection (a) (2); or

(2) the city and each developer of property in the district have not executed a project agreement as required by Subsection (a) (3).

(c) The board has the powers necessary, convenient, or desirable to negotiate and execute a mutually approved and accepted operating agreement.

Sec. .0109. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. .0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of directors who, except as otherwise provided in Section .0204, serve staggered terms of four years.

(b) Five directors are elected in the manner provided by Subchapter D, Chapter 49, Water Code.

(c) The city may appoint one additional director to the board. Section 375.063, Local Government Code, does not apply to a director appointed by the city.

(d) If the city exercises its right to appoint a director under Subsection (c), the board consists of six directors while the appointed director serves on the board. If the city does not exercise its right to appoint or reappoint a director under Subsection (c), the board consists of five directors.

Sec. .0202. QUORUM. (a) Three members of the board constitute a quorum regardless of whether the board has five or six members.

(b) A majority vote of a quorum of the board is required for official action.

(c) For purposes of determining the requirements for a quorum of the board, the following are not counted:

(1) a board position vacant for any reason, including death, resignation, or disqualification; or

(2) a director who is abstaining from participation in

a vote because of a conflict of interest.

Sec. .0203. COMPENSATION; EXPENSES. (a) The district may compensate each director in an amount not to exceed the amount set by law for each board meeting. The total amount of compensation for each director in one year may not exceed \$7,200.

(b) A director is entitled to reimbursement for necessary and reasonable expenses incurred in carrying out the duties and responsibilities of the board.

Sec. .0204. INITIAL DIRECTORS. (a) The initial board consists of the following directors:

| <u>Pos. No.</u> | <u>Name of Director</u> |
|-----------------|-------------------------|
| <u>1</u> | |
| <u>2</u> | |
| <u>3</u> | |
| <u>4</u> | |
| <u>5</u> | |

(b) Of the initial directors, the terms of directors appointed for positions one through three expire June 1, 2027, and the terms of directors appointed for positions four and five expire June 1, 2029.

SUBCHAPTER C. POWERS AND DUTIES

Sec. .0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. .0302. IMPROVEMENT PROJECTS AND SERVICES. (a) The district, using any money available to the district for the purpose, may provide, design, construct, acquire, improve,

relocate, operate, maintain, or finance an improvement project or service authorized under the operating agreement, or under Chapter 375, Local Government Code.

(b) The district may contract with a governmental or private entity to carry out an action under Subsection (a).

(c) The implementation of a district project or service is a governmental function or service for the purposes of Chapter 791, Government Code.

Sec. .0303. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. .0306. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other structures or accommodations for parking motor vehicles off the streets and related appurtenances.

(b) The district's parking facilities serve the public purposes of the district and are owned, used, and held for a public purpose even if leased or operated by a private entity for a term of years.

(c) The district's parking facilities are parts of and necessary components of a street and are considered to be a street

or road improvement.

(d) The development and operation of the district's parking facilities may be considered an economic development program.

Sec. .0307. ADDING OR EXCLUDING LAND. The district may add or exclude land in the manner provided by Subchapter J, Chapter 49, Water Code, or by Subchapter H, Chapter 54, Water Code.

Sec. .0308. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of district money.

Sec. .0309. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district:

- (1) has no outstanding bonded debt; and
- (2) is not imposing ad valorem taxes.

(b) This chapter applies to any new district created by the division of the district, and a new district has all the powers and duties of the district.

(c) Any new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section 2 of the Act enacting this chapter.

(d) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing

the district.

(e) An order dividing the district must:

(1) name each new district;

(2) include the metes and bounds description of the territory of each new district;

(3) appoint initial directors for each new district;

and

(4) provide for the division of assets and liabilities between or among the new districts.

(f) On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the Texas Commission on Environmental Quality and record the order in the real property records of each county in which the district is located.

(g) Municipal consent to the creation of the district and to the inclusion of land in the district granted under Section .0503 acts as municipal consent to the creation of any new district created by the division of the district and to the inclusion of land in the new district.

(h) A new district created by division of the district is subject to the terms and conditions contained in the ordinance or resolution consenting to the creation of the district under Section .0108.

(i) Except as provided by Subsection (j), before a new

district created by division of the district may exercise any powers under this chapter:

(1) the new district must enter into:

(A) a joinder to the existing operating agreement between the city and the district; or

(B) a separate operating agreement with the city;
and

(2) each developer of property in the new district must enter into:

(A) a joinder to an existing project agreement between the city and a developer of property in the district applicable to the territory in the new district; or

(B) a separate project agreement with the city.

(j) A new district created by division of the district has the powers necessary, convenient, or desirable to negotiate and execute an agreement described by Subsection (i).

Sec. .0310. NO AD VALOREM TAX. The district may not impose an ad valorem tax.

Sec. .0311. EMINENT DOMAIN. The district may exercise the power of eminent domain in the manner provided by Chapter 49.222, Water Code.

Sec. .0312. APPROVAL BY THE CITY. (a) The district must obtain the approval of the city for:

(1) the plans and specifications of an improvement project financed by bonds, notes, or other obligations; and

(2) the plans and specifications of an improvement project related to the use of land owned by the city, an easement granted by the city, or a right-of-way of a street, road, or highway.

(b) City approval may be by an administrative process that does not involve the city's governing body, unless approval of the city's governing body is required by federal, state, or local law, ordinance, or regulation.

(c) Before issuing bonds, the district must:

(1) provide to the city the documents authorizing the bonds;

(2) provide to the city a certification from each developer of property in the district that the developer is in compliance with the terms and conditions of the developer's project agreement with the city; and

(3) certify that the district is in compliance with the terms and conditions of the ordinance or resolution consenting to the creation of the district under Section .0108 and the operating agreement entered into under that section.

(d) The city must complete the city's review of the documents and certifications required by Subsection (c) not later than the 30th day after the date the city receives the documents and

certifications. The city may object to the issuance of the bonds if the city determines that:

(1) the district is not in compliance with the terms and conditions of the ordinance or resolution consenting to the creation of the district under Section .0108;

(2) the district is not in compliance with the operating agreement entered into under Section .0108; or

(3) a developer of property in the district is not in compliance with the terms and conditions of a project agreement that applies to the developer.

(e) If the city objects to the district's issuance of bonds, the district must obtain the consent of the city's governing body to the issuance of the bonds. The city's governing body may not unreasonably withhold consent to the issuance of bonds.

(f) Section 375.207, Local Government Code, does not apply to the district.

SUBCHAPTER D. ASSESSMENTS

Sec. .0401. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.

(b) A petition filed under Subsection (a) must be signed by the owners of a majority of the assessed value of real property in

the district subject to assessment according to the most recent certified tax appraisal roll for the county.

Sec. .0402. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district.

(b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:

(1) are a first and prior lien against the property assessed;

(2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and

(3) are the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.

(c) The lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that a taxing unit, as that term is defined by Section 1.04, Tax Code, may enforce an ad valorem tax lien against real property.

(d) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

Sec. .0403 CERTAIN RESIDENTIAL PROPERTY NOT EXEMPT. Section 375.161, Local Government Code, does not apply to the district.

SUBCHAPTER E. BONDS

Sec. .0501. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board.

(b) The district may issue, by public or private sale, bonds, notes, or other obligations payable wholly or partly from assessments, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.

(c) The district may issue, by public or private sale, bonds, notes, or other obligations payable wholly or partly from assessments in the manner provided by Subchapter A, Chapter 372, Local Government Code, if the improvement financed by the obligation issued under this section will be conveyed to or operated and maintained by a municipality or other retail utility provider pursuant to an agreement with the district entered into before the issuance of the obligation.

(d) The principal amount of bonds issued by the district in aggregate may not exceed 10 percent of the assessed value of all real property in the district.

Sec. .0502. BONDS SECURED BY REVENUE OR CONTRACT PAYMENTS. The district may issue, without an election, bonds secured by:

(1) revenue other than ad valorem taxes, including contract revenues; or

(2) contract payments, provided that the requirements of Section 49.108, Water Code, have been met.

Sec. .0503. CONSENT OF CITY REQUIRED. The board may not issue bonds until the city has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. .0504. CITY NOT REQUIRED TO PAY DISTRICT OBLIGATIONS. Except as provided by Section 375.263, Local Government Code, the city is not required to pay a bond, note, or other obligation of the district.

SUBCHAPTER I. DISSOLUTION

Sec. .0901. DISSOLUTION. (a) Except as limited by Section 375.264, Local Government Code, the board shall dissolve the district on written petition filed with the board by the owners of:

(1) 66 percent or more of the assessed value subject to

assessment by the district of the property in the district based on the most recent certified county property tax rolls; or

(2) 66 percent or more of the surface area of the district, excluding roads, streets, highways, utility rights-of-way, other public areas, and other property exempt from assessment by the district according to the most recent certified county property tax rolls.

(b) The district may not be dissolved if the district:

(1) has any outstanding bonded or other indebtedness until that bonded or other indebtedness has been repaid or defeased in accordance with the order or resolution authorizing the issuance of the bonded or other indebtedness;

(2) has a contractual obligation to pay money until that obligation has been fully paid in accordance with the contract; or

(3) owns, operates, or maintains public works, facilities, or improvements unless the district has contracted with another party for the ownership and operation or maintenance of the public works, facilities, or improvements.

(c) Section 375.262, Local Government Code, does not apply to the district.

SECTION 2. The Craver Ranch Municipal Management District initially includes all territory contained in the following area:
[INSERT LEGAL DESCRIPTION]

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 4. If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter ____, Special District Local Laws Code, as added by Section 1 of this Act, is amended by revising Section ____.0311 to read as follows:

Sec. ____ .0311. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

SECTION 5. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2025.

EXHIBIT B
PROPERTY DESCRIPTION

2,500.00 Acres

BEING all of that tract of land situated in the P.G. Yarborough Survey, Abstract No. 1447, the J. Morton Survey, Abstract No. 121, the W. Norment Survey, Abstract No. 965, the J.W. Jagoe Survey, Abstract No. 1640, the A.W. Patton Survey, Abstract No. 990 and the W. A. Thompson Survey, Abstract No. 1238, City of Sanger, Denton County, Texas, and being all of a called 0.862 acre tract of land described in the deed to Raymond & Jewel Vinson, recorded in Instrument No. 2008-66099, Official Records of Denton County, Texas, and a portion of a called 623.211 acre tract of land described in the deed to Daredevil Communications LLC, recorded in Instrument No. 2018-109219, said Official Records, and a portion of a called 66.247 acre tract of land described as Tract III, in the deed to Gregory J. Egner, Jr., Trustee of the Egner Family Living Trust, recorded in Instrument No. 2016-23869, said Official Records, and a portion of a called 1892.409 acre tract of land described as Tract I and all of a called 219.478 acre tract of land described as Tract II, in the deed to NTCH-NM, LLC, recorded in Instrument No. 2024-44505, said Official Records, and being more particularly described as follows:

BEGINNING at a wooden right-of-way monument found in the east right-of-way line of FM 2164 (Variable width right-of-way), at a westerly corner of said 623.211 acre tract, at the southwest corner of Wild West Addition, a subdivision of record in Cabinet G, Page 150, Plat Records of Denton County, Texas;

THENCE North 89° 00' 03" East, with a north line of said 623.211 acre tract, a distance of 1562.78 feet to a 1/2-inch iron rod with a cap stamped 'RPLS 6677" found at a T-Post at the southeast corner of said Wild West Addition;

THENCE North 00° 29' 29" West, with a north line of said 623.211 acre tract, a distance of 1460.42 feet to a wood fence corner post found at the southwest corner of a called 11.015 acre tract described in deed to Jason Walden and wife, Marianne K. Benton Sharp, recorded in Instrument No. 2014-107288, said Official Records;

THENCE North 89° 02' 03" East, with a north line of said 623.211 acre tract, a distance of 2688.93 feet to a 1/2-inch capped iron rod found at the northwest corner of a called 10.021 acre tract described as Tract one in deed to Augie's Addition, L.L.C., recorded in Instrument No. 2008-40851, said official Records;

THENCE South 01° 10' 35" East, with a north line of said 623.211 acre tract, a distance of 1174.75 feet to a 1/2-inch capped iron rod found at the southwest corner of said 10.021 acre tract;

THENCE North 89° 09' 19" East, with a northerly line of said 623.211 acre tract, a distance of 741.27 feet to a 1/2-inch capped iron rod found at the southeast corner of said 10.021 acre tract, same being the northeast corner of said 623.211 acre tract, the northwest corner of said 1892.409 acre tract, and the southwest corner of a called 20.190 acre tract of land described in deed to Richard W. Freeman and Wife, Janice H. Freeman, recorded in Instrument No. 2009-147025, said Official Records;

THENCE North 88° 27' 29" East, with a north line of said 1892.409 acre tract, a distance of 2530.35 feet to a wooden fence corner post found at the southeast corner of Quail Ridge Estates, a subdivision of record in Cabinet R, Slide 274, said Plat Records, and in the west line of Culp Branch Addition, a subdivision of record in Cabinet B, Page 323, said Plat Records;

THENCE South 01° 28' 30" East, with a north line of said 1892.409 acre tract, a distance of 1977.73 feet to a 1-inch iron rod found at the southwest corner of a called 28.870 acre tract described in deed to Richard Alan Estes and Gaye Lynn Estes, Trustees of the Estes Family Living Trust, recorded in Instrument No. 2014-47520, said Official Records;

THENCE North 89° 02' 14" East, with a north line of said 1892.409 acre tract, a distance of 1883.14 feet to a 1/2-inch capped iron rod found (illegible) at the southeast corner of said 28.870 acre tract;

THENCE North 01° 10' 24" West, with a north line of said 1892.409 acre tract, a distance of 2799.94 feet to a 1-inch iron pipe found in the east line of said Culp Branch Addition;

THENCE North 01° 08' 36" West, continuing with a north line of said 1892.409 acre tract, a distance of 1324.91 feet to a 5/8-inch iron rod found at the northeast corner of a called 42.98 acre tract described as Tract II, in deed to Dave & Dave LTD, Co., recorded in Instrument No. 2001-80814, said Official Records, and at a southerly corner of Lake Ride Estates, a subdivision of record in Cabinet W, Page 651, said Plat Records;

THENCE North 01° 23' 13" West, continuing with a north line of said 1892.409 acre tract, a distance of 465.52 feet to a metal fence corner post found at a northwesterly corner of said 1892.409 acre tract and in a southerly line of said Lake Ridge Estates;

THENCE North $88^{\circ} 59' 10''$ East, with a north line of said 1892.409 acre tract, a distance of 2876.25 feet to a metal fence corner post found at a northeasterly corner of said 1892.409 acre tract and at the southeast corner of a called 10.56 acre tract described in deed to Ronny Ryan Allen, recorded in Instrument No. 2011-59595, said Official Records, and in the west line of a called 16.00 acre tract described in deed to Jack Albert Jr. & Wendy Harrod Hall, Trustees of the Jack & Wendy Hall Living Trust, recorded in Instrument No. 2018-135544, said Official Records;

THENCE South $03^{\circ} 18' 46''$ East, with a north line of said 1892.409 acre tract, a distance of 422.97 feet to a metal fence corner post found at the southwest corner of said 16.00 acre tract;

THENCE North $88^{\circ} 56' 43''$ East, with a north line of said 1892.409 acre tract, a distance of 1703.91 feet to a calculated point in the north line of said 1892.409 acre tract, same being the south line of a called 33.021 acre tract described in deed to Dan C. Reding & Elizabeth J. Reding, recorded in Instrument No. 2011-92590, said Official Records,

THENCE crossing through said 1892.409 acre tract the following courses:

1. South $01^{\circ}04'50''$ East 986.41 feet to a calculated point of curvature;
2. Along a non-tangential curve to the right, having a radius of 3899.85 feet, an arc length of 1327.94 feet, a delta angle of $19^{\circ}30'35''$, and a chord which bears South $88^{\circ}06'20''$ East a distance of 1321.53 feet to a calculated point of tangency;
3. South $78^{\circ}21'04''$ East a distance of 295.48 feet to a calculated point;
4. South $11^{\circ}38'56''$ West a distance of 831.24 feet to a calculated point of curvature;
5. Along a tangential curve to the left, having a radius of 1000.00 feet, an arc length of 222.17 feet, a delta angle of $12^{\circ}43'46''$, and a chord which bears South $05^{\circ}17'03''$ West a distance of 221.71 feet to a calculated point of tangency;
6. South $01^{\circ}04'50''$ East a distance of 346.63 feet to a calculated point of curvature;
7. Along a tangential curve to the right, having a radius of 1000.00 feet, an arc length of 288.62 feet, a delta angle of $16^{\circ}32'12''$, and a chord which bears South $07^{\circ}11'16''$ West a distance of 287.62 feet to a calculated point of tangency;

8. North 89°13'22" East a distance of 1686.66 feet to a calculated point in the east line of said 1892.409 acre tract and the west right-of-way line of FM 2153 (Prescriptive right-of-way)

THENCE with the east line of said 1892.409 acre tract and the west right-of-way line of FM 2153 the following courses:

1. South 01°04'48" East a distance of 828.58 feet to a 5/8-inch found iron rod with plastic cap found;
2. South 00° 48' 48" East, a distance of 572.81 feet, to a mag nail found in a fence corner post at the northeast corner of a called 15.00 acre tract described in deed to Bijan Janami, Shahrivar Sobhanian & Shahla Nouri Kohani, recorded in Instrument No. 2024-50795, said Official Records;

THENCE South 89° 13' 22" West, with the east line of said 1892.409 acre tract, a distance of 2156.68 feet to a 1-inch iron rod found at the northwest corner of said 15.00 acre tract;

THENCE South 01° 04' 05" East, with the east line of said 1892.409 acre tract, a distance of 303.17 feet to a 1-inch iron pipe found at the southwest corner of said 15.00 acre tract;

THENCE South 01° 34' 19" East, continuing with the east line of said 1892.409 acre tract, a distance of 331.29 feet to a 1/2-inch capped iron rod found (illegible) at the northwest corner of a called 16.364 acre tract described in deed to Spire Tower US LLC, recorded in Instrument No. 2024-48396, said Official Records;

THENCE South 01° 29' 45" East, continuing with the east line of said 1892.409 acre tract, a distance of 242.84 feet to a 1/2-inch iron rod found at the most westerly southwest corner of said 16.364 acre tract;

THENCE South 73° 44' 27" East, continuing with the east line of said 1892.409 acre tract, a distance of 237.66 feet to a capped iron rod set;

THENCE South 82° 07' 13" East, continuing with the east line of said 1892.409 acre tract. a distance of 266.22 feet to a 3/8-inch iron rod found at the most southerly southwest corner of said 16.364 acre tract and the northwest corner of Parks Addition, a subdivision of record in Instrument No. 2010-206, said Official Records;

THENCE with the east line of said 1892.409 acre tract and the west line of said Parks Addition, the following courses:

1. South 11° 04' 31" East, a distance of 138.03 feet;
2. South 32° 46' 02" East, a distance of 51.03 feet;
3. South 48° 18' 56" East, a distance of 56.57 feet;

4. South 68° 05' 51" East, a distance of 30.19 feet;
5. South 81° 20' 09" East, a distance of 27.00 feet;
6. South 88° 48' 25" East, a distance of 243.52 feet to a 1/2-inch iron rod found at the northwest corner of a called 37.7184 acre tract described in deed to Larry Hibberd & Spouse, Darlene Hibberd, recorded in Instrument No. 2000-4481, said Official Records;

THENCE with the east line of said 1892.409 acre tract and the west line of said 37.7184 acre tract, the following courses:

1. South 08° 13' 25" East, a distance of 631.62 feet;
2. South 04° 44' 10" East, a distance of 210.34 feet;
3. South 14° 00' 51" East, a distance of 106.56 feet;
4. South 19° 03' 47" East, a distance of 77.78 feet;
5. South 18° 22' 42" East, a distance of 176.66 feet;
6. South 28° 35' 49" East, a distance of 57.16 feet;
7. South 35° 51' 23" East, a distance of 64.50 feet;
8. South 76° 20' 21" East, a distance of 117.45 feet;
9. North 86° 19' 20" East, a distance of 145.94 feet;
10. South 61° 14' 20" East, a distance of 116.10 feet;
11. South 22° 57' 45" East, a distance of 147.48 feet to a capped iron rod set;

THENCE North 89° 32' 36" East, with the east line of said 1892.401 acre tract, a distance of 572.51 feet to a point in the west right-of-way line of FM 2153, at a northeasterly corner of said 1892.401 acre tract, from which a 1/2-inch iron rod found bears South 89° 32' 36" West, a distance of 1.41 feet;

THENCE South 00° 48' 48" East, a distance of 3094.50 feet to a capped iron rod set at the point of curvature;

THENCE along a tangential curve to the left, having a radius of 1191.00 feet, an arc length of 196.20 feet, a central angle of 09° 26' 19", and a chord which bears South 04° 26' 21" East, a distance of 195.98 feet to a mag nail set in Shepard Road (No Record Found, Prescriptive right-of-way), at the end of said curve;

THENCE with the south line of said 1892.409 acre tract and in said Shepard Road, the following courses:

1. South 89° 50' 46" West, a distance of 1858.57 feet to a mag nail set;
2. South 89° 28' 44" West, a distance of 945.64 feet to a 1/2-inch iron rod found;
3. South 89° 23' 55" West, a distance of 370.10 feet to a calculated point;

THENCE crossing through said 1892.409 acre tract the following courses:

1. North 01°02'45" West a distance of 590.38 feet to a calculated point;
2. North 37°34'12" West a distance of 314.06 feet to a calculated point;
3. South 87°04'32" West a distance of 385.50 feet to a calculated point;
4. South 00°44'40" West a distance of 825.89 feet to a calculated point in the south line of said 1892.409 acre tract and in said Shepard Road;

THENCE South 89°23'55" West, with the south line of said 1892.409 acre tract and in said Shepard Road a distance of 959.22 feet to Mag Nail Set at the southeast corner of a called 318.00 acre tract of land described in deed to Jones - Brown - Davis Limited Partnership, recorded in Instrument No. 2002-146053, said Official Public Records;

THENCE North 00° 44' 22" West, with a westerly line of said 1892.409 acre tract, a distance of 2953.22 feet to a metal fence corner post found at the northeast corner of a called 318.00 acre tract described in deed to Jones-Brown-Davis Limited Partnership, recorded in Instrument No. 2002-146053, said Official Records;

THENCE with the south line of said 1892.409 acre tract, the following courses:

1. South 88° 03' 15" West, a distance of 4794.40 feet to a capped iron rod set at a T-Post;
2. North 00° 55' 35" West, a distance of 1017.61 feet to a metal fence corner post found at the northeast corner of a called 202.501 acre tract described in deed to Eric Seymour & Elizabeth Seymour, recorded in Instrument No. 2013-79507, said Official Records;
3. South 88° 36' 29" West, a distance of 2289.40 feet to a 1/2-inch capped iron rod stamped "ALLIANCE" found at the northwest corner of said 202.501 acre tract and at the northeast corner of a called 9.987 acres tract described as Tract I in deed to Gregory J. Egner, Jr.

Trustee of the Egner Family Living Trust, recorded in Instrument No. 2016-23869, said Official Records;

4. South 87° 55' 15" West, a distance of 249.50 feet to a 1/2-inch iron rod found at the southwest corner of said 1892.409 acre tract and the southeast corner of said a called 66.247 acre tract described as Tract III in deed to Gregory J. Egner, Jr., trustee of the Egner Family Living Trust, recorded in Instrument No. 2016-23869, of said Official Public Records;

THENCE North 00°43'45" West, along the west line of the 1892.409 acre tract, same being the east line of said 66.247 acre tract a distance of 1326.40 feet to a Fence Corner Post found at the northeast corner of said 66.247 acre tract;

THENCE North 87°27'43" West, with the south line of said 66.247 acre tract, same being the north line of said 66.247 acre tract, a distance of 2067.82 feet to a wood fence corner post found at the southwest corner of said 66.247 acre tract, and in the east line of said 623.211 acre tract;

THENCE South 00°36'57" East, with the south line of said 66.247 acre tract, same being the west line of said 66.247 acre tract, a distance of 1465.31 feet to a wooden fence corner post found at the southwest corner of said 66.247 acre tract, same being the northwest corner of a called 15.00 acre tract described in deed to Richard G. Buckner, recorded in Instrument No. 2015-20724, said Official Public Records;

THENCE South 00° 40' 20" East, partially with the east line of said 623.211 acre tract and the east line of said 219.478 acre tract, a distance of 1127.14 feet to a 1/2-inch iron rod found at the northwest corner of a called 5.00 acre tract described as Tract I, in deed to Edward Flores & Wife, Diena Flores, recorded in Instrument No. 1984-39110 (Volume 1449, Page 258), Deed Records of Denton County, Texas, in Indian Wells Road (No Record Found, Prescriptive right-of-way assumed);

THENCE South 00° 42' 40" East, continuing with the east line of said 219.478 acre tract, a distance of 1515.14 feet to a 1/2-inch iron rod found at the southwest corner of a called 5.53 acre tract described in deed to C&P COUNTRYLIFE LLC, recorded in Instrument No. 2020-164077, said Official Records, and at the northwest corner of a called 9.887 acre tract described in deed to Lendal R. Patton & Wife, Lisa B. Patton, recorded in Instrument No. 1996-011783, said Official Records;

THENCE South 00° 27' 46" East, continuing with the east line of said 219.478 acre tract, a distance of 824.08 feet to a 1/2-inch iron rod found in Gribble Springs Road (No record found, Prescriptive right-of-

way assumed), at the southeast corner of said 219.478 acre tract and the northeast corner of a called 2.00 acre tract described in deed to Mark Laird & Kristie Laird, recorded in Instrument No. 2017-94146, said Official Records;

THENCE South $89^{\circ} 05' 08''$ West, with the south line of said 219.478 acre tract, a distance of 3024.85 feet to a 1/2-inch iron rod found at the southwest corner of said 219.478 acre tract;

THENCE North $00^{\circ} 57' 06''$ West, with a westerly line of said 219.478 acre tract, a distance of 1380.73 feet to a metal fence corner post found at the northeast corner of a called 15.000 acre tract described in deed to Timothy Gene Trietsch, Karen Reynolds, Michael Trietsch & Patricia Temple, recorded in Instrument No. 2022-120814, said Official Records;

THENCE South $89^{\circ} 17' 21''$ West, with a southerly line of said 219.478 acre tract, a distance of 653.46 feet to a 1/2-inch iron rod found at the northwest corner of said 15.000 acre tract, and at the northeast corner of a called 4.84 acre tract described in deed to Rodney Lane & Marlena Lane, recorded in Instrument No. 2013-17328, said Official Records;

THENCE South $89^{\circ} 28' 10''$ West, continuing with a southerly line of said 219.478 acre tract, a distance of 600.27 feet to a wood fence corner post found at the southeast corner of said 0.862 acre tract;

THENCE South $88^{\circ} 55' 28''$ West, with the south line of said 0.862 acre tract, a distance of 183.01 feet to a 1/2-inch iron rod found at the southwest corner of said 0.862 acre tract, in the east right-of-way line of FM 2164 (variable width right-of-way);

THENCE North $31^{\circ} 05' 48''$ East, partially with the west line of said 0.862 acre tract, a distance of 61.86 feet to a capped iron rod set for a point of curvature;

Along a non-tangential curve to the left, with the west line of said 219.478 acre tract and the east right-of-way line of FM 2164 (variable width right-of-way), having a radius of 1000.40 feet, an arc length of 560.47 feet, a central angle of $32^{\circ} 06' 00''$, a chord that bears North $15^{\circ} 02' 48''$ East, a distance of 553.17 feet to a capped iron rod set for a point of tangency;

THENCE partially with the west line of said 219.478 acre tract and with the west line of said 623.211 acre tract and the east right-of-way line of FM 2164 (variable width right-of-way), the following courses:

1. North $01^{\circ} 00' 12''$ West, passing the northwest corner of said 219.478 acre tract at a distance of 650.95 feet and the southwest corner of said 623.211 acre tract, for a total distance of 1804.13 feet to a capped iron rod set;

THENCE crossing through said 623.211 acre tract the following courses:

1. North $88^{\circ} 55' 28''$ East a distance of 745.98 feet to a calculated point;
2. North $05^{\circ} 08' 28''$ East a distance of 1027.63 feet to a calculated point;
3. North $44^{\circ} 59' 46''$ East a distance of 1053.54 feet to a calculated point;
4. North $00^{\circ} 00' 00''$ East a distance of 1501.06 feet to a calculated point;
5. South $89^{\circ} 00' 03''$ West a distance of 946.48 feet to a calculated point in the west line of said 623.211 acre tract, same being the east right-of-way line of F.M. 2164;

THENCE along the west line of said 623.211 acre tract, same being the east right-of-way line of F.M. 2164 the following courses:

1. North $55^{\circ} 25' 52''$ East, a distance of 163.35 feet to a capped iron rod set at the point of curvature;
2. Along a tangential the left, having a radius of 1186.30 feet, an arc length of 1144.63 feet, a central angle of $55^{\circ} 16' 59''$, a chord which bears North $27^{\circ} 47' 22''$ East, a distance of 1100.74 feet to a 1/2-inch capped iron rod found;
3. North $00^{\circ} 08' 52''$ East, a distance of 333.40 feet to the POINT OF BEGINNING and enclosing 2,500.00 acres (108,899,995 square feet) of land, more or less.