

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF DENTON AUTHORIZING THE EXECUTION OF A COST SHARING AGREEMENT BETWEEN THE CITY, HR 3200, LP, HUNTER RANCH IMPROVEMENT DISTRICT NO. 1 OF DENTON COUNTY, COLE RANCH DEVELOPMENT, LP, AND COLE RANCH IMPROVEMENT DISTRICT NO. 1 OF DENTON COUNTY FOR THE CONSTRUCTION OF THE ROARK BRANCH WASTEWATER TRUNK MAIN; AUTHORIZING AN ESCROW AGREEMENT AND EXPENDITURE OF FUNDS FOR THE CITY'S ALLOCATED SHARE OF IMPROVEMENT COSTS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, pursuant to Section 59, Article XVI, Texas Constitution, Hunter Ranch Improvement District No. 1 of Denton County, Texas ("HRID") has been created during the 86th Regular Session of the Texas Legislature through the passage of H.B. 4683, and Cole Ranch Improvement District No. 1 of Denton County, Texas ("CRID") has been created through the passage of H.B. 4683 (collectively, HRID and CRID are the "Districts") and both codified under Chapter 3980, Special District Local Laws Code (the "District Act"), to include land within the City of Denton, Texas (the "City"), as special districts for the benefit of the public and for public purposes, including the acquisition, construction, improvement, financing, operation, and maintenance of water, wastewater, drainage, road, landscaping, park and recreational facilities; and

WHEREAS, in satisfaction of the requirements of the District Act, the City adopted resolutions on April 7, 2020, consenting to the creation of the Districts and to the inclusion of the land described therein; and

WHEREAS, the City, Petrus Investment, L.P., and the HRID entered into the Project Agreement and the Operating Agreement dated April 7, 2020, and approved by City Ordinance 20-658 and 20-763, respectively (the "Agreements"); and

WHEREAS, the Agreements specify the Improvement Projects to be constructed by the HRID and the City's ability to participate in the construction and funding of those Improvement Projects to serve other areas of the City; and

WHEREAS, HR 3200, LP (the "Hunter Developer") is the developer or affiliate of the developer of certain real property located in the City of Denton, Texas located within HRID; and

WHEREAS, Cole Ranch Development, LP (the "Cole Developer") is the developer or affiliate of the developer of certain real property located in the City of Denton, Texas located within CRID; and

WHEREAS, the Hunter Developer is in the process of developing and improving property within HRID and Cole Developer is in the process of developing and improving property within CRID and in connection with the same, the Districts must design, construct and install adequate wastewater facilities to service the Districts; and

WHEREAS, the City wishes to participate in the cost of designing, constructing and installing a portion of the wastewater facilities to provide for additional capacity in the wastewater main to expand its utility system and insure adequate utility service to other customers, which consists of the Roark Branch Wastewater Trunk Main identified in Exhibit B1-B of the Hunter

Ranch Operating Agreement and the Civil Construction Plans for Hunter Ranch Roark Branch Offsite Sanitary Sewer CEP23-0057 (the “Required Facilities”); and

WHEREAS, City, HRID, Hunter Developer, CRID, and Cole Developer desire to enter this Agreement to increase the capacity of improvements in anticipation of future development in the area outside the Districts; and

WHEREAS, City, HRID, Hunter Developer, CRID, and Cole Developer desire to set forth, in writing, their understandings and agreement regarding the design, construction, financial contributions, and installation of the Required Facilities; NOW, THEREFORE;

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The City Manager or her designee is hereby authorized to execute Cost Sharing Agreement attached hereto as **Exhibit “A”** specifying the details of funding, construction, financial contribution, requirements of the parties, and other related matters.

SECTION 2. The Cost Sharing Agreement is attached hereto as **Exhibit “A”** and incorporated herein for all purposes. Minor adjustments to the attached Cost Sharing Agreement are authorized, such as filling in blanks and minor clarifications or corrections, and any modifications made by the City Council in the approval of this ordinance.

SECTION 3. The City Manager, or her designee, is further authorized to carry out all duties and obligations to be performed by the City under the Cost Sharing Agreement, including but not limited to, the execution of the Escrow Agreement and the expenditure of City funds for the City’s allocated share of costs for the Required Facilities as provided in the Cost Sharing Agreement.

SECTION 4. This ordinance shall become effective immediately upon its passage and approval.

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

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

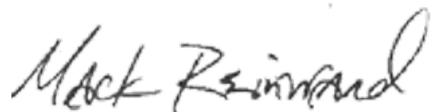
PASSED AND APPROVED this the _____ day of _____, 2026.

GERARD HUDSPETH, MAYOR

ATTEST:

INGRID REX, CITY SECRETARY

APPROVED AS TO LEGAL FORM:



MACK REINWAND, CITY ATTORNEY

Exhibit “A”
Cost Sharing Agreement

THE STATE OF TEXAS §
 §
COUNTY OF DENTON §

COST SHARING AGREEMENT

This Cost Sharing Agreement (this “**Agreement**”), is made and entered into this 13th day of January, 2026 (the “**Effective Date**”), by and amongst the City of Denton, a Texas Home-Rule Municipal Corporation (hereinafter referred to as the “**City**”), with its offices located at 215 East McKinney Street, Denton, Texas 76201; Hunter Ranch Improvement District No. 1 of Denton County (hereinafter referred to as “**District**”) with a mailing address of ABHR, c/o Sanjay Bapat, 4514 Cole Avenue, Suite 1450, Dallas, Texas, 75205; HR 3200, LP, a Texas limited partnership (hereinafter referred to as “**Developer**”), whose principal address is 3000 Turtle Creek Boulevard, Dallas, Texas 75219; Cole Ranch Improvement District No. 1 of Denton County (hereinafter referred to as “**CRID**”); with a mailing address of ABHR, c/o Stephen M. Robinson, 4514 Cole Avenue, Suite 1450, Dallas, Texas, 75205; and Cole Ranch Development LP, a Texas limited partnership (hereinafter referred to as “**Cole Developer**”), each of the City, District, Developer, CRID and Cole Developer shall be referred to herein as a “**Party**” and together, as the “**Parties**”.

RECITALS:

WHEREAS, Developer is the developer or affiliate of the developer of certain real property located in the City of Denton, Texas and being depicted on **Exhibit A-1**, attached hereto and made a part hereof for all purposes (the “**Property**”); and

WHEREAS, the Property is also located within the District; and

WHEREAS, Cole Developer is the developer or affiliate of the developer of certain real property located in the City of Denton, Texas and being depicted on **Exhibit A-2**, attached hereto and made a part hereof for all purposes (the “**Cole Property**”)

WHEREAS, Developer is in the process of developing and improving the Property and Cole Developer is in the process of developing and improving the Cole Property and in connection with the same, the District must design, construct and install adequate wastewater facilities to service the Property as generally depicted on **Exhibit B** (the “**District Facilities**”); and

WHEREAS, the City wishes to participate in the cost of designing, constructing and installing a portion of the District Facilities to provide for additional capacity in the wastewater main to expand its utility system and insure adequate utility service to other customers, which consists of the Roark Branch Wastewater Trunk Main identified in Exhibit B1-B of the Hunter Ranch Operating Agreement effective April 7, 2020, as amended by that certain First Amendment to Operating Agreement, effective May 7, 2024 (the “**Operating Agreement**”) and the Civil Construction Plans for Hunter Ranch Roark Branch Offsite Sanitary Sewer CEP23-0057, as shown on **Exhibit C**, attached hereto and incorporated herein by reference (the “**Required Facilities**”); and

WHEREAS, City, District, Developer, CRID and Cole Developer desire to enter this Agreement to increase the capacity of improvements in anticipation of future development in the area; and

WHEREAS, City, District, Developer, CRID and Cole Developer desire to set forth, in writing, their understandings and agreement regarding the design, construction and installation of the Required Facilities.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein City, District, Developer, CRID and Cole Developer do hereby AGREE as follows:

1. Term

This Agreement becomes effective upon the Effective Date and shall remain in effect until the Required Facilities are completed, have been accepted by the City, and the City, District and CRID have paid for its portion of the Total Costs (as defined below) for the Required Facilities in accordance with the terms hereof, unless earlier terminated in a writing that is signed by the City, District, Developer, CRID and Cole Developer.

2. Scope of Work

District shall design, install, and construct the Required Facilities.

3. City, District, Developer, CRID and Cole Developer Rights and Responsibilities

- A. The amount of the City and CRID participation in the cost of the Required Facilities shall be limited to its Project Allocation (as defined below) of the Total Cost. **“Total Cost”** shall be the sum of the Soft Costs and the Hard Costs. **“Soft Costs”** shall mean the actual design, engineering and staking, construction management, inspection, material testing, and legal costs. **“Hard Costs”** shall mean the construction, materials, labor, bonds, bidding, contracting, insurance costs and all related fees and expenses for the Required Facilities. Total Cost will be allocated between the City, CRID and the District on a segment by segment basis as shown on **Exhibit D** (“Project Allocation”).
- B. The Parties agree that the construction contracts for the Required Facilities shall be let by the District as owner in accordance with the District’s competitive bidding rules. The Parties acknowledge that copies of the bids, bid tabulation, and recommendation of award have been provided to them and are deemed approved. Prior to starting work under a construction contract for the Required Facilities, Developer shall coordinate or cause the District engineer to coordinate a pre-construction meeting with the City, the general contractor, and the engineer of record in addition to the inspections and testing contemplated by the development contract for Public Improvements which is attached hereto as **Exhibit E**.
- C. The City shall be responsible for City’s Project Allocation Share of the Total Cost based on the pro rata share for the applicable segment set forth in **Exhibit D** (“City Project Allocation Share”) based on the recommended bid for the Required Facilities. Prior to award of the construction contract, the City shall take all actions to cause the City Council to allocate the funds required for the City Project Allocation Share and place such funds in an escrow account (“**City Escrow Account**”) within thirty days after the

Effective Date of this Agreement, which funds shall be subject to the Escrow & Pay Agent Agreement attached hereto as **Exhibit G** which provides for periodic withdrawal requests (“**Withdrawal Request(s)**”) from the District as required to pay costs related to the construction of the Required Facilities (the “**Escrow Agreement**”).

- D. CRID shall be responsible for CRID’s Project Allocation Share of the Total Cost based on the pro rata share for the applicable segment set forth in **Exhibit D** (“**CRID Project Allocation Share**”) based on the recommended bid for the Required Facilities. CRID and CRID Developer shall enter into a cost sharing agreement with the District and Developer to account for the CRID Project Allocation Share (“**CRID/HRID Agreement**”).
- E. The Developer shall be responsible for the Developer’s Project Allocation Share of the Total Cost based on the pro rata share for the applicable segment set forth in **Exhibit D** (“**Developer Project Allocation Share**”), based on the recommended bid for the Required Facilities. Developer shall also be responsible for accounting for the CRID Project Allocation Share through the CRID/HRID Agreement.
- F. The District shall make requests for disbursements from the City Escrow Account on a quarterly basis in advance of the projected City Project Allocation Share for the subsequent quarter. The District shall provide the City Director of Development Services (the “**City Designee**”) written notice of its intent to draw from the Escrow Account, along with an accounting of receipts and payments to date, and a calculation of how each Party’s Allocation Share for such quarter has been calculated, at least thirty (30) calendar days prior to the start of each calendar quarter for the estimated amounts due for the City Project Allocation Share for the progress of the construction of the Required Facilities in such upcoming quarter. No earlier than fifteen (15) days after providing such notice to the City Designee, the District shall deliver to the Escrow Agent a Withdrawal Request and Certificate for the Escrow Agreement that complies with the requirements of the Escrow Agreement in order to draw cash from the Escrow Account. By way of example, for a quarter beginning on July 1 and ending on September 30, the District shall make a request for disbursement on June 1, and the Withdrawal Request and Certificate shall be provided to the Escrow Agent on June 15 for disbursement by July 1. The first quarterly request for disbursement shall include the Total Costs incurred through the Effective Date and the projection of Total Costs to be incurred from the Effective Date through March 31, 2026. Within seven days of the funding of the City Escrow Account pursuant to Section C above, the District shall deliver to the Escrow Agent a Withdrawal Request and Certificate for the Escrow Agreement that complies with the requirements of the Escrow Agreement in order to release the first quarterly request for disbursement.
- G. The District shall provide or cause the District engineer to provide the City Designee and CRID district engineer copies of invoices and pay applications under the applicable construction contract for the Required Facilities promptly upon receipt and the City Designee and CRID district

engineer shall have fifteen (15) calendar days from the date of receipt to object to the invoices or pay applications. If the City Designee or CRID district engineer fails to object within the fifteen (15) calendar day timeframe, the pay application will be deemed approved by the City Designee or the CRID district engineer, as applicable. If the City or CRID has an objection, the District and Developer shall reasonably attempt to satisfy the concerns set forth in the objection and provide written notice to the City or CRID explaining the resolution(s) for satisfying such concerns, but the final decision regarding approval of invoices and pay applications shall remain with the District.

- H. Within thirty (30) calendar days after completion and final acceptance of the Required Facilities in accordance with Section 4.05 of the Operating Agreement, the District shall cause its engineer and bookkeeper to prepare a final report confirming the total, actual costs of the Required Facilities (the "**Required Facilities Final Accounting**"), which accounting shall include the cost of such report. The Required Facilities Final Accounting shall state: (A) the costs actually paid by each Party for the Required Facilities, (B) the costs that should have been incurred by each Party based on its respective pro rata share for each segment set forth on Exhibit D, and (C) the amount of any underpayment or overpayment made by the Parties, taking into account clauses (A) and (B) above. The Required Facilities Final Accounting shall be provided to the Parties within ninety (90) calendar days after completion and final acceptance of the Required Facilities. Within thirty (30) calendar days of the date the Required Facilities Final Accounting is received by the Parties, the Party that underpaid shall pay the other Party the amount of the underpayment.
- I. All change orders under a construction contract for the Required Facilities are subject to approval by the District, the Developer, the CRID district engineer and the City Designee and shall reflect modifications to the contract on a segment by segment basis. Each of the CRID district engineer and the City Designee shall have fourteen (14) calendar days from the date of receipt to review and provide written objections to a change order. If the CRID district engineer or City Designee fails to object within the fourteen (14) calendar day timeframe, the change order will be deemed approved by each Party. The District shall consider all reasonable objections to change orders but the final decision regarding approval of a change order remains with the District. To the extent a change order alters the Total Cost or the Project Allocations, the Parties agree that each party's Project Allocation share shall be revised accordingly, Exhibit D shall be updated, and this Agreement is automatically amended to reflect the agreed to change order amounts and the City shall deposit the additional City Project Allocation Share into the City Escrow Account.
- J. The construction contracts for the Required Facilities shall include performance and payment bonds, in the form attached hereto as Exhibit F, which shall be in compliance with Chapter 2253 of the Texas Government Code and in the total amount of the construction contract to ensure completion of the Required Facilities. District shall cause the contractors for the Required Facilities to provide a two (2)-year maintenance bond in favor

of the City. City shall cause the contractor or its surety to repair and/or replace all defects due to faulty materials and workmanship that appear within a period of two (2) years from the date of final completion and final acceptance of each phase of the Required Facilities by the City.

- K. This Agreement is subject to and governed by the Denton Development Code and any other applicable ordinances of the City of Denton, Texas including Ordinances MPC19-0002c and MPC19-0002d, as each has been or may be amended from time to time.
- L. Developer shall make good faith efforts to obtain all necessary permits, licenses, and easements to construct and install the Required Facilities, and the costs for acquisition of all necessary permits and licenses-are subject to the Project Allocation. The Parties agree and acknowledge that the City has provided all property rights on City property required for the construction of the Required Facilities. The easements, deeds, and plats therefor obtained by the Developer in connection with the construction and installation of the Required Facilities shall be reviewed and approved as to form and substance by the City, which approval shall not be unreasonably withheld. If Developer is unable to acquire needed easements, the City agrees to consider securing the required easements with the full powers provided to it, including, if necessary, condemnation, in the method outlined and pursuant to the Operating Agreement Section 4.07. Developer shall provide the City with any reasonably requested documentation of efforts to obtain such easements, including evidence of negotiations and reasonable offers made to the affected property owners. Any easements for the Required Facilities obtained by the Developer shall be assigned to the City, if not taken in the City's name, prior to acceptance of the Required Facilities, and the Developer warrants clear title to such easements from and against all lawful claims and demands of all persons claiming by, through, or under the Developer, subject however to all easements, covenants, conditions, reservations, restrictions and matters of record and any conditions that would be uncovered by an inspection of the easement area or an accurate survey of the same (collectively, the "**Permitted Exceptions**"), and will indemnify the City against any adverse claim made against such title, other than the Permitted Exceptions.
- M. Minor amendments to this Agreement, as determined by the City Manager, may be authorized by the City Manager without the necessity of a vote of City Council.
- N. Unless the delay is caused by the act or omission of the City, the City shall not be liable for any additional cost because of delays in beginning, continuing, or completing construction of the Required Facilities.
- O. To confirm the actual cost of the Required Facilities, City and CRID shall have the right upon at least one week's notice and at a reasonable time during regular business hours to inspect any and all records of the District, its agents, employees, contractors, or subcontractors, and shall have the right to require the Developer to submit any necessary information, documents, invoices, receipts, or other records to verify the actual cost of the Required Facilities. If the actual costs are lower than those noted on Exhibit D, each

Party's share of the Total Cost shall be reduced pro rata based on each Party's allocation as set forth on Exhibit D.

P. THE DEVELOPER SHALL INDEMNIFY THE CITY FROM ANY AND ALL CLAIMS, DAMAGES, LOSS, OR LIABILITY OF ANY KIND WHATSOEVER (INCLUDING DEATH), BY REASON OF INJURY TO PROPERTY OR PERSON OCCASIONED BY ANY NEGLIGENT ACT OR OMISSION, NEGLECT, OR WRONGDOING OF THE DEVELOPER, ITS OFFICERS, AGENTS, EMPLOYEES, INVITEES, OR CONTRACTORS IN THE PERFORMANCE OF THIS AGREEMENT; AND THE DEVELOPER SHALL, AT ITS OWN COST AND EXPENSE, DEFEND AND PROTECT THE CITY AGAINST ANY AND ALL SUCH CLAIMS AND DEMANDS. NOTWITHSTANDING THE FOREGOING TO THE CONTRARY, THE DEVELOPER'S INDEMNIFICATION OBLIGATIONS HEREUNDER SHALL NOT INCLUDE ANY CLAIMS, DAMAGES, LOSSES, OR LIABILITIES OF ANY KIND WHATSOEVER THAT ARE CAUSED BY THE CITY'S SOLE NEGLIGENCE. IN THE EVENT OF JOINT AND CONCURRENT NEGLIGENCE OR FAULT OF BOTH DEVELOPER AND THE CITY, RESPONSIBILITY AND INDEMNITY, IF ANY, SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH EACH PARTIES FAULT/NEGLIGENCE. FURTHER, IN THE EVENT OF JOINT AND CONCURRENT NEGLIGENCE OR FAULT OF BOTH DEVELOPER AND THE CITY, RESPONSIBILITY FOR ALL COSTS OF DEFENSE SHALL BE APPORTIONED BETWEEN THE CITY AND DEVELOPER BASED UPON THE COMPARATIVE FAULT OF EACH.

Q. Prior to the final payment to a contractor for any portion of the Required Facilities:

- i. The Required Facilities must be (i) completed by the District; (ii) reviewed and inspected by the City; and (iii) approved and accepted by the City. During the work on the Required Facilities, the City and CRID have the right to review all documents, maps, plats, records, photographs, reports and drawings affecting the construction and to inspect the work in progress; and**
- ii. At the time of substantial completion of the Required Facilities, Developer shall or shall cause the District engineer to provide record drawings to the City and CRID, notify the City and the CRID engineer of substantial completion, and request a final walkthrough of the work. The City Public Works Inspector shall schedule a final walkthrough within ten (10) calendar days of notification of substantial completion and receipt of record drawings. The City shall then promptly conduct a final walkthrough of the Required Facilities and provide punch list of items to be remedied by the contractor, and the District shall cause the**

contractor to correct any deficiencies noted by the City in its punch list to the City's satisfaction prior to final acceptance. The City shall schedule any necessary re-inspections within ten (10) calendar days of notice that the punch list items have been completed.

4. Legal Construction

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be considered as if such invalid, illegal, or unenforceable provision had never been contained in this Agreement.

5. Counterparts

This Agreement may be executed, including electronically, in one or more counterparts, each of which when so executed shall be deemed to be an original and constitute one and the same instrument. If this Agreement is executed in counterparts, then it shall become fully executed only as of the execution of the last such counterpart called for by the terms of this Agreement to be executed.

6. Assignment

The District, CRID, Developer and Cole Developer shall not sell, assign, or transfer its obligations or its interest or rights in the Agreement, or any claim or cause of action related thereto in whole or in part, without providing written notice of such assignment to the City. Notwithstanding the other terms of this Agreement, Developer and CRID Developer may assign their obligations under this Agreement to a related entity or to a special district without prior consent of any of the Parties. As an express condition of consent to any assignment, District shall remain liable for completion of the Required Facilities in the event of default by the successor contractor or assignee.

7. Venue

Any and all suits for any breach of this Agreement, or any other suit pertaining to or arising out of this Agreement, shall be brought in a court of competent jurisdiction in Denton County, Texas. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

8. Entire Agreement

This instrument embodies the entire agreement of the Parties hereto and there are no promises, terms, conditions, or obligations other than those contained or incorporated herein. This Agreement shall supersede all previous communications, representations, or agreements, whether verbal or written, between the Parties hereto with respect to the subject matter of this Agreement.

9. Miscellaneous

A. Pursuant to Section 2270.002, Texas Government Code, the Developer and Cole Developer each hereby (i) represents that it does not boycott Israel, and (ii) subject to or as otherwise required by applicable federal law, including without limitation 50 U.S.C. Section 4607, agrees it will not boycott Israel during the term of the Agreement. As used in the immediately preceding sentence, “boycott Israel” shall have the meaning given such term in Section 2270.001, Texas Government Code.

B. The Developer and Cole Developer each hereby represents that (i) it does not engage in business with Iran, Sudan or any foreign terrorist organization and (ii) it is not listed by the Texas Comptroller under Section 2252.153, Texas Government Code, as a company known to have contracts with or provide supplies or services to a foreign terrorist organization. As used in the immediately preceding sentence, “foreign terrorist organization” shall have the meaning given such term in Section 2252.151, Texas Government Code.

C. By signing and entering into this Agreement, Developer and Cole Developer each verifies, pursuant to Chapter 2274 of the Texas Government Code (as added by Senate Bill 13, 87th Texas Legislature, Regular Session), it is not a Company that boycotts energy companies and agrees it will not boycott energy companies during the term of this Agreement. The terms “boycotts energy companies” and “boycott energy companies” have the meaning assigned to the term “boycott energy company” in Section 809.001, Texas Government Code. For purposes of this paragraph, “Company” means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit, but does not include a sole proprietorship.

D. By signing and entering into the Agreement, Developer and Cole Developer each verifies, pursuant to Chapter 2274 of the Texas Government Code (as added by Senate Bill 19, 87th Texas Legislature, Regular Session, “SB 19”), that it is not a Company that has a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and agrees it will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. The terms “discriminates against a firearm entity or firearm trade association” and “discriminate against a firearm entity or firearm trade association” have the meaning assigned to the term “discriminate against a firearm entity or firearm trade association” in Section 2274.001(3), Texas Government Code (as added by SB 19). For purposes of this paragraph, “Company” means a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit, but does not mean a sole proprietorship.

E. The Parties agree that this Agreement is an agreement for good and services to the City pursuant to Texas Local Government Code 271.151.

10. Certification of Execution

The person or persons signing and executing this Agreement on behalf of Developer, or representing themselves as signing and executing this Agreement on behalf of Developer, do hereby warrant and certify that he, she or they have been duly authorized by Developer to execute this Agreement on behalf of Developer and to validly and legally bind Developer to all terms, performances and provisions herein set forth. The person or persons signing and executing this Agreement on behalf of District, or representing themselves as signing and executing this Agreement on behalf of District, do hereby warrant and certify that he, she or they have been duly authorized by the District to execute this Agreement on behalf of District and to validly and legally bind District to all terms, performances and provisions herein set forth.

The person or persons signing and executing this Agreement on behalf of Cole Developer, or representing themselves as signing and executing this Agreement on behalf of Cole Developer, do hereby warrant and certify that he, she or they have been duly authorized by Cole Developer to execute this Agreement on behalf of Cole Developer and to validly and legally bind Cole Developer to all terms, performances and provisions herein set forth. The person or persons signing and executing this Agreement on behalf of CRID, or representing themselves as signing and executing this Agreement on behalf of CRID, do hereby warrant and certify that he, she or they have been duly authorized by CRID to execute this Agreement on behalf of CRID and to validly and legally bind CRID to all terms, performances and provisions herein set forth.

11. Notices.

Any notice, payments, or communications to be given hereunder by a Party to any other Party shall be in writing and may be effected by delivery in person or by facsimile, or by sending said notice by certified mail, return receipt requested, to the address set forth below. Notice shall be deemed given by mail when deposited with the United States Postal Service with sufficient postage affixed.

To District: Hunter Ranch Improvement District No. 1 of Denton County

Attn: President, Board of Directors
c/o Allen Boone Humphries Robison LLP
4514 Cole Ave, Suite 1450
Dallas, Texas 75205
Email: sbapat@abhr.com

To Developer: Attn: Mr. Andrew Pieper

HR 3200, LP
3000 Turtle Creek Blvd.
Dallas, Texas 75219
Email: Andrew.pieper@hillwood.com

with a copy to: Attn: Michele Ringnald

HR 3200, LP
3000 Turtle Creek Blvd.
Dallas, Texas 75219
Email: michele.ringnald@hillwood.com

To City: City of Denton
Attn: City Manager
215 E. McKinney St.
Denton, Texas 76201
Email: cmo@cityofdenton.com

To CRID: Cole Ranch Improvement District No. 1 of Denton County
Attn: President, Board of Directors
c/o Allen Boone Humphries Robison LLP
4514 Cole Ave, Suite 1450
Dallas, Texas 75205
Email: srobinson@abhr.com

To Cole Developer: Cole Ranch Development LP
Attn: Ms. Elizabeth York, Senior Vice President and
General Counsel
5005 Riverway, Suite 500.
Houston, Texas 77056
E-mail: elizabeth@johnsondev.com

[Signature pages follow]

EXECUTED by the undersigned duly-authorized officials and officers of the City and the Developer, on this the 13th day of January, 2026.

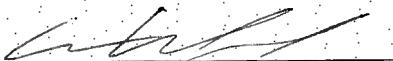
CITY OF DENTON
A Texas Municipal Corporation

By: _____
SARA HENSLEY, CITY MANAGER

ATTEST:
LAUREN THODEN, CITY SECRETARY

By: _____

THIS AGREEMENT HAS BEEN
BOTH REVIEWED AND APPROVED
as to financial and operational
obligations and business terms.



Signature

Interim Director

Title

Development Services

Department

Date Signed: 1-7-26

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

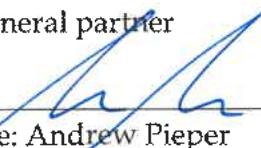
By: _____

DEVELOPER:

HR 3200, LP,
a Texas limited partnership

By: HR 3200 GP, LP,
a Texas limited partnership,
its general partner

By: BOH Investments, GP, LLC,
a Delaware limited liability company,
its general partner

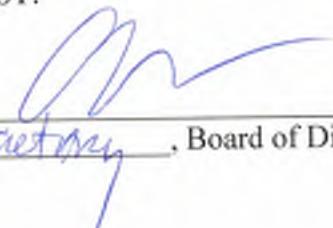
By: 
Name: Andrew Pieper
Title: Vice President

THE DISTRICT:

Hunter Ranch Improvement District No. 1 of Denton County, Texas

By: 
~~President~~, Board of Directors

ATTEST:

By: 
~~Secretary~~, Board of Directors

CRID:

Cole Ranch Improvement District No. 1 of Denton County, Texas

By: W. H. Wild,
Vice President, Board of Directors

ATTEST:

By: Mark Harpaz CR,
Secretary, Board of Directors

COLE RANCH DEVELOPMENT LP
A Texas limited partnership

By: Johnson Cole GP LLC,
A Texas limited liability company
Its general partner

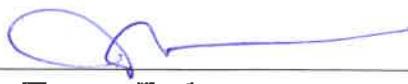
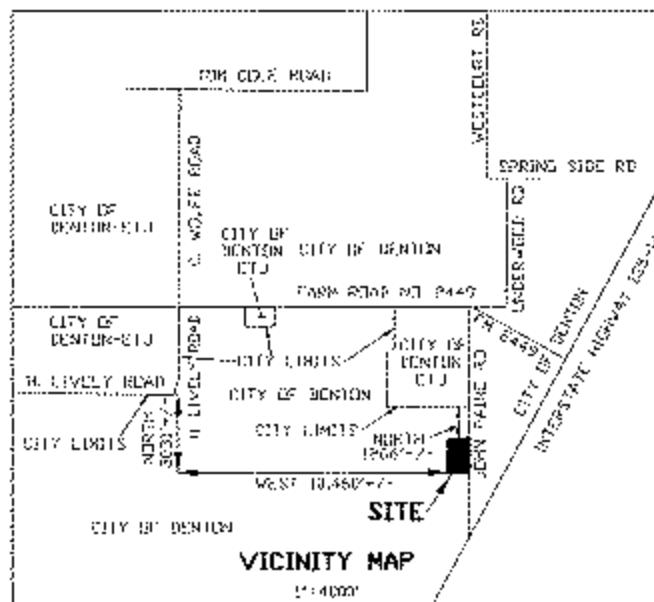
By: 
Name: Thomas Tucker
Title: Vice President

Exhibit A-1
Property Description – the District



OWNER: SILVER GOLF PROPERTY, L.P.
5949 SHERRY LANE, SUITE 1750
DALLAS, TEXAS 75225
PHONE: 214-368-9191
FAX: 214-368-9192

SURVEYOR: BRUCE CLEER, R.P.L.S. NO. 4112
1514 N. MCKINNOLY ST (SU. H.W. NO. 52)
MCKINNEY, TEXAS 75071
PHONE 972-567-3959
FAX 972-542-5251

Bracelet 5-15-2008

SURVEYOR: BRUCE CLEER, R.P.L.S. NO. 4112
1514 N. MCKINNOLY ST (SU. H.W. NO. 52)
MCKINNEY, TEXAS 75071
PHONE 972-567-3959
FAX 972-542-5251

10. *Journal of the American Statistical Association*, 1980, 75, 362-375.

NO IMMEDIATE DEVELOPMENT IS INTENDED

Scale 1" = 100'

CONVEYANCE PLAT

LOT 1, BLOCK 1

EPISCOPAL
ADDITION

CITY OF DENTON

BRING 22.1874 ACRES OF LAND LOCATED IN THE
G.W. PETTINGALE SURVEY, ABSTRACT NO. 1041 & THE
& THE GEO. WEST SURVEY, ABSTRACT NO. 1309
BENTON COUNTY, TEXAS

PREPARED ON FEBRUARY 2, 2005

Cap 4 pg 510

CLERK'S FILE NO.
2005-12276, 2005-12277 & 2005-12278

CLERKS FILE NO. 1202

GROSS AREA	22.1874 ACRES
FUTURE ROAD R.D.W.	2.5101 ACRE
NET AREA	19.6773 ACRES

5 98-33724
1278

CLERK'S FILE NO.
6003-12876, 6003-12877 & 6003-12878

AMERICAN POWER LINE
INSUL BLANKET EASMENT
101 BENTON COUNTY ELECTRIC COOPERATIVE, INC
IN VOLUME 403, PAGE 369

0 LENGTHS ARE 1/2-INCH BROWN PIN SET
UNLESS OTHERWISE NOTED

BEARING BASON GEODETIC NORTH BY GPS
CONTROLLING MONUMENTS: 1/2-INCH IRON PIN SET
AT SOUTHWEST CORNER AND 1/2-INCH IRON PIN FOUND
AT SOUTHEAST CORNER OF 1957.04 ACRE TRACT
RECORDED IN CLERK'S FILE NO. 2005-12076

Entered for Degree of
Bachelor of Science
1907-08-10 10:00 a.m. 1908
18-4
1108
Foremost Station 111428
Absent 00-00
Received Academic - 1112051
2011
from [unclear]

PETROS INVESTMENTS
CLERK'S FILE NO
SP-117450

NAD 83

Exhibit A-2
Property Description - CRID

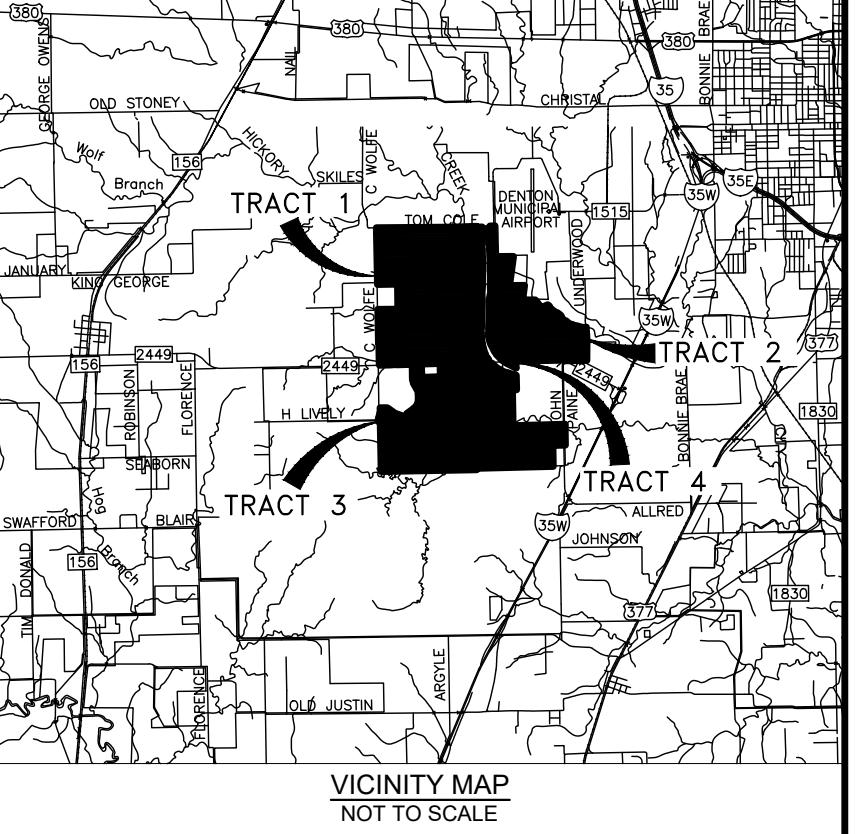
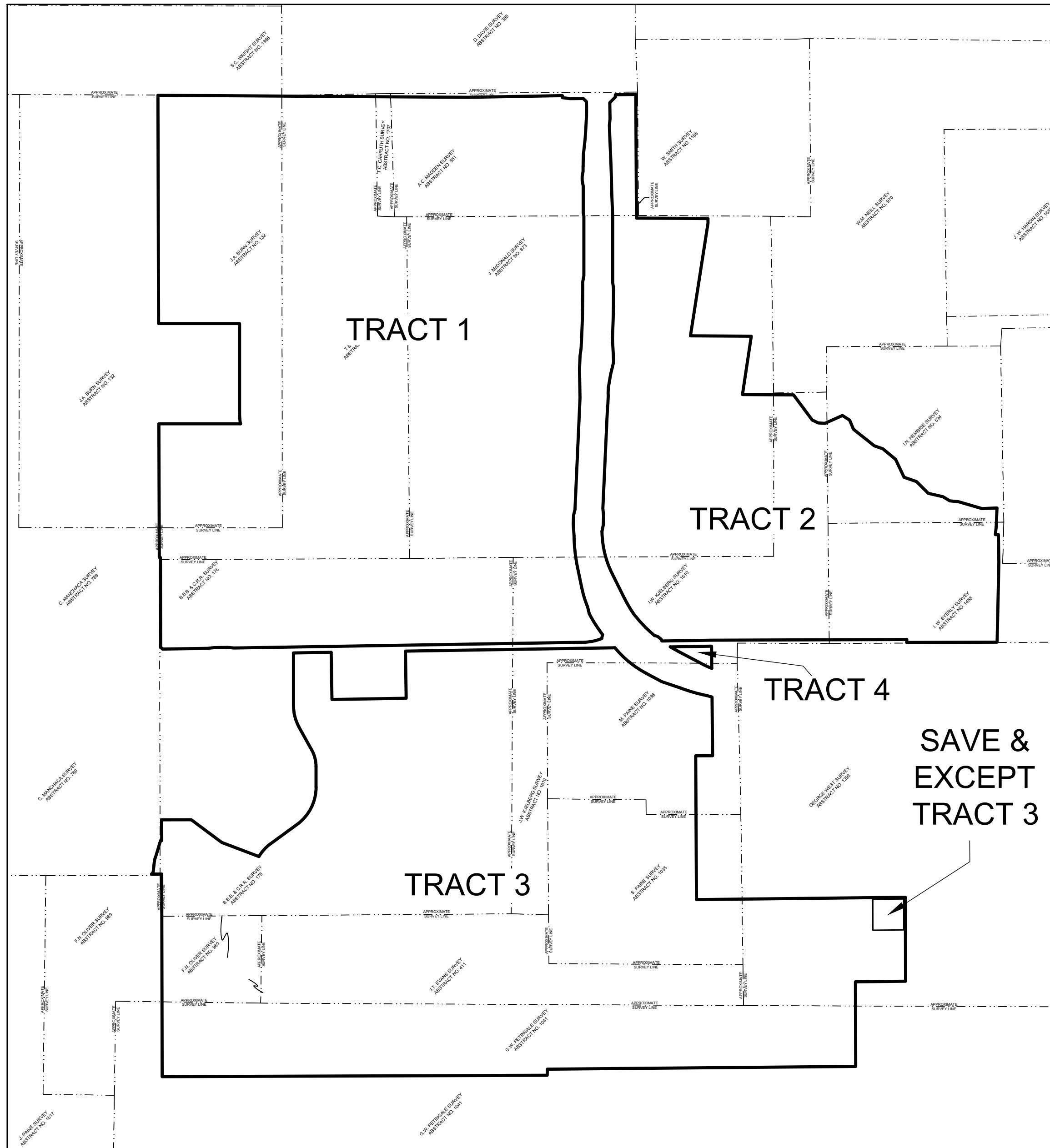
COLE RANCH

DENTON COUNTY, TEXAS

SURVEY NOTES

- BEARING BASIS BEING GRID NORTH, TEXAS STATE PLANE COORDINATES, NORTH CENTRAL ZONE, NAD83 (NAD83 2011, EPOCH DATE 2010), DETERMINED BY GPS OBSERVATIONS, CALCULATED FROM DALLAS CORS ARP (PID-DF8984) AND DENTON CORS ARP (PID-DF8986)
- APPROXIMATE LOCATION OF FLOOD ZONE DESIGNATION FROM FEDERAL EMERGENCY MANAGEMENT AGENCY FLOOD INSURANCE RATE MAP COMMUNITY PANEL NO. 48121C0355 G AND 48121C0365G, DATED APRIL 18, 2011.
- "ZONE X - AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOODPLAIN"
- "ZONE A - NO BASE FLOOD ELEVATIONS DETERMINED"
- THE TERM "CERTIFY" OR "CERTIFICATE" AS SHOWN AND USED HEREON INDICATES AN EXPRESSION OF PROFESSIONAL OPINION REGARDING THE FACTS OF THE SURVEY AND DOES NOT CONSTITUTE A WARRANTY OR GUARANTEE, EITHER EXPRESSED OR IMPLIED, AND IS EXCLUSIVELY TO THE PARTIES INVOLVED IN, AND LIMITED TO TRANSACTION (OF #102-40911-RTT) CLOSING AT THE TITLE COMPANY INDICATED HEREON.
- SURVEYOR RELIED UPON THE TITLE DOCUMENTS PROVIDED BY FIRST AMERICAN TITLE INSURANCE COMPANY FOR INFORMATION REGARDING ENCUMBRANCES ON SUBJECT PROPERTY AND DID NOT ABSTRACT PROPERTY FOR EASEMENTS AND/OR OTHER RESTRICTIONS.
- THIS SURVEY DOES NOT PROVIDE ANY DETERMINATION CONCERNING WETLANDS, FAULT LINES, TOXIC WASTE, OR ANY OTHER ENVIRONMENTAL ISSUES. SUCH MATTERS SHOULD BE DIRECTED BY THE CLIENT OR PROSPECTIVE PURCHASER TO AN EXPERT CONSULTANT.
- THE AREA SHOWN HEREON IS BASED ON THE MATHEMATICAL CLOSURE OF THE COURSES AND DISTANCES REFLECTED ON THIS SURVEY. IT DOES NOT INCLUDE THE TOLERANCES THAT MAY BE PRESENT DUE TO THE POSITIONAL ACCURACY OF THE BOUNDARY MONUMENTATION.
- THE SURVEYOR HAS NOT BEEN PROVIDED WITH CONSTRUCTION PLANS SHOWING THE LOCATION OF UNDERGROUND UTILITIES AND UNDERGROUND UTILITIES MAY EXIST WHICH ARE NOT SHOWN HEREON.
- VISIBLE IMPROVEMENTS/UTILITIES WERE LOCATED WITH THIS SURVEY, NO SUBSURFACE PROBING, EXCAVATION OR EXPLORATION WAS PERFORMED FOR THIS SURVEY.
- THIS SURVEY MAP REPRESENTS THE FACTS FOUND AT THE TIME OF THE SURVEY.
- ALL CORNERS ARE SET WITH A 5/8" IRON ROD WITH YELLOW PLASTIC CAP, UNLESS OTHERWISE NOTED.

LEGEND
 O.P.R.D.C.T. OFFICIAL PUBLIC RECORDS, DENTON COUNTY, TEXAS
 • 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "LIA SURVEYING" SET
 "GEER" 1/2" IRON ROD WITH CAP STAMPED "GEER 4117" FOUND
 "MAG" MAG NAIL FOUND
 "NAIL" NAIL FOUND IN TREE
 "IRF" IRON ROD FOUND
 "TXDOT" 5/8" IRON ROD WITH PLASTIC CAP STAMPED "SURVEY MARKER TXDOT RIGHT-OF-WAY MONUMENT"
 "RPLS 2010" 1/2" IRON ROD WITH CAP STAMPED "RPLS 2010" FOUND
 60DF 60D NAIL FOUND
 "GM" 1/2" IRON ROD WITH CAP STAMPED "GOODWIN MARSHALL" FOUND
 "TNP" 5/8" IRON ROD WITH CAP STAMPED "TNP" FOUND
 HWY MON WOODEN HIGHWAY MONUMENT FOUND
 C.C.# COUNTY CLERK'S FILE NUMBER
 S.F. SQUARE FEET
 (RM) COUNTY RECORD MONUMENT
 RECORD MONUMENT
 CMP CORRUGATED METAL PIPE
 PSBL WELL PAD SETBACK LINE
 CONCRETE POWER POLE
 TELEPHONE POLE
 TELEPHONE RISER
 GUY WIRE
 FIBER OPTIC VAULT
 ELECTRIC WARNING SIGN
 GAS WARNING SIGN
 GAS RISER
 GAS VAULT
 GAS METER
 FIRE DEPARTMENT CONNECTION
 TRAFFIC SIGN
 OVERHEAD ELECTRIC LINE
 FENCE LINE



ALTAINSPS LAND TITLE SURVEY

TRACT 1 = 1,170.136 ACRES, TRACT 2 = 534.394 ACRES,
 TRACT 3 = 1,178.862 ACRES, TRACT 4 = 2.472 ACRES

LJA SURVEYING, INC.

Phone 461-6210/70

Fax 461-3832

T.B.P.L.L.C. Firm No. 1019382

Dallas, Texas 75206

TAX PARCEL NUMBERS AND ACREAGE				
PROPERTY ID	SURVEY ABST.	ABST. NO.	OWNER NAME	PARCEL ACRES
64446	J.A. BURN	132	THE COLE RANCH COMPANY, L.P.	305.0000
36693	T & P	1292	THE COLE RANCH COMPANY, L.P.	323.8200
37346	T.C. CARRUTH	1707	THE COLE RANCH COMPANY, L.P.	4.1900
36720	A.C. MADDEN	851	THE COLE RANCH COMPANY, L.P.	135.8596
36655	J. McDONALD	873	THE COLE RANCH COMPANY, L.P.	505.8220
36689	J.W. KJELBERG	1610	THE COLE RANCH COMPANY, L.P.	141.0811
36725	L.N. HEMBRE	594	THE COLE RANCH COMPANY, L.P.	38.9780
36730	C.W. BYERLY	1458	THE COLE RANCH COMPANY, L.P.	110.5000
67475	B.B.B. & C.R.R.	176	THE COLE RANCH COMPANY, L.P.	227.1252
155742	J.W. KJELBERG	1610	THE COLE RANCH COMPANY, L.P.	31.9851
73311	M. PAIN	1036	THE COLE RANCH COMPANY, L.P.	69.4360
73312	M. PAIN	1036	THE COLE RANCH COMPANY, L.P.	48.0000
67467	S. PAIN	1035	THE COLE RANCH COMPANY, L.P.	145.0000
67425	J. W. KJELBERG	1610	THE COLE RANCH COMPANY, L.P.	30.8400
75692	C. MANCHACA	789	THE COLE RANCH COMPANY, L.P.	1.0900
67484	B.B.B. & C.R.R.	176	THE COLE RANCH COMPANY, L.P.	300.4000
67615	F.N. OLIVER	989	THE COLE RANCH COMPANY, L.P.	47.2500
67540	J.T. EVANS	411	THE COLE RANCH COMPANY, L.P.	138.5000
67534	J.T. EVANS	411	THE COLE RANCH COMPANY, L.P.	33.5000
65059	GEORGE WEST	1393	THE COLE RANCH COMPANY, L.P.	90.2891
67440	G.W. PETINGALE	1041	THE COLE RANCH COMPANY, L.P.	122.2000
67443	G.W. PETINGALE	1041	THE COLE RANCH COMPANY, L.P.	86.7734
523553	T & P	1292	DENTON I.S.D.	11.6900
523546	J. McDONALD	873	DENTON I.S.D.	30.6353
523544	B.B.B. & C.R.R.	176	DENTON I.S.D.	47.9026
523554	J.W. KJELBERG	1610	DENTON I.S.D.	1.5606
529871	B.B.B. & C.R.R.	176	DENTON I.S.D.	37.5822
TOTAL AREA				3067.011

** PER DENTON COUNTY CENTRAL APPRAISAL DISTRICT WEBSITE ON 09/10/2025**

INDEX
 1. COVER SHEET
 2. TRACTS 1 & 2 BOUNDARY
 3. TRACTS 1 & 2 EASEMENTS
 4. TRACTS 1 & 2 IMPROVEMENTS
 5. TRACTS 3 & 4 BOUNDARY
 6. TRACTS 3 & 4 EASEMENTS
 7. TRACTS 3 & 4 IMPROVEMENTS
 8. LEGAL DESCRIPTION
 9. SCHEDULE B NOTES

SHEET
 1
 OF 9

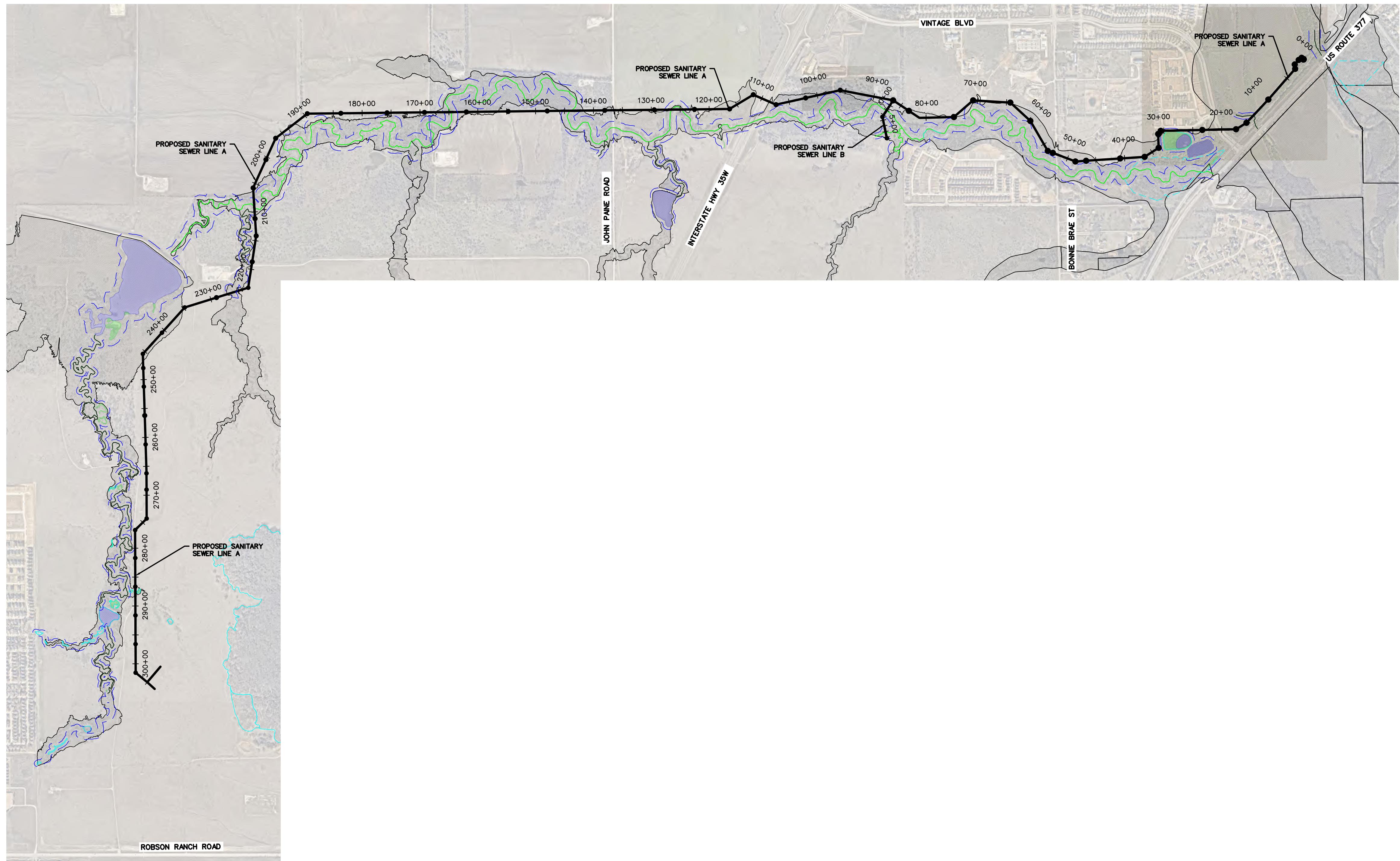
PROPERTY ADDRESS
 6922 FM 2449
 DENTON, TX 76207

LAND AREA
 TRACT 1 = 1,170.136 ACRES
 TRACT 2 = 534.394 ACRES
 TRACT 3 = 1,178.862 ACRES
 TRACT 4 = 2.472 ACRES
 TOTAL AREA = 2,895.864
 (BY COORDINATE COMPUTATION)
 FLOOD ZONE = 441.8 ACRES
 WELL PAD SET BACK = 529.1 ACRES
 ZONED: MPC

REVISIONS			
PROJECT NO.	DATE	DRAWN BY	COMMENTS
	07/16/2025	B.M.Y.	RECONCILED TO ATTORNEY'S
	09/10/2025		UPATED BOUNDARY
	09/11/2025		UPATED TO ATTORNEY'S
	09/17/2025	C.M.	SCHEDULE B NOTES & TRACTS 3&4 DESCRIPTIONS
	06/02/25		

Exhibit B
District Facilities

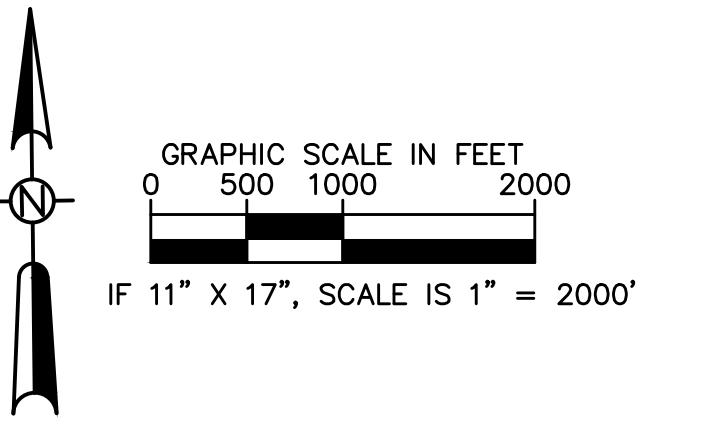
PROPOSED SANITARY SEWER LAYOUT



LEGEND:

Legend:

- POND (Solid Blue)
- WETLAND (Solid Green)
- 100 YEAR FLOODPLAIN (Solid Grey)
- RIPARIAN BUFFER ESA (Solid Blue Line)
- WETLAND HABITAT ESA (Dashed Blue Line)
- EXISTING CREEK CENTERLINE (Solid Green Line)
- TEMPORARY ESA FENCING (Line with open squares)
- PROPOSED PERMANENT SANITARY SEWER EASEMENT (Solid Black)
- PROPOSED TEMPORARY CONSTRUCTION EASEMENT (Solid Black)
- PROPOSED TEMPORARY ACCESS EASEMENT (Hatched Pattern)
- PROPERTY LINE/ROW (Solid Line)
- EXISTING EASEMENT (Dashed Line)
- PROPOSED EASEMENT (Dashed Line)
- PROPOSED SEWER LINE (Solid Black Line)
- REFERENCE FIGURE A ON SHEET B (Text)
- PROPOSED SEWER LINE (SEPARATE SHEET) (Solid Black Line)
- PROPOSED UTILITY ABANDONMENT (Hatched Pattern)
- FUTURE UTILITY ABANDONMENT (BY OTHERS) (Hatched Pattern)
- EXISTING UTILITY ABANDONMENT (X Pattern)
- PROPOSED SEWER MANHOLE (Circle with 'S')
- EXISTING SEWER MANHOLE (Circle with 'S')
- EXISTING SIGN (Circle with 'S')
- EXISTING TREE (Tree icon)
- EXISTING TREE TO BE REMOVED (Tree icon with red outline)
- EXISTING WATER MANHOLE (Square with 'W')
- EXISTING WATER METER (Square)
- EXISTING FIRE HYDRANT (Circle)
- EXISTING POWER POLE (Line with open squares)
- EXISTING GUY WIRE (Hatched Pattern)
- EXISTING LIGHT POLE (Arrow)
- EXISTING WATER ISOLATION VALVE (Circle with sunburst)
- CONTROL POINT (Triangle)
- BENCHMARK (Circle with crosshairs)



GRAPHIC SCALE IN FEET

0 500 1000 2000

IF 11" X 17", SCALE IS 1" = 2000'

IF 11" X 17", SCALE IS 1" = 2000'

Kimley-Horn
Firm No. 928 P: 972-335-3580
Warren Pkwy. Suite 210 Frisco, TX 75034

TBPI
6160
No.

PRELIMINARY

FOR REVIEW ONLY

Not for construction or permit purposes.

Kimley»Horn

Engineer AUSTIN FITZPATRICK

120205 AUGUST 2005

**HUNTER RANCH
ROARK BRANCH OFFSITE
SANITARY SEWER**

PROJECT LOCATION AND LEGEND

DATE:	AUGUST 2025
DESIGN:	KHA
DRAWN:	KHA
CHECKED:	KHA
KHA NO.:	061324500

EXHIBIT
B

Exhibit C

Required Facilities

Plans are on file in Development Services

Exhibit D

Estimated Total Costs of Required Facilities and Project Allocations

Roark Branch Sewer
Oversize Cost Share Calculation

Hard Costs								
Segment	Oversized Pipe Size	Const Cost for Oversized Pipe (A)	Developer Project Allocation Share (%)	Developer Project Allocation Share (\$)	CRID Project Allocation Share (%)	CRID Project Allocation Share (\$)	City Project Allocation Share (%)	City Project Allocation Share (\$)
1	15	\$ 2,817,044	100.0%	\$ 2,817,044	0.0%	\$ -	0.0%	\$ -
2	30	\$ 804,564	29.3%	\$ 235,366	0.0%	\$ -	70.7%	\$ 569,198
3	30	\$ 1,056,559	30.6%	\$ 322,972	0.0%	\$ -	69.4%	\$ 733,587
4	36	\$ 2,208,930	18.0%	\$ 397,636	21.6%	\$ 477,454	60.4%	\$ 1,333,840
5	36	\$ 710,105	26.8%	\$ 190,537	18.9%	\$ 133,954	54.3%	\$ 385,614
6	36	\$ 2,592,231	24.3%	\$ 630,992	23.7%	\$ 613,381	52.0%	\$ 1,347,858
7	36	\$ 1,609,943	28.6%	\$ 460,299	21.8%	\$ 351,117	49.6%	\$ 798,527
8	36	\$ 1,070,333	31.4%	\$ 336,257	20.6%	\$ 220,152	48.0%	\$ 513,924
9	36	\$ 688,074	34.0%	\$ 233,878	19.4%	\$ 133,208	46.7%	\$ 320,988
10	36	\$ 434,352	38.2%	\$ 165,906	17.8%	\$ 77,191	44.0%	\$ 191,255
11	42	\$ 2,978,142	37.5%	\$ 1,115,959	17.4%	\$ 519,222	45.1%	\$ 1,342,961
12	48	\$ 5,640,781	37.2%	\$ 2,095,695	17.3%	\$ 975,063	45.6%	\$ 2,570,023
Sub-Total Hard Costs		\$ 22,611,058		\$ 9,002,542		\$ 3,500,741		\$ 10,107,774
10% Contingency		\$ 2,261,106		\$ 900,254		\$ 350,074		\$ 1,010,777
Sub-Total w/10% Contingency		\$ 24,872,164		\$ 9,902,796		\$ 3,850,816		\$ 11,118,552
Soft Costs								
Inspection Fee 3%		\$ 678,332		\$ 270,076		\$ 105,022		\$ 303,233
Const Management 3%		\$ 678,332		\$ 270,076		\$ 105,022		\$ 303,233
Material Testing 1.5%		\$ 339,166		\$ 135,038		\$ 52,511		\$ 151,617
Engineering & Staking		\$ 2,386,703		\$ 950,260		\$ 369,520		\$ 1,066,923
Total w/ Hard and Soft Costs		\$ 28,954,697		\$ 11,528,247		\$ 4,482,890		\$ 12,943,558

Overall Share 39.8% 15.5% 44.7%

Cost Share Distribution

	Developer	CRID	City
Developer Project Allocation Share	\$ 11,528,247		
CRID Project Allocation Share		\$ 4,482,890	
City Project Allocation Share		\$ 12,943,558	
Total	\$ 11,528,247	\$ 4,482,890	\$ 12,943,558
Overall Share	39.8%	15.5%	44.7%

Overall Cost Percentage

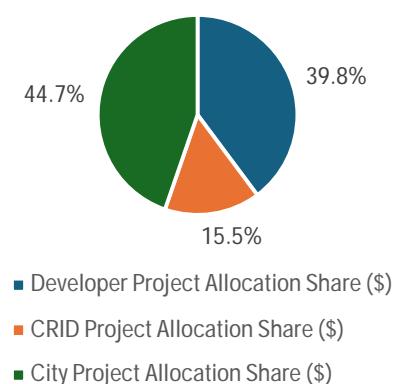


Exhibit E
Development Contract for Public Improvements

DEVELOPMENT CONTRACT

PROJECT NO. _____

CONTRACT TYPE _____

**DEVELOPMENT CONTRACT
FOR
PUBLIC IMPROVEMENTS**

WHEREAS, _____ (the “Developer”), whose business address is _____, is the owner and developer of real property located in the corporate limits of the City of Denton being described as _____, (the “Development”), an addition to the City of Denton, Texas; and

WHEREAS, the Development is also located within Hunter Ranch Improvement District No. 1 of Denton County (the “District”); and

WHEREAS, Developer and the City of Denton (the “City”) wish to enter into this agreement to provide for the construction of certain public improvements for the benefit of the City and District that are generally described as the _____ (the “Public Improvements”), as further described in **Exhibit A** attached hereto and made a part hereof by reference, which, among other things, are necessitated by and will serve the Development; and

WHEREAS, this agreement is entered into pursuant to Subchapter C of Chapter 212 of the Texas Local Government Code as a condition of plat approval and the Public Improvements are roughly proportional to the benefits received and burdens imposed by the Development; and

WHEREAS, this agreement is required to ensure that the Public Improvements are constructed in accordance with the City’s standard specifications for public works projects, applicable ordinances and design criteria manuals (“Standard Specifications”), and the plans and specifications prepared by _____ (“Developer’s Engineer”) and dated _____ [mm/dd/yyyy], which were approved by the City and are on file in the office of the City Engineer, which may be amended

DEVELOPMENT CONTRACT

with the written approval of the City Engineer or their designee (the “Project Specifications”), such Standard Specifications and Project Specifications being incorporated herein by reference and herein called the “Plans and Specifications”; and

WHEREAS, the Developer understands and agrees that it is responsible for and has retained at its sole expense the Developer’s Engineer to design the Public Improvements in accordance with the Standard Specifications, taking into consideration the specific site conditions that may impact the Public Improvements; and

WHEREAS, the Developer shall provide for the construction of the Public Improvements by and through _____ (the “Contractor”), whose address is _____, a construction contractor experienced in the construction of improvements similar to the Public Improvements, and

WHEREAS, Developer and Contractor recognize that the City has an interest in ensuring that the Public Improvements, which will, upon completion and acceptance by the City, become public property of the City or of the District, are properly constructed in accordance with the Plans and Specifications and that payment by Developer is provided therefor; NOW, THEREFORE,

The Developer, Contractor, and City (the “Parties”) in consideration of their mutual promises and covenants contained herein agree as follows:

1. Covenants of Developer and Contractor.

(a) **Construction.** Contractor shall: 1) construct the Public Improvements in accordance with the Plans and Specifications; and, 2) subject to Force Majeure and approved extensions of time, complete the Public Improvements on or before _____ [mm/dd/yyyy]. Developer shall be responsible for all monies due to the Contractor for construction of the Public Improvements. In no event shall the City be responsible for payment of any of the

DEVELOPMENT CONTRACT

expenses or costs to construct the Public Improvements. The City Engineer in their discretion may require the Developer to provide security for payments to the Contractor, which may be in the form of a cash deposit with the City, a letter of credit, a dedicated construction account with a lending institution approved by the City Engineer, a subdivision bond or other security that the City Engineer in their discretion deems adequate to ensure that the Developer does not default in its payment obligations to the Contractor.

(b) **Authority of City Engineer, Inspections, Tests and Orders, Developer and Contractor Warranty.** All Work on the Public Improvements shall be performed in a good and workmanlike manner and to the satisfaction of the City Engineer or their representative. The City Engineer or his/her designee shall decide all questions which arise as to the quality and acceptability of materials furnished, Work performed, and the interpretation of the Plans and Specifications and may reject any Work not performed in accordance with the Plans and Specifications. The Contractor and its surety on the performance bond required herein warrant that the Public Improvements to be owned and maintained by the City will be free from defects in materials and workmanship and that they will remedy same or pay to remedy same for a period of two years after Final Completion of the Project which includes Final Acceptance of the Project by the City and the District. This warranty shall not constitute a limitation on the duty to remedy latent defects in construction that were not known at the time of Final Completion and are within said two-year warranty period.

The Contractor shall give City timely notice of readiness of the Work for all required inspections, tests, or approvals and shall cooperate with inspection and

DEVELOPMENT CONTRACT

testing personnel to facilitate required inspections or tests. The Contractor shall furnish the City Engineer or their representative with every reasonable facility for ascertaining whether or not the Work performed was in accordance with the Plans and Specifications applicable thereto.

Any work done, or materials used without suitable inspection by the City may be ordered removed and replaced at Contractor's expense.

The City Engineer or their designee shall perform periodic inspections of the Work and shall perform a final inspection prior to Final Acceptance by the City and an inspection 30 days prior to the expiration of two years from the date of Final Completion of the Work. Upon failure of the Contractor to allow for inspection, to test materials furnished, to satisfactorily repair, remove, or replace, if so directed, rejected, unauthorized, or condemned Work or materials, or to follow any other material request or order of the City Engineer or their representative, the City Engineer shall notify the Developer and the District of such material failure and may suspend inspections of such Work until such material failure is remedied. If such material failure is not remedied to the reasonable satisfaction of the City Engineer, the City shall have no obligation to approve or accept the Public Improvements until such matter is remedied to the reasonable satisfaction of the City Engineer.

(c) **Insurance**. In addition to the Insurance Requirements attached to the General Conditions of the Construction Contract, Contractor shall provide for insurance in form and in substance in accordance with the City's standard insurance requirements for public works projects, which are on file in the Office of the City Engineer and which are incorporated herein by reference.

DEVELOPMENT CONTRACT

(d) **Means and Methods of Construction.** The means and methods of construction shall be such as Contractor may choose; subject, however, to the City's right to reject the Public Improvements that are not constructed in accordance with Plans and Specifications.

(e) **Books and Records.** All of the Developer's and the Contractor's books and other records related to the construction of the Public Improvements shall be available for inspection by the City.

(f) **Performance Bonds.** The Contractor shall execute a performance bond in the full estimated amount of the cost to construct the Public Improvements in favor of the City and the District ensuring completion of the Public Improvements in accordance with the Plans and Specifications and warranting against defects in materials and workmanship for a period of two years from the date of Final Acceptance of the Project as provided in 1(b) herein. The performance bond shall be executed by a corporate surety authorized to do business in Texas in accordance with Chapter 2253 of the Texas Government Code, shall be on the City's standard form, and shall contain a local resident agent for service of process. The Developer and District may be a co-obligees on the performance bond with regard to the Contractor's obligations.

(g) **Payment Bonds.** The Contractor shall execute a payment bond in the full estimated amount of the cost to construct the Public Improvements in favor of the City and the District insuring against claims from suppliers and subcontractors. The payment bond shall be executed by a corporate surety authorized to do business in Texas in accordance with Chapter 2253 of the Texas Government Code, shall be on the City's standard form, and shall contain a local resident agent

DEVELOPMENT CONTRACT

for service of process. District and Developer may be added as co-obligees on the payment bond.

(h) **Retainage: Final Payments.** As security for the faithful completion of the Public Improvements, Contractor and Developer agree that the Developer shall retain ten (10) percent of the total dollar amount of the Contract Price until after Final Completion. The Developer shall thereafter pay the Contractor the retainage only after Contractor has furnished to the Developer satisfactory evidence including an affidavit that all indebtedness has been paid, that all indebtedness connected with the work and all sums of money due for labor, materials, apparatus, fixtures, or machinery furnished for and used in the performance of the Work have been paid or otherwise satisfied. In addition, Contractor shall provide Developer with a consent to final payment from the payment bond surety and all other close out documents required by the Contract Documents.

(i) **Encumbrances.** Upon Final Completion of the Public Improvements, a portion of the Public Improvements shall become the property of the City free and clear of all liens, claims, charges, or encumbrances of any kind and a portion of the Public Improvements shall become the property of the District free and clear of all liens, claims, charges, or encumbrances of any kind. If, after acceptance of the Public Improvements, any claim, lien, charge, or encumbrance is made, or found to exist, against the Public Improvements, or land dedicated to the City to which they are affixed, the Developer and Contractor shall, upon notice by the City, promptly cause such claim lien, charge, or encumbrance to be satisfied and released or promptly post a bond with the City in the amount of such claim, lien, charge, or encumbrance in favor of the City to ensure payment of such claim, lien, charge, or encumbrance.

DEVELOPMENT CONTRACT

(j) **INDEMNIFICATION.** THE CONTRACTOR SHALL AND DOES HEREBY INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY, ITS OFFICERS, AGENTS, AND EMPLOYEES FROM ALL SUITS, ACTIONS, OR CLAIMS OF ANY CHARACTER, NAME, AND DESCRIPTION BROUGHT FOR OR ON ACCOUNT OF ANY INJURIES OR DAMAGES RECEIVED AS SUSTAINED BY ANY PERSON, PERSONS, OR PROPERTY ON ACCOUNT OF THE OPERATIONS OF THE CONTRACTOR, ITS AGENTS, EMPLOYEES, OR SUBCONTRACTORS; OR ON ACCOUNT OF ANY NEGLIGENT ACT OR FAULT OF THE CONTRACTOR, THEIR AGENTS, EMPLOYEES, OR SUBCONTRACTORS IN CONSTRUCTION OF THE IMPROVEMENTS; AND SHALL PAY ANY JUDGMENT, WITH COSTS, WHICH MAY BE OBTAINED AGAINST THE CITY GROWING OUT OF SUCH INJURY OR DAMAGE.

(k) **Agreement Controlling.** If there is an irreconcilable conflict between Contract Documents, the more stringent requirement shall control, but except in such event and to avoid such conflict, every construction of provisions shall be that each is in aid to, or supplementary to or complementary of, each other provision, to control and secure the completion of the entire Work in an expeditious, orderly, and coordinated manner. The most recently issued document takes precedence over previously issued forms of the same document. Modifications take precedence over applicable previously issued documents. Detailed drawings shall take precedence over general drawings. In the event of any discrepancies between the Plans and Technical Specifications, or likewise, in the event of any doubt as to the meaning and intent of any portion of the Contract Documents,

DEVELOPMENT CONTRACT

including the Technical Specifications or Plans, the City Engineer shall define that which is intended to apply to the Work.

2. **Covenants of City of Denton.** Upon Final Completion of the Public Improvements in accordance with this agreement, the City agrees to accept its portion of the Public Improvements.
3. **Nexus and Rough Proportionality.** The Developer acknowledges and agrees that there is a reasonable nexus between the demands created by the Development and the Public Improvements, and that the costs associated with the construction and dedication of land for the Public Improvements is roughly proportional to the benefits received and the burdens imposed by the Development. The Developer shall indemnify and hold the City harmless against any claim by it, or others claiming through it, that the required Public Improvements and associated dedication of land are unlawful exactions.
4. **Venue and Governing Law.** The Parties herein agree that this agreement shall be enforceable in Denton County, Texas, and if legal action is necessary in connection therewith, exclusive venue shall lie in Denton County, Texas. The terms and provisions of this agreement shall be construed in accordance with the laws and court decisions of the State of Texas.
5. **Successor and Assigns.** This contract shall be binding upon and inure to the benefit of the parties hereto, their respective successors, and assigns.

DEVELOPMENT CONTRACT

Executed this, _____ day of _____, 20____.

DEVELOPER

Business Name: _____

By: _____

Name: _____

Title: _____

Address: _____

CONTRACTOR

Business Name: _____

By: _____

Name: _____

Title: _____

Address: _____

DEVELOPMENT CONTRACT

CITY OF DENTON
SARA HENSLEY, CITY MANAGER

BY: _____

ATTEST:
LAUREN THODEN, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY: _____

THIS AGREEMENT HAS BEEN
BOTH REVIEWED AND APPROVED
As to financial and operational obligations
and business terms.

SIGNATURE

PRINTED NAME

TITLE

Exhibit F
Payment Bond and Performance Bond

Effective December 1st, 2003

PROJECT NO. _____

CONTRACT TYPE _____

PERFORMANCE BOND

THE STATE OF TEXAS §
CITY OF DENTON §

KNOW ALL MEN BY THESE PRESENTS:

That _____ (the "Principal"),

of the City of _____, County of _____, and State of _____, and

_____ (the "Surety"),

a Corporation organized under the laws of the State of _____ and authorized to do

business in the State of Texas, are held and firmly bound unto the City of Denton, Texas, a Municipal

Corporation, in Denton County, Texas, hereinafter called "City" in the

penal sum of _____ (\$_____) dollars, lawful money

of the United States, for the payment of which sum well and truly to be made we bind ourselves, our

heirs, executors, administrators, and successors, jointly and severally, and firmly by these presents:

THE Condition of this Obligation is such that:

WHEREAS, the Principal entered into a certain contract with Owner, dated the

_____ day of _____, 20 ____, in the proper performance of

which the City of Denton has an interest, a copy of which is hereto attached and made a part

for the construction of: _____

PERFORMANCE BOND

NOW, THEREFORE, if the Principal shall well, truly, and faithfully cause to be performed and fulfilled all of the undertakings, covenants, terms, conditions, and agreements of said Contract in accordance with the Plans, Specifications, and Contract Documents during the original term thereof, and any extension thereof which may be granted, with or without notice to the surety, and during the life of any guaranty required under the Contract, which is incorporated, as if written word for word herein, and shall also well and truly cause to be performed and fulfilled all the covenants, terms and conditions and agreements of any and all authorized modifications of said Contract that may hereafter be made including, without limitation, to remedy and pay for any defects in material and workmanship or damage to other work or facilities which shall appear within two years from the date of final completion notice of which modifications to the surety being hereby waived; then this obligation shall be void; otherwise to remain in full force and effect.

PROVIDED, further, that if any legal action be filed on this bond, venue shall lie in Denton County.

AND, that said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract, or to the work performed thereunder, or the Plans, Specifications, Drawings, etc., accompanying the same shall in any wise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract, or to the work to be performed thereunder.

PERFORMANCE BOND

IN WITNESS WHEREOF, this instrument is executed by the Principal and the Surety this _____ day of _____ 20_____.

PRINCIPAL

SURETY

BY: _____

BY: _____

TITLE: _____

TITLE: _____

ADDRESS: _____

ADDRESS: _____

ATTEST:

SECRETARY

NOTE: POWER OF ATTORNEY OF SURETY MUST BE ATTACHED. DATE OF BOND MUST NOT BE PRIOR TO DATE OF CONTRACT DATE OF POWER OF ATTORNEY. CERTIFICATION MUST NOT BE PRIOR TO DATE OF CONTRACTOR BOND.

Effective December 1st, 2003

PROJECT NO. _____

CONTRACT TYPE _____

PAYMENT BOND

THE STATE OF TEXAS §

COUNTY OF DENTON §

KNOW ALL MEN BY THESE PRESENTS: That _____

(the "Principal"), _____ of the City of _____,

County of _____, and the State of _____,

and _____ (the "Surety"),
_____,

authorized under the laws of the State of Texas to act as surety on bonds for principals, are held
and firmly bound unto The City of Denton, ("Owner"), in the penal sum of

_____ dollars (\$_____) for the payment whereof, the
said Principal and Surety bind themselves and their heirs, administrators, executors, successors
and assigns, jointly and severally, by these presents:

WHEREAS, the Principal has entered into a certain written contract with the Owner,
dated the _____ day of _____ 20 ____.

to which contract is hereby referred to and made a part hereof as fully and to the same extent as
if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that
if the said Principal shall pay all claimants supplying labor and material to him or a subcontractor

PAYMENT BOND

in the prosecution of the work provided for in said contract, then this obligation shall be void,
otherwise to remain in full force and effect;

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of the Texas Government Code, Chapter 2253 (Vernon, as currently amended), and all liabilities on this bond shall be determined in accordance with said provisions to the same extent as if they were copied at length herein.

Surety, for value received, stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract, or to the work performed thereunder, or the plans, specifications, or drawings accompanying the same, shall in any way affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract, or to the work to be performed thereunder.

PAYMENT BOND

IN WITNESS WHEREOF, this instrument is executed by the Principal and the Surety
this _____ day of _____ 20_____.

PRINCIPAL

SURETY

BY: _____

BY: _____

TITLE: _____

TITLE: _____

ADDRESS: _____

ADDRESS: _____

(SEAL)

The name and address of the Resident Agent of Surety is:

Exhibit G

Escrow Agreement

ESCROW & PAY AGENT AGREEMENT

This Escrow & Pay Agent Agreement (the “Escrow Agreement”) is entered into as of [], 2026, by and between the City of Denton, Texas a Texas home rule municipality (the “City”), Republic Title of Texas, Inc. a Texas corporation (the “Escrow Agent”), and, as beneficiary under this Escrow Agreement, Hunter Ranch Improvement District No. 1 of Denton County (the “District” and, collectively with the City, the “Parties”).

The City, the District, HR 3200, LP and any of its affiliates and subsidiaries (the “Developer”), Cole Ranch Improvement District No. 1 of Denton County (“CRID”), and Cole Ranch Development LP (“Cole Developer”) entered into that certain Wastewater Utilities Cost Sharing Agreement (the “Cost Sharing Agreement”), effective as of January 13, 2026.

The Cost Sharing Agreement, attached as **Exhibit A**, contains provisions regarding the City’s, the Developer’s, the District’s, CRID’s, and Cole Developer’s respective responsibilities and obligations related to the funding of the design and construction of the Required Facilities (as defined in the Cost Sharing Agreement), which involves the expansion of the construction of the Roark Branch Wastewater Trunk Main.

Pursuant to the Cost Sharing Agreement and this Escrow Agreement, the City shall deposit funding in the form of ready money or its equivalent (“Cash”) into the Escrow Account (as defined below), representing the City Project Allocation Share (as defined in the Cost Sharing Agreement) for the Required Facilities.

Pursuant to the terms of this Escrow Agreement, the Escrow Agent has agreed to hold such Cash in an interest-bearing money market account at [] bank (the “Escrow Account”).

Pursuant to, and subject to the terms and conditions of, the Cost Sharing Agreement and this Escrow Agreement, the District shall draw funds from the Escrow Account to be used to pay for the City Project Allocation Share of the Required Facilities; Now, Therefore,

FOR AND IN CONSIDERATION OF THE PREMISES AND THE MUTUAL COVENANTS AND AGREEMENTS HEREIN CONTAINED, the City, the District, and Escrow Agent do mutually agree as follows:

Section 1: The recitals above are true and correct and are incorporated into this Escrow Agreement by reference. All capitalized terms used in this Escrow Agreement not otherwise defined herein shall have the meanings assigned to such terms in the Cost Sharing Agreement.

Section 2: The Parties hereby appoint Escrow Agent to serve as Escrow Agent as set forth herein, and the Escrow Agent hereby accepts and agrees to perform its obligations hereunder.

Section 3: Pursuant to the Cost Sharing Agreement, the City shall deposit Cash into the Escrow Account in the amounts, and within the time-periods, required by the Cost Sharing Agreement. The Escrow Agent shall account for the Cash deposited by the City pursuant to the Cost Sharing Agreement. Each time the City provides Cash to the Escrow Agent, the City shall provide a written notice to the Escrow Agent (with a contemporaneous copy to the District, the Developer, and Cole Developer) that identifies the applicable section of the Cost Sharing Agreement for which the deposit applies. Escrow Agent shall be protected in acting upon any notice, request, waiver, consent, receipt, or other paper or document, including but not limited to a Withdrawal Request and Certificate, delivered to or received by Escrow Agent from any party to this Escrow Agreement

Section 4: The Cash provided by the City hereunder to the Escrow Agent is owned by the City. Subject to the terms of this Escrow Agreement, such Cash shall be held by the Escrow Agent until the Termination Date (defined below). The District shall from time to time submit to the Escrow Agent Withdrawal Request and Certificates, substantially in the form attached hereto as **Exhibit B**, which describe the District's request for funds, identify from which funds are being withdrawn, and certify the following: (i) that the request for funds is solely to pay for the City Project Allocation Share, for the portion of the Required Facilities identified in the Withdrawal Request and Certificate; and (ii) that, for Costs that are for Soft Costs or Hard Costs, the District has reasonably determined that a certain amount of funds are needed, taking into consideration any Cash remaining from the proceeds of prior Withdrawal Requests, to pay for such Costs and that such Costs are reasonably estimated by the District to be due from the District to pay Costs for the Required Facilities expected to be incurred within 90 calendar days after the date the District signs the Withdrawal Request and Certificate. Escrow Agent does not represent or warrant that the funds deposited are or will be sufficient or adequate to pay any and all sums due either: (i) under any Withdrawal Request and Certificate; (ii) to anyone performing work or providing materials pursuant to the plans and specifications, or (iii) that the funds deposited are sufficient to complete the Required Facilities.

Section 5: The Escrow Agent is instructed to pay the District, by means of certified check or wire, the funds that are requested in the Withdrawal Request and Certificate within 5 business days of the date the Escrow Agent receives the Withdrawal Request and Certificate at the address shown in Section 7 below or wire instructions that are provided by the District to the Escrow Agent in writing. The Escrow Agent is instructed to draw funds from any Cash that has been deposited in the Escrow Account. Notwithstanding the forgoing, if Escrow Agent receives conflicting instructions from the Parties, Escrow Agent shall notify all Parties of such conflict and shall take no action with respect to the Escrow Account and/or Withdrawal Request and Certificate until either: (a) Escrow Agent receives joint written instructions signed by the Parties, or (b) Escrow Agent receives a final court order directing the disposition of funds.

Section 6: The Escrow Agent is instructed to deposit all Cash received from the City in the Escrow Account to be held by the Escrow Agent for the benefit of the Parties and the District in accordance with the terms and conditions of the Cost Sharing Agreement. All earnings and interest attributable to such Cash in the Escrow Account are owned by the City, and, upon written request from the City, shall be released by the Escrow Agent to the City or allocated by the Escrow Agent to Withdrawal Request and Certificate. The City shall provide, to Escrow Agent's

satisfaction, a fully executed W-9 and Investment Letter to Escrow Agent before any investment of such Cash will be made.

Section 7: The Escrow Agent is instructed (i) within 3 business days of the City providing to the Escrow Agent Cash to provide written notice to the Parties, the Developer, and Cole Developer of the dollar amount of same, and (ii) upon written request from the Parties, to send statements, no more than once per month, to all Parties, the Developer, and Cole Developer, of the City's current balance stating any deposits into or disbursements from the Escrow Account. Notifications and submittals to all Parties, the Developer, and Cole Developer must be in writing and are deemed delivered on the earlier of the date actually received or the third business day following (a) deposit in a United States Postal Service post office or receptacle; (b) with proper postage (certified mail, return receipt requested); and (c) addressed to the applicable Party, the Developer, or Cole Developer at the address set forth below. In addition, upon request from any of the Parties to send notices through other methods (including electronic mail), the Escrow Agent is also instructed to send notice through such methods.

To District: Hunter Ranch Improvement District No. 1 of Denton County
Attn: President, Board of Directors
c/o Allen Boone Humphries Robison LLP
4514 Cole Ave, Suite 1450
Dallas, Texas 75205
Email: sbapat@abhr.com

To Developer: Attn: Mr. Andrew Pieper
HR 3200, LP
3000 Turtle Creek Blvd.
Dallas, Texas 75219
Email: andrew.pieper@hillwood.com

To City: City of Denton
Attn: City Manager
215 E. McKinney St.
Denton, Texas 76201
Email: cmo@cityofdenton.com

To Escrow Agent: Republic Title of Texas, Inc.
Attn: Melissa Schuelke
2626 Howell Street, 10th Floor
Dallas, Texas 75204
Email: mschuelke@republictitle.com

To Cole Developer: Cole Ranch Development LP
Attn: Ms. Elizabeth York, Senior Vice President and
General Counsel
5005 Riverway, Suite 500.
Houston, Texas 77056

E-mail: elizabeth@johnsondev.com

Section 8. Escrow Agent hereby agrees to hold the Cash in accordance with the terms of this Escrow Agreement and to disburse funds from the Escrow Account in strict accordance with the terms of this Escrow Agreement.

Section 9. As compensation for the Escrow Agent's services as Escrow Agent, the City and District shall be responsible to pay the Escrow Agent the fees set forth in the Escrow Agent's fee schedule attached as **Exhibit C** hereto.

Section 10: This Escrow Agreement shall terminate and any remaining Cash (and earnings and interest attributable to the Cash) shall be released and returned to the City within 5 business days after the earlier to occur of (such date, the "Termination Date") (a) January 1, 2029, or (b) the date on which the District notifies the Escrow Agent in writing that the District has provided the Required Facilities Final Accounting to the City.

Section 11. The City shall have the right to terminate this Escrow Agreement prior to the Termination Date determined in accordance with Section 10 above, with or without cause, upon 30 calendar days prior written notice to all Parties hereto; provided, however, that no such termination shall be effective until a successor escrow agent has been appointed and has accepted the duties of the Escrow Agent hereunder. If this Escrow Agreement is terminated prior to the Termination Date, then (a) the City shall promptly designate a substitute escrow agent, and (b) the Escrow Agent shall deliver to the successor escrow agent all remaining Cash (and earnings and interest attributable to the Cash) held by the Escrow Agent, and all books and records pertaining to the Escrow Agent's role as Escrow Agent hereunder.

Section 12. Escrow Agent shall have the right to resign at any time by giving 30 calendar days' advance written notice of such resignation to the other Parties, the Developer, and Cole Developer, specifying the effective date of such resignation. Within fifteen (15) calendar days after the City receives such notice, the City shall appoint a successor escrow agent to which the Escrow Agent shall disburse the remaining Cash. If a successor escrow agent has not been appointed and has not accepted such appointment by the end of such 30-day period, Escrow Agent may either (a) interplead the Cash in the Escrow Account with a court of competent jurisdiction in Denton County, Texas for the appointment of a successor escrow agent; or (b) appoint a successor escrow agent of its own choice. Subject to the City's termination rights under Section 12, any such appointment of a successor escrow agent shall be binding upon the Parties. No such appointed successor escrow agent shall be deemed to be an agent of Escrow Agent. Escrow Agent incurs no liability for its compliance with any legal process, subpoena, writ, order, judgment, or decree of any court whether issued with or without jurisdiction and whether or not subsequently vacated, modified, set aside, or reversed.

Section 13. The Escrow Agent shall have only the duties and obligations expressly set forth in this Escrow Agreement, together with those rights, powers and privileges reasonably incident thereto. With respect to Escrow Agent's duties and obligations set forth herein, the Parties acknowledge and agree that if there is any conflict between this Escrow Agreement and the Cost Sharing Agreement, this Escrow Agreement shall control.

Section 14. This Escrow Agreement may be executed in counterparts and by facsimile, portable document format (PDF), and other electronic means, each of which shall be deemed an original and which together shall constitute one and the same agreement.

Section 15. This Escrow Agreement shall not be assignable without the consent of all Parties hereto.

Section 16. The terms and provisions of this Escrow Agreement shall be binding upon and inure to the benefit of each of the Parties hereto and their permitted successors and assigns.

Section 17. Escrow Agent acts hereunder as a depository only and Escrow Agent shall not be liable for any error of judgment or for any act done or step taken or omitted by it in good faith, or for any mistake of fact or law, or for anything which it may do or refrain from doing in connection herewith, except its own gross negligence or willful misconduct, and Escrow Agent shall have no duties to anyone except those signing this Escrow Agreement. Escrow Agent may consult with legal counsel, including in-house counsel, in the event of any dispute or questions as to the construction of the foregoing instructions, or Escrow Agent's duties hereunder.

Section 18. No amendment or changes to this Escrow Agreement shall become effective unless in writing and signed by the Escrow Agent and all of the Parties.

Section 19. The District only has the right to access the City's funds that have been deposited in the Escrow Account in accordance with this Escrow Agreement. Funds, if any, that the City currently or hereafter deposits or invests with the Escrow Agent in the Escrow Agent's capacity outside of this Escrow Agreement shall not be subject to the terms and conditions of this Escrow Agreement.

Section 20. This Escrow Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

Section 21. Statutory Verifications

A. Pursuant to Section 2270.002, Texas Government Code, the Escrow Agent hereby (i) represents that it does not boycott Israel, and (ii) subject to or as otherwise required by applicable federal law, including without limitation 50 U.S.C. Section 4607, agrees it will not boycott Israel during the term of the Agreement. As used in the immediately preceding sentence, "boycott Israel" shall have the meaning given such term in Section 2270.001, Texas Government Code.

B. The Escrow Agent hereby represents that (i) it does not engage in business with Iran, Sudan or any foreign terrorist organization and (ii) it is not listed by the Texas Comptroller under Section 2252.153, Texas Government Code, as a company known to have contracts with or provide supplies or services to a foreign terrorist organization. As used in the immediately preceding sentence, "foreign terrorist organization" shall have the meaning given such term in Section 2252.151, Texas Government Code.

C. By signing and entering into this Agreement, Escrow Agent verifies, pursuant to Chapter 2274 of the Texas Government Code (as added by Senate Bill 13, 87th Texas Legislature, Regular Session), it is not a Company that boycotts energy companies and agrees it will not boycott energy companies during the term of this Agreement. The terms “boycotts energy companies” and “boycott energy companies” have the meaning assigned to the term “boycott energy company” in Section 809.001, Texas Government Code. For purposes of this paragraph, “Company” means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit, but does not include a sole proprietorship.

D. By signing and entering into the Agreement, Escrow Agent verifies, pursuant to Chapter 2274 of the Texas Government Code (as added by Senate Bill 19, 87th Texas Legislature, Regular Session, “SB 19”), that it is not a Company that has a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and agrees it will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. The terms “discriminates against a firearm entity or firearm trade association” and “discriminate against a firearm entity or firearm trade association” have the meaning assigned to the term “discriminate against a firearm entity or firearm trade association” in Section 2274.001(3), Texas Government Code (as added by SB 19). For purposes of this paragraph, “Company” means a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit, but does not mean a sole proprietorship.

[Signature Pages to Follow]

EXECUTED by the undersigned duly-authorized officials and officers of the City and the District,
on this the _____ day of _____, 2026.

CITY OF DENTON
A Texas Municipal Corporation

By: _____
SARA HENSLEY, CITY MANAGER

ATTEST:
LAUREN THODEN, CITY SECRETARY

By: _____

THIS AGREEMENT HAS BEEN
BOTH REVIEWED AND APPROVED
as to financial and operational
obligations and business terms.

Signature

Title

Department
Date Signed: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

By: _____

THE DISTRICT (as beneficiary):

Hunter Ranch Improvement District No. 1 of Denton County, Texas

By: _____, Board of Directors

ATTEST:

By: _____, Board of Directors

ESCROW AGENT:

By: _____
Name: _____
Title: _____

EXHIBIT A
COST SHARING AGREEMENT

EXHIBIT B
WITHDRAWAL REQUEST AND CERTIFICATE

Withdrawal Request and Certificate No. _____

Date: _____

To: Republic Title of Texas, Inc., Escrow Agent

Pursuant to the Cost Sharing Agreement that is referenced in the Escrow & Pay Agent Agreement, I, _____, the undersigned officer of the Board of Directors of the District, request to withdraw \$ _____ from the City of Denton's Escrow Account, in accordance with the attached schedule of expenditures for the Required Facilities.

I certify the following: (i) that the request for funds is solely to pay for the City's Project Allocation Share for the Required Facilities; and (ii) that, for Costs that are for Soft Costs or Hard Costs, I have reasonably determined that the funds being withdrawn hereby are needed to pay for such Costs and that such Costs are reasonably estimated to be due from District to pay Consultants or the Contractor within 90 calendar days after the date of this Withdrawal Request and Certificate.

Capitalized terms used herein shall have the same meaning given to such terms in the Cost Sharing Agreement that is referenced in the Escrow & Pay Agent Agreement.

AGREED TO AND CERTIFIED BY, AS OF THE DATE SET FORTH ABOVE:

THE DISTRICT:

Hunter Ranch Improvement District No. 1 of Denton County, Texas

By: _____
_____, Board of Directors

ATTEST:

By: _____
_____, Board of Directors

EXHIBIT C
ESCROW AGENT'S FEE SCHEDULE