MASTER DEVELOPMENT FINANCING AGREEMENT

For and in consideration of the mutual promises, covenants, obligations, and benefits of this Agreement, the following parties (collectively, "Parties," and each "Party") contract and agree as follows:

Texas Heritage Parkway Improvement District ("District")
c/o the Muller Law Group, PLLC
202 Century Square Blvd.
Sugar Land, Texas 77478
richard@mullerlawgroup.com

Fort Bend County, Texas ("Developer").
Attention: County Judge
301 Jackson Street
Richmond, Texas 77469
FBC.Judge@fortbendcountytx.gov

ARTICLE I. BACKGROUND AND PURPOSE

The District is a political subdivision of the State of Texas, located partially within the jurisdiction and/or extraterritorial jurisdiction of the City of Fulshear ("City"), in Fort Bend and Waller Counties, Texas (collectively, "County"). The District was created by special Act of the Texas Legislature in 2013 ("Legislation").

The District was created to provide a financial incentive for landowners and developers to provide high quality public infrastructure to serve residential and commercial development within its boundaries.

The Developer currently owns, or has under contract, land within the Defined Area in the District, as further described on **Exhibit A** attached hereto ("Property") and wishes to develop the Property subject to the terms of this Agreement.

The District will designate the Property a "Defined Area" in accordance with Section 3921.251, Texas Special Districts Local Laws Code, and hold an election in accordance with 3921.252, Texas Special Districts Local Laws Code, for the purpose of establishing an ad valorem tax solely within the Defined Area to pay for public infrastructure serving the Defined Area.

The Developer's investment considerations for the development of the Property are dependent on this Agreement, which allows the Developer to receive reimbursement for certain costs for public infrastructure serving the Defined Area from bonds issued by the District secured by property taxes generated as a result of such development.

The District and the Developer agree that the residents and taxpayers in the Defined Area are better served utilizing this financial framework to pay for the costs of the public infrastructure in the Defined Area.

But for this Agreement and the reimbursement provided by the District, the Developer could not and would not develop land within the Defined Area.

ARTICLE II. DEFINITIONS

Bond Type means the classification of the District's bonds based on the type and nature of Facilities being financed with such bonds.

Bond Amount is defined in **Section 5.3.1**

CAD means Fort Bend County/Central Appraisal District.

City means the City of Fulshear, Texas.

Collateral Assignee means an assignee of the Reimbursement Rights as collateral for a loan or other financing.

Construction Costs means all direct and ancillary costs, including but not limited to costs for materials, equipment, supplies, labor, inspection, permitting, legal fees, testing and stormwater pollution prevention related to the construction of the Facilities.

Capital Capacity Payments means all payments to purchase or pay for capacity in another entity's facility, regardless of whether such payment is by contract or is a capital recovery fee or impact fee authorized by law by the City, County, or other special district.

Debt Service Tax Rate means that portion of the Defined Area's total ad valorem tax rate attributable to payments of bonds, notes, and other obligations of the District, and includes direct debt and any contract tax payments, if applicable.

Defined Area means the area designated by the District and described in **Exhibit A**.

Design Costs means all direct and ancillary costs, including but not limited to engineering fees and landscape architecture fees, related to the design of the Facilities.

Design Professional means the District's Engineer or District's Landscape Architect, or other qualified individual so authorized and mutually agreed upon by the Developer and District's Board of Directors.

District's Engineer means BGE, Inc., or such other licensed professional engineer that the District may engage to provide engineering services related to the Facilities.

District's Landscape Architect means the licensed professional landscape architect that the District may engage to provide services of a landscape architect related to the Facilities.

Effective Date means _____, 202_.

Eligible Costs means cumulative Project Costs and Operating Advances that are permissible to be financed by the District pursuant to this Agreement, Chapter 49 and 54, Texas Water Code, all applicable TCEQ Rules, and any other rules or conditions of an entity with jurisdiction.

Facilities means the WSD Facilities, Park Facilities, and Road Facilities.

GM Equity means GM Equity Group, LLC.

Interest Costs means interest on any Eligible Costs calculated in accordance with 30 TAC 293.50.

Land means any interests in property, including deeds, easements, and rights-of-way, that are necessary or convenient for the construction of the Project or the operation and maintenance of the Facilities.

Land Costs means the costs, including but not limited to legal fees, environmental permits, title insurance, or other professional fees, related to the acquisition of Land that are eligible for reimbursement under 30 TAC 293.51.

Minimum Debt Service Tax Rate is $1.00 per $100 of assessed valuation (with no exemptions), or if the District has adopted exemptions, at a rate which would generate the same debt service tax revenue without regard to any exemptions granted by the District.

Operating Advance means a payment by Developer to the District to cover the costs of the Defined Area's general operation and administrative expenses including payments to another entity providing wholesale or regional services to the Defined Area for the operational and maintenance costs of such services, including expenses related to the creation of the Defined Area, or any other cost that is not a Project Cost or related to the development of the Facilities.

Obligated Person means an "obligated person" as defined in 17 CFR 240.15c2-12(f)(10), as may be amended, and for purposes of this Agreement means the Developer at any time the Developer or its Related Entities own more than 20% of the taxable value in the Defined Area.

Park Facilities means park and recreational facilities in the Defined Area of the type that the District is legally authorized to construct pursuant to state law and the TCEQ Rules and any Capital Capacity Payments for park and recreational facilities.

POA means a Texas non-profit corporation with authority to enforce deed restrictions over the Property.

Project means all aspects of the design, permitting, right of way acquisition, bidding, construction, and testing associated with each discrete construction contract for the Facilities.

Project Costs means all Design Costs, Capital Capacity Payments, Construction Costs, and Land Costs for a Project, and may include Eligible Costs and costs not eligible for reimbursement under this Agreement.

Projected Assessed Value means the greater of i) the most recent taxable assessed value of the Defined Area as certified or estimated by the CAD, or ii) the taxable value estimated by the District's financial advisor using the certified or estimated value provided by the CAD and adding the value projected on the Property, but only to the extent those projections meet the TCEQ Rules related to the use of projected valuations for growth based bond issues [e.g., 30 TAC 293.59(k)(6)].

Property means the property described in **Exhibit A**.

Reimbursement Amount means the Eligible Costs, less any portion of the Eligible Costs (i) that are not eligible for reimbursement under the TCEQ Rules, (ii) or which are not legally authorized expenditures of the District under state law or regulation, or (iii) the expenditure of which would cause the District's Defined Area Bonds to become taxable under Federal Tax Law and the regulations related thereto, plus Interest Costs.

Reimbursement Request means a formal application by the Developer to the District to be reimbursed pursuant to the terms of this Agreement.

Reimbursement Rights means the contractual right of the Developer to receive payment of the Reimbursement Amount from the District as, if, and when required under this Agreement.

Related Entity means i) for corporations, a "related entity" as defined by Federal tax law and ii) for other entities, means an entity in which 50% of the ownership is held by the individuals, estates, or trusts that have "effective control" (more than 50%) of the Developer.

Road Facilities means all roads in the Defined Area open to the general public or all property owners in the Defined Area, or any improvement in aid of such road, including streetscaping and other landscaping improvements, and any Capital Capacity Payments for a road project, and includes the approximately $1,067,960 contributed by the Developer for the Texas Heritage Parkway.

TCEQ means Texas Commission on Environmental Quality.

TCEQ Rules means the rules of the TCEQ under Title 30, Texas Administrative Code, including but not limited to Title 30, Texas Administrative Code, Chapter 293, and any other orders, guidance, forms, correspondence, or written directives from the TCEQ related to the District or reimbursement of funds by the District to the Developer.

WSD Facilities means all works, improvements, facilities, plants, equipment, Capital Capacity Payments, and appliances incident, helpful, or necessary to:

(1) supply water for municipal uses, domestic uses, power, and commercial purposes and all other beneficial uses or controls;

(2) collect, transport, process, dispose of, and control all domestic, industrial, or communal wastes whether in fluid, solid, or composite state;

(3) gather, conduct, divert, and control local storm water or other local harmful excesses of water in the Defined Area;

(4) irrigate the land in the Defined Area; or

(5) alter land elevation in the Defined Area where it is needed.

ARTICLE III. CONSTRUCTION OF FACILITIES

Section 3.1 General. The Developer will determine the timing for the construction of the Facilities to serve the Property in a manner that the Developer, in its sole discretion, determines to be necessary or otherwise appropriate in consideration of the Developer's development schedule, except when the District is required to construct Facilities on a timeframe required by state law or regulation. The Developer agrees to cooperate with the District and keep it and its consultants fully advised of the development plans for the Property, so that the Facilities can be constructed, and the Eligible Costs determined, in accordance with this Agreement.

Section 3.2 Project Design and Budget. At the start of each Project, the Developer shall provide the District with an initial land plan for each section or phase of development, as applicable, and the District's Design Professional will design the Facilities necessary to serve that proposed section or phase in accordance with the land plan. During the design phase, the Design Professional will secure the approval of all governmental entities with jurisdiction, including, without limitation, the City, the County, and the TCEQ. During the design phase for each Project, the District's Design Professional will prepare a Project budget that includes all estimated Project Costs and noting Eligible Costs and any Project Costs that are not Eligible Costs. For Park Facilities, the District and the Developer will determine prior to bidding the Project, whether the Park Facilities will be maintained by the District or the POA.

Section 3.3 Bidding and Award of the Project. Once the plans and specifications and Project budget are complete, and if the Developer approves of the plans and Project budget, the District will approve the plans and specifications and begin the procurement process applicable to the Project on the schedule designated by the Developer. All contracts for the construction of the Facilities will be procured in the manner required by law for the District, TCEQ Rules, if applicable, and any other local, state, or federal agency having jurisdiction. After taking bids or proposals, as applicable to the Project, the Design Professional will submit a recommendation of award to the District and the Developer. If the Project contains Eligible Costs and ineligible Project Costs, the Design Professional will make its recommendation based on the total Constructions Costs that are Eligible Costs. If the Developer concurs with the recommendation of the Design Professional, and if the bid amount is less than 110% of the amount estimated in the Project budget, the Board of Directors of the District will award or otherwise enter into such Project contract for a Project. If Developer does not authorize the award or procurement of a Project contract as recommended by the Design Professional, the District will reject the Project proposals or bids, and the District and Developer shall jointly determine whether to re-bid or re-design the Project or postpone or otherwise abandon construction of the Project. The Developer agrees and acknowledges that Project Costs related to the re-design, postponement, or abandonment of a Project may be ineligible for future reimbursement by the District under applicable state or federal law or regulation.

Section 3.4 Project Sites. The Developer will convey the Land needed for each Project prior to the award of any construction contract for Facilities on the Land. Unless otherwise dedicated by plat or instrument to another political subdivision or to the public, the Developer will convey the Land to the District pursuant to a form of instrument mutually acceptable to the Parties. The Developer agrees to cooperate with the District in conducting any appropriate due diligence related to the conveyance of Land to the District or acquiring any necessary lienholder or other releases or subordinations for the Land. For Land to be utilized for Park Facilities, the Developer will provide or reserve for the benefit of a POA created over the Property, an easement over such Park Facilities Land that gives the POA the right to maintain any Park Facilities on Land conveyed to the District for Park Facilities.

Section 3.5 Project Construction or Acquisition. Contracts for construction of the Facilities will be advertised and awarded or the Facilities will be acquired in the name of the District in a form approved by the District's attorney and on the condition that the Developer guarantees and is solely responsible for payment of the Project Costs according to the terms and conditions of a special endorsement in the construction contract. Upon the award or execution of a Project contract, the Developer and District will enter into a letter agreement, substantially in the form attached as **Exhibit B**, for the Project. The parties agree that the purpose of the letter agreement is to confirm Developer's obligations to pre-finance all associated Project Costs in accordance with the terms and conditions of this Agreement. The Design Professional (or such other person as the District and the Developer may designate will serve as the project manager) for the District on each Project. The Developer will provide as a service to the District its own inspection and observation of the Project and consult with the Design Professional to ensure the timely completion of the Project in accordance with the plans and specifications therefor.

Section 3.6 Pay Applications and Change Orders. The Design Professional will process pay applications by the contractor and any other service provider (e.g., testing, surveying) for the Project. Pay applications for Projects funded solely by the Developer require the approval of the Design Professional and the Developer. No changes to the plans and specifications or change orders to any construction contracts will be made without approval by the Board of Directors of the District and Developer, which approvals will not be unreasonably withheld.

Section 3.7 Final Acceptance. Once the Project is complete, the Design Professional will present to the Board a certificate of completion and the Board will accept the Project as complete. If the Developer believes that the Project is not complete, the Developer may present any objection to Board and the Design Professional, and the Board may not thereafter accept completion without the Developers approval.

Section 3.8 Ownership and Maintenance of Facilities After Completion. Following completion of construction and acceptance of a Project by the District, the District will own the Facilities or convey ownership of the Facilities to the City or County, depending on the type of Facilities as follows:

3.8.1 The District will own and maintain any WSD Facilities.

3.8.2 The County will own and maintain any Road Facilities.

3.8.3 The District will own any Park Facilities. Maintenance of the Park Facilities will be by the District or the POA as determined in Section 3.2.

Section 3.9 Project Warranty. The Developer will assist the District in identifying any defects in the Facilities during any applicable construction warranty period and will use commercially reasonable efforts to assist the District in enforcing any construction warranty. For any Projects conveyed to the City or County for operation and maintenance, the District will have no obligation to pay for additional repair, operation, or maintenance costs, including any costs incurred during any mandatory warranty or maintenance bond period required by the City or County.

Section 3.10 Capital Capacity Payments. The Developer will pay on behalf of the District any Capital Capacity Payments as such payments come due under the applicable order, ordinance, or contract. The Developer will own any such capacity it pays for until such time as the District has reimbursed the Developer for the Capital Capacity Payments, provided however, the District is entitled to utilize such capacity prior to such reimbursement for the benefit of land in the Property developed by the Developer.

ARTICLE IV. DEVELOPER OBLIGATIONS

Section 4.1 Advances of Funds. Developer hereby agrees to promptly advance sufficient funds to or make payments on behalf of the District to cover Project Costs, as such funds become due for such Project Costs. Developer hereby agrees to provide Operating Advances to the District that are necessary to cover the District's general operation and administrative expenses, less anticipated revenues during the budget period and available fund balance at the start of the budget period. The District agrees to prepare and provide an annual budget of operating expenses to the Developer prior to the beginning of each fiscal year in which it is anticipated that an Operating Advance by the Developer will be necessary, and the District agrees that the Developer will not be obligated to provide an Operating Advance to cover any expenses that are unreasonable or unnecessary for the operation and administration of the District.

Section 4.2 Statutory, Regulatory, and Contractual Compliance. Developer shall comply with all requirements of the City, the County, TCEQ, and any other governmental entity with jurisdiction (whether by contract, law, or regulation), as the same now exist or may hereafter be applicable to the Facilities and the development of the Property. Developer shall also comply with the guidelines and requirements provided in the Declaration of Covenants, Conditions and Restrictions for Texas Heritage Parkway Corridor, dated May 28, 2020, and recorded under Clerk's File No. 2020062122 of the Official Public Records of Fort Bend County, Texas, attached hereto as **Exhibit E**, as they are applicable to the Facilities and the development of the Property.

Section 4.3 Records of Project Costs. Developer shall retain accurate records of all Project Costs. Such records shall include amounts, names of payees, dates, description of Project Cost, invoices, and evidence of payment. Developer shall provide copies of such records to the District upon request, including annually to the District's auditor with respect to the preparation of the District's audited financial statements and to support reimbursement of funds to the Developer for Eligible Costs, as required by the TCEQ Rules.

Section 4.4 Primary and Continuing Disclosure Obligations. In connection with the reimbursements to Developer, Developer must timely provide all information that may be required by the District, and its financial advisor, engineer, or attorney in connection with the preparation of a bond application, the Preliminary and Final Official Statement, or other disclosure documents related to the sale or issuance of the bonds, notes, or other obligations of the District, and the District's continuing disclosure obligations under federal securities laws. If the Developer is an Obligated Person, the Developer must provide the District with financial statements and other financial information as and when required or appropriate, as determined by the District's bond counsel and financial advisor, and the Developer agrees that these may be made publicly available, as necessary or prudent in connection with the issuance of bonds, notes, or other obligations of the District.

Section 4.5 Payments to the District. Developer agrees to pay all taxes, fees, and charges to the District when due and payable.

Section 4.6 Waiver of Special Appraisal. Except as permitted by TCEQ Rules, Developer will not claim any agricultural or open space use valuation, or any other type of exemption or valuation, for the Property that would reduce the assessed value of the Property below its market value for purposes of ad valorem taxation by the District. The Developer will deliver a waiver of this special valuation to the District as, when, and to the extent required by TCEQ Rules. For avoidance of doubt, this Section 4.6 does not require the Developer to waive any type of exemption or valuation on the Property or portion thereof, including without limitation any agricultural or open space valuation, if such exemptions or reduced valuations are accounted for in the Projected Assessed Value of the Defined Area at the time the TCEQ approves the District's Defined Area bonds. If any such use, exemption, or valuation is claimed on the Property that would violate the TCEQ Rules, the Developer will pay to the District a payment in lieu of taxes equal to the amount of tax that would have been due to the District in that tax year. The Developer may still claim any special appraisal valuation for the Property as to other taxing jurisdictions.

Section 4.7 Estimated Values Used for Bond Feasibility. As required by 30 TAC 293.59(k)(5)(B), if the District uses a certificate of estimated assessed valuation to meet the TCEQ Rules for any series of bonds:

4.7.1 the Developer certifies, represents, and agrees that it will not challenge those estimated values and attempt to reduce its valuations below the values shown on the certificate for the life of any bonds; and

4.7.2 if the estimated taxable valuation results in an exemption from 30 TAC 293.47 (relating to Thirty Percent of District Construction Costs To Be Paid by Developer) and the final certificate of taxable value is not sufficient for an exemption from that section, the Developer will refund to the District the difference in the bond issue requirement without developer contribution and with developer contribution plus interest at the bond interest rate to the District.

Section 4.8 Ethics Disclosure. Pursuant to Texas Government Code, the Developer may be required to submit a Texas Ethics Commission Form 1295. If such a disclosure is required, the Developer

agrees to provide such disclosure to the District prior to executing the Agreement. https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

ARTICLE V. REIMBURSEMENT OBLIGATION AND PROCEDURES

Section 5.1 Reimbursement from District Bonds. The District must reimburse the Developer the Reimbursement Amount as provided in this ARTICLE V. If the TCEQ or any other entity with jurisdiction is required to approve the issuance of bonds by the District, the District shall be obligated to request the maximum amount allowed by the TCEQ or other applicable rules for reimbursement for Eligible Costs, including without limitations seeking waiver of the 30% Developer contribution or more than two years developer interest as allowed by the TCEQ Rules.

Section 5.2 Reimbursement Request. The Developer may submit a Reimbursement Request to the District at any time the Developer believes the legal and financial requirements for reimbursement under this Agreement have been met. In order to determine the amount of the Reimbursement Request, the District's tax assessor/collector is authorized to obtain an estimate of value from the CAD if and when requested by the Developer. The President of the Board is authorized and directed to execute such documents as may be required by the CAD to obtain such certificate. The Reimbursement Request will be submitted to the District's financial advisor in writing and will contain the following information:

5.2.1 A list of all Projects completed or in progress for which reimbursement is being sought.

5.2.2 The Eligible Costs requested or estimated for each Project.

5.2.3 A schedule containing the Developer's growth projections for the Defined Area for the next 18 months.

Section 5.3 Financial Feasibility Review. The District's financial advisor will review the Reimbursement Request and within 14 days of receipt, certify to the Board and the Developer the following ("Certification"):

5.3.1 the "Bond Amount" necessary to generate the Reimbursement Amount for the Eligible Costs requested, and

5.3.2 whether or not it is financially feasible for the District to issue Defined Area bonds of the type and in the amount necessary to pay the requested Reimbursement Amount based on the following criteria (collectively, "Financial Feasibility Requirements"):

5.3.2.1 The proposed bond issue meets i) the economic feasibility rules of the Attorney General of the State of Texas applicable to the Projects, and ii) the economic feasibility rules of the TCEQ (e.g., 30 TAC 293.59) if the Developer is requesting reimbursement for Projects to which the TCEQ Rules apply.

5.3.2.2 The proposed bonds can be marketed in the then-current market for municipal bonds of a similar nature, at a net effective interest rate that does not exceed two percent (2%) above the highest average interest rate reported by the Daily Bond Buyer in its weekly "20 Bond Index", during the preceding 4 weeks.

5.3.2.3 The District has enough voter authorized but unissued Defined Area bonds equal to or greater than the Bond Amount for the Bond Type requested.

5.3.2.4 The Bond Amount is an amount not less than $1,000,000 unless otherwise recommended by the District's financial advisor and attorney or unless such bonds are the final and full installment of the Reimbursement Amount for that Bond Type.

5.3.2.5 The Debt Ratio Test described in Section 5.4 below is satisfied.

5.3.2.6 The required Debt Service Tax Rate to pay the debt service for the Bond Amount and any other direct debt of the District outstanding at the time of the Reimbursement Request and any contract tax payments is less than or equal to the Minimum Debt Service Tax Rate.

5.3.2.7 The proposed bonds meet any additional feasibility requirements or bond limitations imposed on the District by the City.

Section 5.4 Debt Ratio Test. The Debt Ratio Test is satisfied if the proposed Bond Amount plus the amount of any other direct debt of the Defined Area outstanding at the time of the Reimbursement Request is equal to or less than 12% of the Projected Assessed Value of all taxable property on the Property. Upon request by the Developer or upon its own discretion, the District shall request a certificate of estimated assessed valuation from the CAD to assist the District's financial advisor in determining whether the issuance of Defined Area bonds by the District meets the criteria in this Article.

Section 5.5 District's Obligation to Sell Bonds. If the District's financial advisor certifies that the issuance of bonds in the Bond Amount meets the Financial Feasibility Requirements and the Developer is not in default under this Agreement, the District will immediately thereafter use its best efforts to obtain any necessary approvals for the sale of Defined Area bonds in the Bond Amount and to sell such bonds for the purpose of paying the Reimbursement Amount to the Developer at the earliest date, based upon the following schedule and sequence of events:

5.5.1 If the Bond Type requires approval of the TCEQ, the District will within 15 days of the Certification authorize and direct its consultants to begin preparation of an application to the TCEQ for the approval of the Projects and the bonds, which application must be completed in 60 days of Developer's submittal of all required documentation necessary to validate the Eligible Costs;

5.5.2 After the TCEQ application is completed, the District will adopt a resolution requesting approval of the bonds by the TCEQ, which resolution must contain such provisions as required by the TCEQ to obtain approval of the maximum Reimbursement Amount for the Projects as allowed by the TCEQ Rules;

5.5.3 If the Bonds require the approval of the City, the District will apply for and obtain any required consent of the City to issue the bonds in the time frame necessary to meet the deadlines contained in Sections 5.5.5 and 5.5.6, below;

5.5.4 If the TCEQ attempts to reduce the Bond Amount or declare any Project Cost ineligible for reimbursement, the District will not consent to the TCEQ's action without the written consent of the Developer;

5.5.5 The District will authorize the marketing and advertisement of the bonds within 15 days after the TCEQ's approval of the bonds, or if no TCEQ approval is required, within 15 days of the Certification;

5.5.6 The District will approve all documents necessary for the advertising for bids and sale of the bonds (i.e. POS & NOS) within 30 days after the TCEQ's approval of the bonds, or if no TCEQ approval is required, within 30 days of the Certification;

5.5.7 The District will take bids on the bonds at the earliest date after the TCEQ's approval or the Certification accounting, as applicable, for the required advertisements for the sale;

5.5.8 Immediately upon receipt of the bids for the bonds, the District will award the sale of the bonds to the lowest bidder as determined by state law, provided, the District is not required to award the bonds if the net effective interest rate on the bonds exceeds the rate approved by the TCEQ (if such approval was required) or the rate described in 5.3.2.2 above for the 4 weeks preceding the sale of the bonds.

5.5.9 The District will close, deliver, and take up payment for the bonds within 30 days of the date of the sale of the bonds, provided the bonds must first be approved by the Attorney General of the State of Texas and then registered by the Comptroller of Public Accounts of the State of Texas prior to closing and delivery. The District will use its best efforts to obtain approval of the bonds by the Attorney General.

If the District Financial Advisor determines that the conditions in the municipal bond market at the time the District is required to advertise and sell the Bonds prevent the District from selling Bonds on the schedule set forth above, the deadlines in this Section 5.5 will be suspended during such period, but the District will be obligated to resume process to sell the Bonds as soon as such conditions cease to exist, and such obligation to complete the sale and delivery of the Bonds will continue until the Bonds are sold and delivered or the TCEQ approval of the Bonds, if any, expires.

Section 5.6 Reimbursement of the Developer from Bond Proceeds. Within 5 business days from the date the District receives payment for the Bonds, and if the Developer is not in default of this Agreement, the District will pay the Reimbursement Amount to the Developer subject to the following conditions:

5.6.1 The Reimbursement Amount has been verified or otherwise determined by the District's auditor in accordance 30 TAC 293.70.

5.6.2 The Developer has executed an acknowledgement and release, substantially in the form attached as **Exhibit D**; and

5.6.3 The District has received approval of the TCEQ to purchase the Facilities in accordance with 30 TAC 293.69, if TCEQ approval is required.

Section 5.7 Limitations on District Obligations. The District will designate the Property as a Defined Area in accordance with Section 3921.251, Texas Special Districts Local Laws Code, and hold an election in accordance with 3921.252, Texas Special Districts Local Laws Code, for the purpose of voting the Defined Area bonds and an ad valorem tax solely within the Defined Area in support of those bonds to pay for the Facilities. The Developer will make a written request to the District to call such election on a uniform election date that best aligns with the Developer's overall development of the Property. Such request must be made at least 60 days prior to the legal deadline to call such an election. Issuance of the Defined Area bonds

and reimbursement of the Developer shall be conditioned on approval of such issuance and taxes, and if these propositions do not pass, the District shall be permitted to terminate this Agreement. The Reimbursement Amount will be determined by the TCEQ Rules existing at the time of sale of the bonds (if applicable). If the TCEQ or other entity with jurisdiction denies the District's request to reimburse any Eligible Cost, the District will have no further obligation to reimburse the Developer for such cost. The Developer acknowledges that the District may only issue bonds for park facilities in an amount not to exceed 3% of the taxable assessed value of the Defined Area and such limitation will likely result in the Reimbursement Amount for Park Facilities being significantly less than the Eligible Costs for such Facilities. Unless expressly noted and reserved by the Developer for future reimbursement by the District, additional Project Costs that were not included in the District's reimbursement for such Project, are not eligible to be reimbursed by the District after 4 years of final reimbursement for the Project.

Section 5.8 Use of Surplus Bond Proceeds. The District will not use surplus Bond proceeds from Bonds secured by taxes in the Defined Area for any purpose other than to reimburse the Developer for Eligible Costs without the Developer's consent. Within 60 days of a request by the Developer, i) the District will file an application with the TCEQ for approval to use such surplus Bond proceeds to reimburse for Eligible Costs, or ii) if TCEQ approval is not required to use the surplus Bond proceeds, reimburse the Developer for the Eligible Costs.

Section 5.9 Other Developers. The District agrees not to enter into any other reimbursement agreement or development financing agreement that obligates the District to reimburse a landowner for any type of public water, sewer, drainage, road, or park facilities, to be constructed on the Property or the funding of which is comes from taxes collected on the Defined Area, except as provided by this Section 5.9. Any such agreement will be in substantially the same form as this Agreement. Unless approved by the Developer in writing, any agreement to reimburse a landowner for public water, sewer, drainage, road, or park facilities with substantive variations from the form of this Agreement will be considered void and unenforceable.

Section 5.10 District Issuance of Defined Area Bonds other than for Reimbursement. The District may not issue Defined Area bonds, notes, or other obligations except to pay the Reimbursement Amount, until the Developer has been fully reimbursed the Reimbursement Amount, except as follows:

5.10.1 There exists an imminent threat to the health and safety of the general public or residents of the Defined Area;

5.10.2 The debt is necessary to bring the Facilities into compliance with federal, state, or local laws or regulations;

5.10.3 Bonds are being issued pursuant to a Development Financing Agreement with GM Equity;

5.10.4 Bonds are being issued to refund Defined Area bonds previously issued by the District; or

5.10.5 The Developer consents to the issuance of such debt.

Section 5.11 District Reimbursement to the Developer from Sources other than Bonds. The District may, in its sole discretion, reimburse the Developer for Eligible Costs from any available funds of the District that may lawfully be used for such purpose.

ARTICLE VI. PRIORITY OF REIMBURSEMENT

Section 6.1 Type of Bonds. The Developer and District agree that Eligible Costs may be required to be reimbursed to the Developer through the issuance of separate types and series of bonds. Except as may be otherwise modified by future changes in law, the Developer and District agree that the following types of bonds may be issued for certain Eligible Costs and are subject to different statutory and regulatory criteria regarding reimbursement of Eligible Costs:

6.1.1 WSD Facilities – WSD Bonds;

6.1.2 Road Facilities – Road Bonds;

6.1.3 Park Facilities – Park Bonds.

Section 6.2 Priority of Reimbursement Policy. In general, and subject to the terms of this Agreement, the District agrees to reimburse Developer for Eligible Costs on a "first-in, first-out" basis. A Project Cost becomes an Eligible Cost upon final completion, transfer to (if appropriate), and acceptance by the District, and an Operating Advance becomes an Eligible Cost upon transfer of funds to the District's Defined Area operating or other designated account. Subject to Section 6.3 below, the Developer and District agree that the District's priority of funding and reimbursement policy for the Eligible Costs is, pursuant to and in compliance with the terms of that certain Purchase and Sale Agreement between GM Equity and Developer, dated June 25, 2019, as follows:

6.2.1 Developer Texas Heritage Parkway cost contribution in the amount of $1,067,960.

6.2.2 Operating Advances.

6.2.3 Regional Detention Pond Costs.

6.2.4 Any other costs for shared Developer/GM Equity Facilities.

6.2.5 GM Equity Development and Contribution Costs.

6.2.6 WSD Facilities that are described in Section 293.47(d) of the TCEQ Rules, including but not limited to those related to the District's acquisition of a legal or beneficial ownership or capacity in a water supply facility, wastewater treatment facility, or regional drainage facility.

6.2.7 Road Facilities that are related to major thoroughfares, collectors, or arterials.

6.2.8 WSD Facilities not described in 6.2.6 above.

6.2.9 Park Facilities.

6.2.10 Road Facilities not described in 6.2.7 above.

6.2.11 Any other Eligible Costs not described above.

Section 6.3 Variances from Priority of Reimbursement Policy. The Developer agrees to work with the District's financial advisor, engineer, or landscape architect, as appropriate, to review Eligible Costs and make determinations and recommendations on the type and amount of bonds to be issued to reimburse

Developer for any Eligible Costs. The Developer may request a variance from the Priority of Reimbursement Policy described in Section 6.2 above to reimburse an Eligible Cost under the following conditions.

6.3.1 If the Developer is the sole developer of property within the Defined Area, the District will be required to issue bonds of the Bond Type requested by the Developer if the conditions to reimbursement in ARTICLE V are still satisfied with the requested variance.

6.3.2 If the Developer is not the sole developer of property within the Defined Area, the District shall agree to such requested variance if:

6.3.2.1 the conditions to reimbursement in ARTICLE V are still satisfied with the requested variance, and

6.3.2.2 the conditions set forth in the Development Financing Agreement between the District and GM Equity are met, or GM Equity has consented to such variance in writing.

ARTICLE VII. ASSIGNMENT OF REIMBURSEMENT RIGHTS

Section 7.1 Assignment of Reimbursement Rights. The Developer may sell, hypothecate, assign, or pledge all or a portion of its Reimbursement Rights, but only by following the substantive and procedural requirements contained in this ARTICLE VII.

Section 7.2 Collateral Assignment. The Developer may assign its Reimbursement Rights to any other person as collateral securing the financing (whether debt or equity) necessary or convenient for the development of the Property, subject to the following conditions:

7.2.1 The Developer, the District, and the Collateral Assignee execute the Collateral Assignment Agreement in substantially the form attached hereto as **Exhibit C**;

7.2.2 The Collateral Assignee must agree that any lien on the Property is subordinate to the District's rights in the Land conveyed by the Developer to the District for the Facilities and such subordination is recorded in the official records of Fort Bend County and;

7.2.3 The collateral assignment does not alter the District's obligations under this Agreement other than as to who receives payment of the Reimbursement Amount.

The District's President is hereby authorized to execute the Collateral Assignment Agreement if such document has been reviewed and approved as to form by the District's attorney.

Section 7.3 Payment by the District. The District will only pay the Reimbursement Amount due at the time of payment in accordance with the then current Collateral Assignment Agreement, whether one or more. Any such payment by the District will fulfill the District's obligation with respect to that Reimbursement Amount.

Section 7.4 Notice of Dispute; Interpleader. If either the Developer or a Collateral Assignee disputes which entity is entitled to payment of the Reimbursement Amount, the District may institute a bill of interpleader and deposit the Reimbursement Amount then due and payable into the registry of the court, which actions will fulfill the District's obligation with respect to that Reimbursement Amount.

Section 7.5 Unconditional Assignment or Sale of Reimbursement Rights. The Developer may sell or assign (not as collateral) all or a portion of its Reimbursement Rights. The District will only be obligated to pay the Reimbursement Amount so assigned to the assignee after the Developer provides notice of such sale or assignment to the District along with the necessary information to allow for payment to the assignee. The District's President is authorized to sign an acknowledgement of a sale or assignment in a form approved by the District's attorney.

ARTICLE VIII. REPRESENTATIONS

Section 8.1 Representations by Developer. Developer represents that:

8.1.1 This Agreement, the transactions contemplated herein, and the execution and delivery of this Agreement have been duly authorized by Developer in accordance with the terms and conditions of its Certificate of Formation.

8.1.2 This Agreement and the representations and covenants contained herein, and the consummation of the transactions contemplated herein, will not violate or constitute a breach of any contract or other agreement to which Developer is a party.

8.1.3 Developer certifies and agrees that it (i) does not, nor will not, so long as the Agreement remains in effect, boycott Israel, as such term is defined in Chapter 808, Texas Government Code, and (ii) is not identified on a list prepared and maintained under Sections 806.051, 807.051, or 2252.153, Texas Government Code.

Section 8.2 Representations by District. The District represents and covenants that it will:

8.2.1 use its best efforts to prepare the necessary materials and reports to be filed with the TCEQ for approval of Defined Area bond issues in an amount sufficient to, among other things, reimburse Developer in a timely manner in accordance with this Agreement;

8.2.2 use its best efforts to market and sell its bonds in the manner set forth herein;

8.2.3 use its best efforts to obtain the approval of the Attorney General of State of Texas of the bonds;

8.2.4 use its best efforts to reimburse Developer upon the terms set forth herein at the earliest practicable time.

ARTICLE IX. DEFAULT

Section 9.1 Default. A default exists under this Agreement if:

9.1.1 a Party fails to timely pay or perform any obligation or covenant in this Agreement;

9.1.2 any warranty, covenant, or representation in this Agreement is materially false when made;

9.1.3 a receiver is appointed for either Party;

9.1.4 a bankruptcy or insolvency proceeding is commenced by either Party;

9.1.5 a bankruptcy or insolvency proceeding is commenced against the Developer and

9.1.5.1 the proceeding continues without dismissal for sixty days,

9.1.5.2 the party against whom the proceeding is commenced admits the material allegations of the petition against it, or

9.1.5.3 an order for relief is entered; or

9.1.6 any of the Parties is dissolved, begins to wind up its affairs, or is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of any of the Parties.

Section 9.2 Opportunity to Cure. In the event of default, the non-defaulting party will provide written notice of the default. Upon receipt of such notice, the defaulting party will have 10 business days to cure default related to the payment of money and 20 business days to cure nonmonetary defaults.

Section 9.3 Remedies for Developer Default. If an event of default by Developer is not cured within the applicable time period as defined in Section 9.2, the District may:

9.3.1 enter upon the Property and assume any outstanding contracts or agreements to complete the construction of any outstanding Facilities to conclusion;

9.3.2 offset any costs or damages, both direct and indirect, incurred or anticipated as a result of the default from any payments due to Developer under this Agreement;

9.3.3 obtain specific performance as to Developer's dedication of any land or interest therein required to be conveyed to the District under this Agreement;

9.3.4 terminate this Agreement; and

9.3.5 pursue all other remedies provided by law or in equity.

Section 9.4 Remedies for District Default. If an event of default by District is not cured within the applicable time period as defined in Section 9.2, the Developer may:

9.4.1 enter upon the Property and assume any outstanding contracts or agreements to complete the construction of any outstanding Facilities to conclusion;

9.4.2 offset any costs or damages, both direct and indirect, incurred or anticipated as a result of the default from any payments due to District under this Agreement;

9.4.3 obtain specific performance as to District's obligations under ARTICLE V;

9.4.4 terminate this Agreement; and

9.4.5 seek a declaratory judgment or writ of mandamus to require the District to perform all actions necessary to cure such default or pursue all other remedies provided by law or in equity.

Section 9.5 Remedies Cumulative. All remedies available to the non-defaulting party are cumulative, and the exercise of any one remedy will not preclude the exercise of any other remedy that may be available.

Section 9.6 Survival of Reimbursement Rights. If this Agreement is terminated for any reason, the rights and obligations in ARTICLE IV, ARTICLE V, ARTICLE VI, and ARTICLE VII will survive the termination as to any Eligible Costs paid by the Developer prior to termination, except as may otherwise be limited by federal or state laws or regulations, including any determination on Eligible Costs by the TCEQ. The Reimbursement Amount will be reduced by any amount due to the District by the Developer for any reason, including taxes, fees, and additional costs incurred by the District, if any, as a result of a Developer default. Once the Eligible Costs (net of any reduction allowed in this Section 9.6) incurred prior to termination have been paid to the Developer this Agreement will terminate for all purposes.

Section 9.7 Interest on Unpaid Amounts. In the case of default for the non-payment of money when required under this Agreement, the non-defaulting party is entitled to interest on any amounts due at the lesser of twelve percent per annum or the maximum rate allowable by law, which will be the weekly ceiling rate provided for in Chapter 303 of the Texas Finance Code.

Section 9.8 Waiver of Sovereign Immunity. The District agrees that this Agreement will constitute a contract for providing goods and services to the District, subject to the provisions of Subchapter I of Chapter 271, Texas Local Government Code. Further, to the extent allowed by law, the District waives its rights to sovereign immunity as to an action in equity by Developer for a writ of mandamus or specific performance to enforce this Agreement.

ARTICLE X. MISCELLANEOUS

Section 10.1 Notice. Any notice, demand, request, or other instrument authorized or required to be given under this Agreement will be deemed to have been given only upon receipt. Any required notices may be given by first class mail, overnight delivery service, or e-mail, to the address set forth on the first page of this Agreement.

Section 10.2 Governing Law and Venue. This Agreement is governed in accordance with the laws of the State of Texas without regard to conflict of law. Venue for any suit arising out of this Agreement must be brought in Fort Bend County.

Section 10.3 Severability. The provisions of this Agreement are severable, and if any provision or part of this Agreement or the application thereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such provision or part of this Agreement to other persons or circumstances will not be affected thereby.

Section 10.4 Modification. This Agreement will be subject to change or modification only with the mutual written consent of Developer and the District.

Section 10.5 Assignability. This Agreement is not assignable by either party without the prior written consent of the other party, except:

10.5.1 an assignment as provided in ARTICLE VII; or

10.5.2 an assignment to a Related Entity.

The Developer will provide written notice of an assignment pursuant to 10.5.2 within 10 days of such assignment. The assignment is not binding on the District until receipt of such written notice.

Section 10.6 Parties at Interest. This Agreement will be for the sole and exclusive benefit of the parties hereto and will never be construed to confer any benefit upon any third party. This Agreement creates personal (not property) rights for the benefit of Developer and is not a covenant or other obligation running with the Property.

Section 10.7 Term. Except as otherwise provided herein, this Agreement will be in force and effect from the date of execution hereof for a term of i) forty (40) years, or ii) when construction of all the Facilities necessary to serve the Property is complete and the Developer has been fully reimbursed all the Reimbursement Amount whichever first occurs.

Section 10.8 Force Majeure. If either party is rendered unable, wholly or in part, by force majeure to carry out any of its obligations under this Agreement, then the obligations of either party to the extent affected by such force majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time, will be suspended during the continuance of any inability so caused to the extent provided but for no longer period. Such cause, to the extent possible, will be remedied with all reasonable diligence. The term "force majeure", as used herein, will include, without limitation of the generality thereof, acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, orders of any kind of the Government of the United States or of the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines, or canals, partial or entire failure of water necessary for operation of the sewer system or of the District to receive waste, and any other inabilities of either party, whether similar to those enumerated or otherwise, which are not within the control of either party, which either party could not have avoided by the exercise of due diligence and care. It is understood and agreed that the settlement of strikes and lockouts will be entirely within the discretion of either party, and that the above requirement that any force majeure will be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demand of the opposing party or parties when such settlement is unfavorable to it in the judgment of the affected party.

[EXECUTION PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple copies, each of equal dignity, as of the date and year set forth on the first page hereof.

TEXAS HERITAGE PARKWAY IMPROVEMENT DISTRICT

By: _____
President, Board of Directors

FORT BEND COUNTY, TEXAS

By: _____
KP George, County Judge

Exhibit A
Description of the Property

PARCEL "D" – 137.2966 ACRES:

BEING 137.2966 acres of land situated in the Enoch Latham Survey, Abstract No. 50 of Fort Bend County, Texas, said 137.2966 acres being all of a called 137.294 acre of land described in an instrument to GM Equity Group, LLC, filed for record under Clerk's File Number 2008000068 of the Official Public Records of Fort Bend County (O.P.R.F.B.C.), Texas, said 137.2966 acre tract being more particularly described by metes and bounds as follows:

BEGINNING at the Southeast corner of said 137.294 acre tract and the herein described tract and the Southwest corner of a called 3.662 acre tract of land described in an instrument to Wayne Schramme recorded under Clerk's File Number 2012087343 of the O.P.R.F.B.C., lying on the North right-of-way line of F.M. 1093 (120 feet wide) as shown in Vol. 243, Pg. 169 of the Fort Bend County Deed Records;

THENCE, S 82°58'56" W, a distance of 722.86 feet along and with the South line of said 137.294 acre tract and the North right-of-way line of said F.M. 1093 to a 5/8-inch iron rod with cap stamped "5070" found for the Southeast corner of a called 3.0 acre tract of land described in an instrument to Andrea Chatam recorded under C.F. No. 2013030092 of the O.P.R.F.B.C. and a South corner of said 137.294 acre tract and the herein described tract;

THENCE, N 02°40'36" W, a distance of 608.67 feet along and with the East line of said 3.0 acre tract to a 5/8-inch iron rod with cap stamped "5070" found for the Northeast corner of said 3.0 acre tract and an interior corner of said 137.294 acre tract and the herein described tract;

THENCE, S 82°55'11" W, a distance of 209.00 feet along and with the North line of said 3.0 acre tract to a 5/8-inch iron rod with cap stamped "5070" found for the Northwest corner of said 3.0 acre tract and an interior corner of said 137.294 acre tract and the herein described tract;

THENCE, S 02°21'20" E, a distance of 608.71 feet along and with the West line of said 3.0 acre tract to a 5/8-inch iron rod with cap stamped "5070" found for the Southwest corner of said 3.0 acre tract and a South corner of said 137.294 acre tract and the herein described tract, lying on the North right-of-way line of said F.M. 1093;

THENCE, S 82°58'56" W, a distance of 699.09 feet along and with the North right-of-way line of said F.M. 1093 and the South line of said 137.294 acre tract to a 5/8-inch iron rod found for the Southwest corner of said 137.294 acre tract and the herein described tract and the Southeast corner of a called 124.4749 acre tract described in an instrument recorded under C.F. No. 2005092052 of the O.P.R.F.B.C.T.;

THENCE, N 02°42'36" W, a distance of 399.31 feet along and with the West line of said 137.294 acre tract and the East line of said 124.4749 acre tract to a 5/8-inch iron rod found for an interior corner of said 137.294 acre tract and the herein described tract;

THENCE, S 82°59'32" W, a distance of 127.36 feet along and with the North line of said 124.4749 acre tract to a 5/8-inch iron rod found for a Northerly Southwest corner of said 137.294 acre tract and the herein described tract;

THENCE, N 02°42'36" W, a distance of 3,184.32 feet along and with the common line of said 137.294 acre tract and said 124.4749 acre tract to a 1/2-inch iron rod found for the common North corner of said 137.294 acre tract and said 124.4749 acre tract and the Northwest corner of the herein described tract, lying on the South line of a called 1,913.31 acre tract of land described as Tract A in an instrument to CCR Texas Holdings LP recorded under C.F. No. 2012038964 of the O.P.R.F.B.C.;

THENCE, N 88°20'49" E, a distance of 1,761.94 feet along and with the common line of said 137.294 acre tract and said 1,913.31 acre tract to a 1/2-inch iron pipe with cap stamped "Brown & Gay" found for the Northeast corner of said 137.294 acer tract and the herein described tract;

THENCE, S 02°37'40" E, a distance of 3,418.82 feet along and with the East line of said 137.294 acre tract to the **POINT OF BEGINNING** and containing 137.2966 acres (5,980,638 square feet) of land.

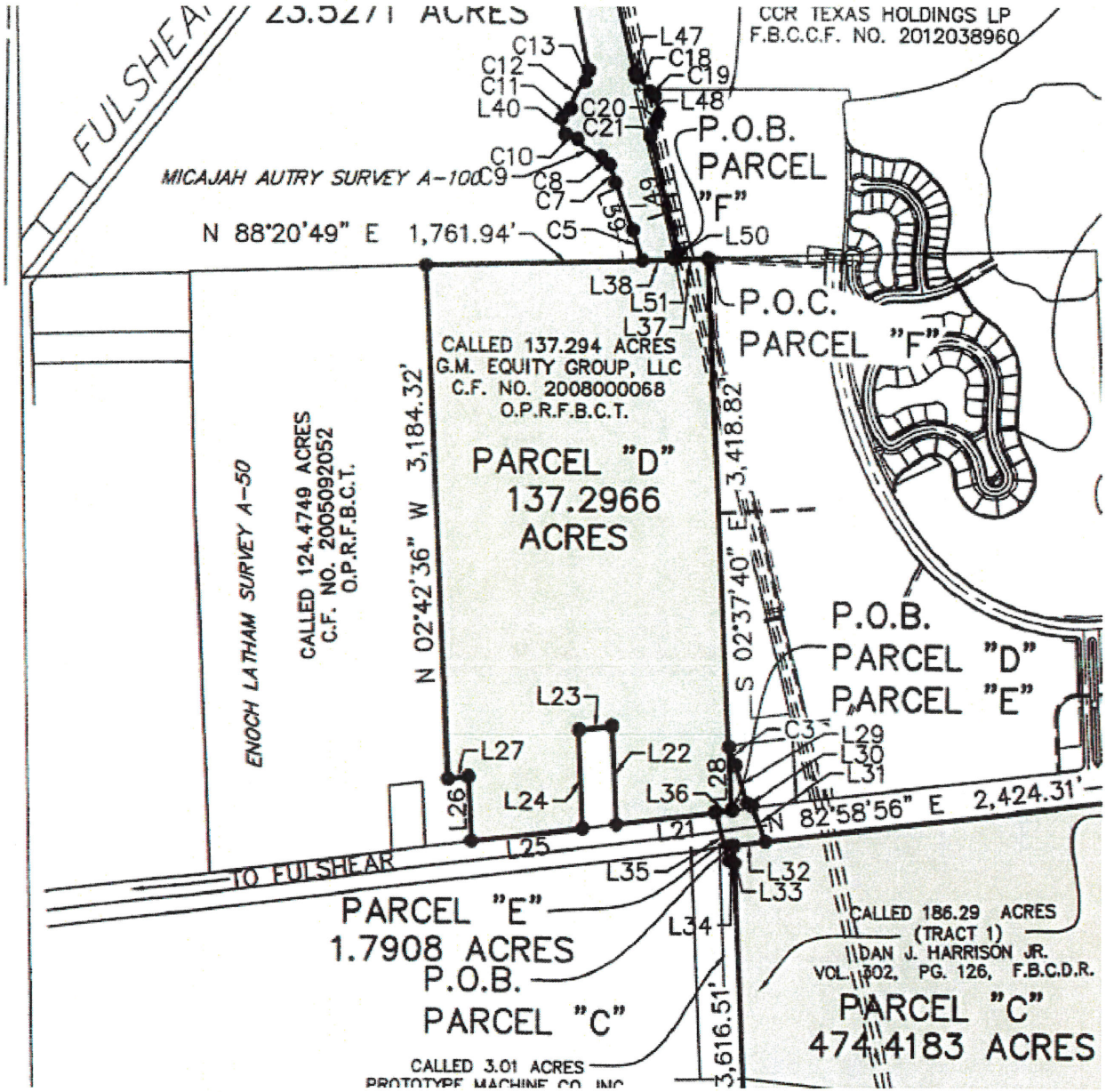

Exhibit A -2

Exhibit B

Form of
LETTER FINANCING AGREEMENT

DATE OF AWARD:	Date
DISTRICT:	
DEVELOPER:	
FACILITIES:	Project Name
CONTRACTOR:	Contractor
INITIAL CONTRACT AMOUNT:	Contract Amount
DATE OF MASTER DEVELOPMENT FINANCING AGREEMENT:	_____, 20__ (the "Financing Agreement")

The District and Developer have determined to proceed with the design, construction, testing, surveying, and acquisition of property interests, and accrual of other professional fees and expenses related to the Facilities in accordance with the Financing Agreement. The District has entered into a construction contract with the Contractor, who in the District's judgment, presented the bid which will result in the best and most economical completion of the Facilities. Developer has agreed to pre-finance the Facilities costs to be reimbursed in accordance with the Financing Agreement.

The District and Developer acknowledge that the Facilities are proposed to be constructed on property currently owned by the Developer, and the Developer hereby grants to the District the irrevocable right to enter upon and possess any property owned by the Developer upon which the Facilities are constructed, including any property necessary for access to the Facilities. The right of entry and possession described herein will extend to the District and its contractors, assigns, and/or owners of any utility involved in the project for the additional purposes of locating utility lines, and/or replacing, repairing, developing improvements to, and/or maintaining the existing utility lines that lie within such property, if any.

[EXECUTION PAGE FOLLOWS]

Exhibit C

ASSIGNMENT OF RIGHTS
ACKNOWLEDGMENT AND AGREEMENT

This Assignment of Rights Acknowledgment and Agreement (this "Acknowledgement") is executed to be effective as of _____, 202_ among _____ the following:

"District" means _____, a political subdivision of the State of Texas, whose address is as follows:

123 Main Street
Houston, Texas 12345

"Borrower" means _____, a (entity type & location or organization), whose address is as follows:

123 Main Street
Houston, Texas 12345

"Lender" means _____, a (entity type & location or organization), whose address is as follows:

123 Main Street
Houston, Texas 12345

ARTICLE I. BACKGOUND

The District and the Borrower entered into that certain Master Development Financing Agreement dated _____. Borrower and Lender have entered into that certain _____ (the "Assignment"), in which the Borrower agreed to assign certain rights in the Master Development Financing Agreement as collateral for the loan. The Borrower has executed and delivered that Assignment. This Acknowledgement is executed in accordance with Section 7.2 of the Master Development Financing Agreement.

ARTICLE II. ACKNOWLEDGEMENT AND AGREEMENT

Section 2.1 All capitalized terms used but not defined in this Acknowledgement will have the same meanings as in the Assignment. As used in this Acknowledgement, the term "Receivable Rights" means only the Borrower's rights to receive payment of the "Reimbursement Amount" as defined in the Master Development Financing Agreement.

Section 2.2 District hereby represent and warrants to the Lender as follows:

2.2.1 the Master Development Financing Agreement is in full force and effect and has not been amended,

2.2.2 there are no currently effective notices of default given or received by any party under the Master Development Financing Agreement, and

2.2.3 to the best of the District's actual knowledge as of the date of this Acknowledgement, Borrower and District have fully satisfied their current obligations (now due or owing) required under the Master Development Financing Agreement.

Section 2.3 Borrower hereby represents and warrants that it has not assigned or attempted to assign any of its right, title, interest, or benefit in and under the Master Development Financing Agreement and which is assigned by the Assignment to any other person or entity, other than Lender, except as to the Development Financing Agreement between the District and GM Equity [and insert any prior assignments]. In consideration of the District's execution of this Acknowledgment, Borrower hereby agrees to pay all reasonable attorneys' fees and expenses incurred by the District and arising out of or in any way related to Borrower's breach of the foregoing representation and warranty.

Section 2.4 Lender hereby agrees that it will not assign or attempt to assign any of its right, title, interest or benefit in and under the Master Development Financing Agreement unless such assignment strictly complies with the terms of such agreement. In consideration of the District's execution of this Acknowledgment, Lender hereby agrees to (i) pay all reasonable attorneys' fees and expenses incurred by the District and arising out of or in any way related to Lender's breach of the foregoing representation and warranty, and (ii) immediately return to the District any sum or sums paid by the District to Lender upon the final determination by a court of competent jurisdiction that Lender was not the party to which such sum or sums were due and payable.

Section 2.5 The District hereby acknowledges the Borrower's assignment of the Receivable Rights to Lender is for security, and that the Lender is not assuming nor shall be required to assume any obligations under the Master Development Financing Agreement by virtue of the Assignment.

Section 2.6 Notwithstanding any terms in the Assignment to the contrary, the following will apply:

2.6.1 If the Borrower is not in Default (as defined in the Assignment), the District may look solely to the Borrower for performance under the Master Development Financing Agreement and may make payments to the Borrower (or as directed by it).

2.6.2 In the event of a Default, the Lender shall provide notice to the District of the Default by the Borrower and that the Lender is electing at the time of such notice to either:

2.6.2.1 assume only the Receivable Rights; or

2.6.2.2 assume all the Borrower's rights under the Mater Development Financing Agreement. In the event the Lender assumes all the Borrower's rights, such assumption will be conclusively deemed to also include the assumption of the Borrower's duties and liabilities under the Master Development Financing Agreement (regardless of when those duties and liabilities arose).

2.6.3 The Lender may initially assume only the Receivable Rights and at any time thereafter assume all the Borrower's rights, duties and liabilities under the Master Development Financing Agreement. District agrees that, upon written notice from Lender as described in Section 2.6.2.1, all future payments of Reimbursement Amounts due and owing to Borrower will be made to Lender, and any such payments paid to Lender will be applied to District's

obligations in accordance with the terms of the Master Development Financing Agreement. Following an election under Section 2.6.2.2 and assumption of Borrower's obligations under the Master Development Financing Agreement, District agrees to perform its obligations under the Master Development Financing Agreement when required thereunder, including payment of the Reimbursement Amount when the conditions for such payments have been satisfied.

Section 2.7 This Acknowledgement will not be constructed to modify the contractual obligations between the District and the Borrower, or any successor in interest to the Borrower, whether by Foreclosure or otherwise. To the extent of conflict between this Acknowledgement and the Assignment, this Acknowledgement will control. The District's Acknowledgement of the Assignment will not be construed as the agreement of the District to any of the terms in the Assignment, except as provided herein.

Section 2.8 District agrees not to materially adversely modify any provisions relating to the Receivable Rights under the Master Development Financing Agreement without the Lender's prior written consent, which will not be unreasonably withheld, conditioned or delayed.

Section 2.9 District acknowledges and agrees that Lender is a mortgagee and that Lender will not be liable for any costs, expenses, liabilities or obligations arising under the Master Development Financing Agreement unless the Lender makes the election under Section 2.6.2.2 above. While the Assignment is in effect, the District will provide notice of Borrower's default, if any, to the Lender, and the Lender will have the right to cure any defaults or events of default by Borrower under the Master Development Financing Agreement within the same time periods as the Borrower. Any amendments to the Master Development Financing Agreement will require fifteen (15) days prior written notice to the Lender. All notices to Lender will be given to the above address (or any other address of which Lender has notified District in writing) by certified mail or a nationally recognized commercial courier (such as FedEx), in each case, with proof of delivery requested.

Section 2.10 The Lender agrees that any lien it has on the real property owned by the Borrower within the boundaries of the District will be subordinate to any interest in real property now owned or subsequently acquired by the District pursuant to the terms of the Master Development Financing Agreement and on which the District constructs improvements that give rise to a Receivable Right. The Lender acknowledges that the District's real property interests and the improvements constructed thereon enhance the value of the property in the District and foreclosure of such interest by the Lender, even if legal, would diminish the value of Lender's collateral. Any attempt by the Lender to foreclose on the District's real property interests will be an event of Default under the Master Development Financing Agreement.

[EXECUTION PAGES FOLLOW]