

RESOLUTION NO. 42-2018

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE CITY MANAGER TO FINALIZE AND EXECUTE A TRANSFER AND SERVICE AGREEMENT WITH THE KAUFMAN COUNTY MUNICIPAL UTILITY DISTRICT NO. 12; CADG KAUFMAN 146, LLC; D.R. HORTON-TEXAS, LTD; AND DIECIESEIS, LLC, REGARDING (i) THE PROVISION OF WATER AND WASTEWATER RETAIL SERVICES TO A RESIDENTIAL DEVELOPMENT COMPRISED OF APPROXIMATELY 110.97 ACRES LOCATED GENERALLY SOUTH OF INTERSTATE HIGHWAY 20, EAST OF FM 741 AND NORTH OF HEARTLAND PARKWAY IN KAUFMAN COUNTY, TEXAS, WITHIN THE EXTRATERRITORIAL JURISDICTION OF THE CITY (THE "TRAILWIND DEVELOPMENT"); (ii) THE PROVISION OF WATER AND WASTEWATER RETAIL SERVICES TO A COMMERCIAL DEVELOPMENT COMPRISED OF APPROXIMATELY 25.464 ACRES LOCATED GENERALLY AT THE SOUTHEAST CORNER OF IH-20 AND FM-741 IN THE MARTHA MUSIC SURVEY, ABSTRACT NO. 312, KAUFMAN COUNTY, TEXAS (THE "25 ACRE RETAIL TRACT"); (iii) THE TRANSFER, OWNERSHIP, OPERATION AND MAINTENANCE OF THE WATER AND WASTEWATER INFRASTRUCTURE NECESSARY TO PROVIDE SUCH WATER AND WASTEWATER RETAIL SERVICES TO THE TRAILWIND DEVELOPMENT AND THE 25 ACRE RETAIL TRACT; AND (iv) CAPACITY AND CONNECTION FEES IN CONNECTION THEREWITH.

WHEREAS, a proposed residential development consisting of approximately 110.97 acres located generally south of Interstate Highway 20, east of FM 741 and north of Heartland Parkway in Kaufman County, Texas, within the extraterritorial jurisdiction of the City of Mesquite, Texas (the "City") and being more particularly described as Tract 1 and Tract 2 in Exhibit "A" attached hereto and made a part hereof for all purposes (the "Trailwind Development") requires water and wastewater retail services in order to develop as a residential community; and

WHEREAS, a proposed commercial development consisting of approximately 25.464 acres located generally at the southeast corner of IH-20 and FM-741 in the Martha Music Survey, Abstract No. 312, Kaufman County, Texas, and being more particularly described in Exhibit "B" attached hereto and made a part hereof for all purposes (the "25 Acre Retail Tract") requires water and wastewater retail services in order to develop as a retail development; and

WHEREAS, pursuant to that certain Heartland Town Center Development Agreement between the City, CADG Kaufman 146, LLC and Kaufman County Fresh Water Supply District No. 5 dated effective April 2, 2018, the Trailwind Development and the 25 Acre Retail Tract are to be voluntarily annexed into the City; and

WHEREAS, CADG Kaufman 146, LLC is the current owner of the 25 Acre Retail Tract; and

WHEREAS, D.R. Horton – Texas, Ltd., is or will be the owner of Tract 1 described in Exhibit “A” and Diecieseis, LLC, is or will be the owner of Tract 2 described in Exhibit “A,” both tracts being located within the Trailwind Development; and

WHEREAS, the City does not currently have infrastructure available to provide water and wastewater retail services to the Trailwind Development or the 25 Acre Retail Tract; and

WHEREAS, the Trailwind Development and the 25 Acre Retail Tract are located within Kaufman County Municipal Utility District No. 12’s (the “District”) certificate of convenience and necessity (“CCN”) service area and the District has the capacity to serve the Trailwind Development and the 25 Acre Retail Tract; and

WHEREAS, pursuant to Section 791.026 of the Texas Government Code, as amended, the City and the District are authorized to enter into an interlocal agreement to obtain or provide part or all of water supply or wastewater treatment facilities; and

WHEREAS, pursuant to Resolution 80-2017, the City created the Heartland Town Center Public Improvement District (the “PID”); and

WHEREAS, the Trailwind Development is wholly located within the PID and the portion of water and sewer improvements that benefit property within the Trailwind Development is eligible for reimbursement from PID bond proceeds; and

WHEREAS, the City and the District intend that the City transfer ownership of the water and wastewater infrastructure facilities constructed and/or financed by PID bonds to provide water and wastewater retail services to the Trailwind Development (the “Water and Wastewater Infrastructure”) to the District; and

WHEREAS, the City, the District, CADG Kaufman 146, LLC, D.R. Horton – Texas, Ltd., and Diecieseis, LLC, desire to enter into an agreement regarding the provision of water and wastewater retail services to the Trailwind Development and the 25 Acre Retail Tract, the transfer and ownership of the Water and Wastewater Infrastructure, the operation and maintenance of the infrastructure necessary to provide such water and wastewater retail services, the capacity and connection fees in connection therewith, and other matters relating thereto.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:


SECTION 1. That the statements, facts, findings and recitals set forth above are hereby found and declared to be true and correct and are incorporated into this Resolution and adopted as part of this Resolution for all purposes.

SECTION 2. That the City Council hereby authorizes the City Manager to finalize and execute a Transfer and Service Agreement between the City, the District, CADG Kaufman 146, LLC, D.R. Horton – Texas, Ltd., and Diecieseis, LLC, regarding the provision of water and wastewater retail services to the Trailwind Development and the 25 Acre Retail Tract, the transfer and ownership of the Water and Wastewater Infrastructure, the operation and maintenance of the infrastructure necessary to provide such water and wastewater retail services, the capacity and connection fees in connection therewith and other matters relating thereto, such agreement to be substantially in the form attached hereto as Exhibit “C” and made a part hereof for all purposes, with such revisions, additional terms or provisions not inconsistent with the essential terms in the agreement attached hereto as Exhibit “C” as the City Manager deems advisable and in the best interest of the City (the “Transfer and Service Agreement”).

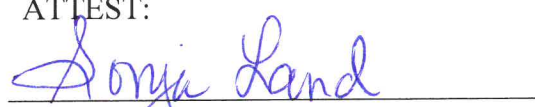
SECTION 3. That the City Manager is further hereby authorized to negotiate, finalize and execute all documents necessary to consummate the transactions contemplated by the Transfer and Service Agreement including, without limitation, all documents necessary for the City to: (i) grant easements and rights of way to the District; (ii) convey the Water and Wastewater Infrastructure to the District; and (iii) approve contract awards and change orders for the construction of the Water and Wastewater Infrastructure, provided such change orders collectively do not exceed the City Manager’s authority pursuant to City Ordinance No. 4472.

SECTION 4. That the City Manager is further hereby authorized to administer the Transfer and Service Agreement on behalf of the City including, without limitation, the City Manager shall have the authority delegated to the City Manager pursuant to City Ordinance No. 4472, as amended.

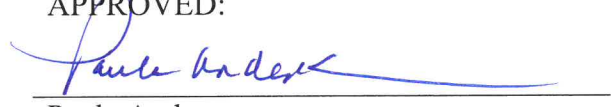
DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 16th day of July, 2018.



Stan Pickett
Mayor

ATTEST:


Sonja Land
City Secretary

APPROVED:


Paula Anderson
Interim City Attorney

Tract 1:

BEING that certain tract of land situated in the MARTHA MUSIC SURVEY, ABSTRACT NUMBER 312, in Kaufman County, Texas, and being part of that certain called 146.733 acre tract of land described in deed to CADG Kaufman 146, LLC, recorded in Volume 4363, Page 38, of the Deed Records of Kaufman County, Texas (DRKCT), and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod with cap marked "DAA" found at the southernmost corner of said CADG Kaufman 146, LLC tract, and being located on the northeasterly line of Lot 2X, Block 43, of Heartland Tract A, Phase 1B, an addition to Kaufman County, Texas according to the Amending Plat recorded in Cabinet 3, Slide 20, of the Plat Records of Kaufman County, Texas (PRKCT), said iron rod also being located at the beginning of a non-tangent curve to the left;

THENCE Northwesterly with said northeasterly line of Lot 2X and with said curve to the left which has a central angle of $21^{\circ}32'00''$, a radius of 800.00 feet, a chord which bears North $34^{\circ}55'09''$ West, a chord distance of 298.90 feet, for an arc distance of 300.66 feet to the end of said curve, a 1/2 inch iron rod with cap marked "DAA" found for corner;

THENCE North $45^{\circ}41'09''$ West, continuing with the northeasterly line of Lot 2X, a distance of 397.34 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner at the northernmost corner of said Lot 2X, Block 43, also being the northernmost corner of said Heartland Tract A, Phase 1B;

THENCE South $44^{\circ}18'51''$ West, with the northwest line of said Lot 2X, Block 43, a distance of 10.00 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner at the easternmost corner of Heartland Tract A Phase 2B, an addition to Kaufman County, Texas, according to the Final Plat recorded in Cabinet 3, Slide 100, PRKCT, said iron rod also being located on the northeasterly right-of-way line of Heartland Parkway (called 80 foot right-of-way at this point), according to said Final Plat of Heartland Tract A Phase 2B;

THENCE North $45^{\circ}41'09''$ West, with said northeasterly right-of-way line of Heartland Parkway, a distance of 1324.03 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner at the beginning of a tangent curve to the left;

THENCE Northwesterly, continuing with said northeasterly right-of-way line of Heartland Parkway, and with said curve having a central angle of $34^{\circ}32'11''$, a radius of 790.00 feet, a chord which bears North $62^{\circ}57'14''$ West, a chord distance of 469.01 feet, for an arc distance of 476.19 feet to the end of said curve, a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner, from which a 1/2 inch iron rod with cap marked "DAA" found is located northwesterly along said curve at an arc distance of 29.78 feet;

THENCE leaving said northeasterly right-of-way line of Heartland Parkway, and over and across said CADG Kaufman 146, LLC tract, the following courses to 5/8 inch iron rods with cap marked "PETITT-RPLS 4087" found for corner:

North 09°46'40" East, a distance of 165.00 feet;

South 78°15'28" East, a distance of 65.47 feet;

And North 15°12'36" East, a distance of 235.81 feet;

THENCE continuing over and across said CADG Kaufman 146, LLC tract, the following courses to 5/8 inch iron rods with cap marked "PETITT-RPLS 4087" set for corner:

North 42°35'50" East, a distance of 166.99 feet;

South 70°12'06" East, a distance of 191.87 feet;

North 52°16'46" East, a distance of 148.98 feet;

South 39°29'32" East, a distance of 110.30 feet, said iron rod being the beginning of a non-tangent curve to the right;

Northeasterly with said curve to the right which has a central angle of 08°22'23", a radius of 525.00 feet, a chord which bears North 54°41'39" East, a chord distance of 76.66 feet, for an arc distance of 76.72 feet to the end of said curve;

North 58°52'51" East, a distance of 4.58 feet;

South 31°07'09" East, a distance of 50.00 feet;

South 58°52'51" West, a distance of 4.58 feet, said iron rod being the beginning of a tangent curve to the left;

Southwesterly with said curve to the left which has a central angle of 01°06'38", a radius of 475.00 feet, a chord which bears South 58°19'32" East, a chord distance of 9.21 feet, for an arc distance of 9.21 feet to the end of said curve;

South 32°13'47" East, a distance of 129.66 feet;

North 44°18'51" East, a distance of 41.13 feet;

South 45°41'09" East, a distance of 139.01 feet, said iron rod being the beginning of a non-tangent curve to the right;

Southeasterly with said curve to the right which has a central angle of 42°50'00", a radius of 75.00 feet, a chord which bears South 67°06'09" East, a chord distance of 54.77 feet, for an arc distance of 56.10 feet to the end of said curve;

South 45°41'09" East, a distance of 523.86 feet;

North 44°18'51" East, a distance of 30.00 feet;

South 45°41'09" East, a distance of 50.00 feet;

South 44°18'51" West, a distance of 30.00 feet;

South 45°41'09" East, a distance of 821.35 feet, said iron rod being the beginning of a non-tangent curve to the right;

Southeasterly with said curve to the right which has a central angle of 148°30'59", a radius with a radius point which bears South 54°52'24" East, a distance of 59.50 feet, a chord which bears South 39°07'53" East, a chord distance of 114.54 feet, for an arc distance of 154.23 feet to the end of said curve;

And South 23°23'22" East, a distance of 16.06 feet;

THENCE South 45°26'12" East, continuing over and across said CADG Kaufman 146, LLC tract, a distance of 445.54 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner, said iron rod being located on a southeast line of said CADG Kaufman 146, LLC tract, and a northwest line of that certain tract of land described in deed to Crockett and West, LLC, recorded in Volume 4262, Page 558, DRKCT;

THENCE South 44°46'26" West, with said southeast line of the CADG Kaufman 146, LLC tract, and said northwest line of the Crockett and West, LLC tract, a distance of 668.48 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner;

THENCE South 65°43'36" West, with a southeasterly line of said CADG Kaufman 146, LLC tract, a distance of 65.81 feet to the POINT OF BEGINNING of herein described tract, containing a calculated area of 41.500 acres of land.

AND

Tract 2:

BEING that certain tract of land situated in the MARTHA MUSIC SURVEY, ABSTRACT NUMBER 312, in Kaufman County, Texas, and being part of that certain called 146.733 acre tract of land described in deed to CADG Kaufman 146, LLC, recorded in Volume 4363, Page 38, of

the Deed Records of Kaufman County, Texas (DRKCT), and being more particularly described as follows:

COMMENCING at a 1/2 inch iron rod with cap marked "DAA" found at the southernmost corner of said CADG Kaufman 146, LLC tract, and being located on the northeasterly line of Lot 2X, Block 43, of Heartland Tract A, Phase 1B, an addition to Kaufman County, Texas, according to the Amending Plat recorded in Cabinet 3, Slide 20, of the Plat Records of Kaufman County, Texas (PRKCT):

THENCE North 65°43'36" East, with a southeasterly line of said CADG Kaufman 146, LLC tract, a distance of 65.81 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner;

THENCE North 44°46'26" East, with a southeasterly line of said CADG Kaufman 146, LLC tract, and partially with a northwest line of that certain tract of land described in deed to Crockett and West, LLC, recorded in Volume 4262, Page 558, DRKCT, a distance of 668.48 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for the POINT OF BEGINNING of herein described tract;

THENCE leaving said southeasterly line of the CADG Kaufman 146, LLC tract, and said northwest line of the Crockett and West, LLC tract, and over and across said CADG Kaufman 146, LLC tract, the following courses to 5/8 inch iron rods with cap marked "PETITT-RPLS 4087" set for corner:

North 45°26'12" West, a distance of 445.54 feet;

North 23°23'22" West, a distance of 16.06 feet, said iron rod being the beginning of a non-tangent curve to the left;

Northwesterly with said curve to the left which has a central angle of 148°30'59", a radius with a radius point which bears North 23°23'22" West, a distance of 59.50 feet, a chord which bears North 39°07'53" West, a chord distance of 114.54 feet, for an arc distance of 154.23 feet to the end of said curve;

North 45°41'09" West, a distance of 821.35 feet;

North 44°18'51" East, a distance of 30.00 feet;

North 45°41'09" West, a distance of 50.00 feet;

South 44°18'51" West, a distance of 30.00 feet;

North 45°41'09" West, a distance of 523.86 feet, said iron rod being the beginning of a tangent curve to the left;

Northwesterly with said curve to the left which has a central angle of $42^{\circ}50'00''$, a radius of 75.00 feet, a chord which bears North $67^{\circ}06'09''$ West, a chord distance of 54.77 feet, for an arc distance of 56.10 feet to the end of said curve;

North $45^{\circ}41'09''$ West, a distance of 139.01 feet;

South $44^{\circ}18'51''$ West, a distance of 41.13 feet;

North $32^{\circ}13'47''$ West, a distance of 129.66 feet, said iron rod being the beginning of a non-tangent curve to the right;

Northeasterly with said curve to the right which has a central angle of $01^{\circ}06'38''$, a radius of 475.00 feet, a chord which bears North $58^{\circ}19'32''$ East, a chord distance of 9.21 feet, for an arc distance of 9.21 feet to the end of said curve;

North $58^{\circ}52'51''$ East, a distance of 4.58 feet;

North $31^{\circ}07'09''$ West, a distance of 50.00 feet;

South $58^{\circ}52'51''$ West, a distance of 4.58 feet, said iron rod being the beginning of a tangent curve to the left;

Southwesterly with said curve to the left which has a central angle of $08^{\circ}22'23''$, a radius of 525.00 feet, a chord which bears South $54^{\circ}41'39''$ West, a chord distance of 76.66 feet, for an arc distance of 76.72 feet to the end of said curve;

North $39^{\circ}29'32''$ West, a distance of 110.30 feet;

South $52^{\circ}16'46''$ West, a distance of 148.98 feet;

And North $70^{\circ}12'06''$ West, a distance of 191.87 feet;

THENCE continuing over and across said CADG Kaufman 146, LLC tract, the following courses to 5/8 inch iron rods with cap marked "PETITT-RPLS 4087" found for corner:

North $42^{\circ}35'50''$ East, a distance of 310.62 feet;

North $07^{\circ}44'02''$ West, a distance of 285.71 feet;

South $86^{\circ}42'10''$ West, a distance of 198.45 feet;

North $68^{\circ}43'31''$ West, a distance of 145.05 feet;

And North 06°39'43" West, a distance of 222.01 feet, said iron rod being located on the north line of said CADG Kaufman 146, LLC tract;

THENCE North 83°20'17" East, with a north line of said CADG Kaufman 146, LLC tract, a distance of 210.14 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner;

THENCE North 88°27'43" East, with a north line of said CADG Kaufman 146, LLC tract, a distance of 474.11 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner;

THENCE South 84°18'07" East, with a north line of said CADG Kaufman 146, LLC tract, a distance of 951.32 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner;

THENCE South 78°58'41" East, with a north line of said CADG Kaufman 146, LLC tract, a distance of 18.88 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner at a northeast corner of said CADG Kaufman 146, LLC tract;

THENCE South 45°06'42" East, with the northeasterly line of said CADG Kaufman 146, LLC tract, a distance of 1382.69 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner, from which a 3/4 inch iron pipe found at the easternmost corner of said CADG Kaufman County 146, LLC tract bears South 45°06'42" East, a distance of 730.35 feet;

THENCE South 14°06'13" West, leaving said northeasterly line, and over and across said CADG Kaufman 146, LLC tract, a distance of 1431.78 feet to the POINT OF BEGINNING of herein described tract, containing a calculated area of 69.470 acres of land.

Metes and Bounds - Legal Description
25.464 Acres

BEING that certain tract of land situated in the Martha Music Survey, Abstract No. 312, in Kaufman County, Texas, and being part of that certain tract of land described in deed to CADG Kaufman 146, LLC, recorded in Volume 4363, Page 38, of the Deed Records of Kaufman County, Texas (DRKCT), and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set at the intersection of the southeast right-of-way line of Farm to Market Road No. 741 (called 90 foot R.O.W. at this point), and the northeasterly right-of-way line of Heartland Parkway (called 100 foot R.O.W. at this point), and being the west corner of said CADG Kaufman 146, LLC tract;

THENCE North 46°18'40" East, with said southeast right-of-way line of Farm to Market Road No. 741, said southeast right-of-way line according to Deed to the State of Texas recorded in Volume 454, Page 159, DRKCT, a distance of 428.96 feet to a 1/2 inch iron rod with cap stamped "DAA" found for corner at the west corner of that certain tract of land described as Tract 7 in deed to HW Heartland, L.P. recorded in Volume 3119, Page 142, DRKCT;

THENCE leaving said southeast right-of-way line of Farm to Market Road No. 741, and with the southwest and southeast lines of said Tract 7, the following bearings and distances to 1/2 inch iron rods with cap stamped "DAA" found for corner:

South 43°42'15" East, a distance of 207.45 feet;

And North 46°15'02" East, a distance of 146.43 feet;

THENCE North 15°07'57" East, continuing with said southeast line of Tract 7, a distance of 467.14 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner;

THENCE North 83°20'17" East, leaving said northwest line of Tract 7, and with the northerly line of said CADG Kaufman 146, LLC tract, a distance of 465.52 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner;

THENCE over and across said CADG Kaufman 146, LLC tract, the following bearings and distances to 5/8 inch iron rods with cap marked "PETITT-RPLS 4087" set for corner:

South 06°39'43" East, a distance of 222.01 feet;

South 68°43'31" East, a distance of 145.05 feet;

North 86°42'10" East, a distance of 198.45 feet;

South 07°44'02" East, a distance of 285.71 feet;

South 42°35'50" West, a distance of 477.61 feet;

South 15°12'36" West, a distance of 235.81 feet;

North 78°15'28" West, a distance of 65.47 feet;

And South 09°46'40" West, a distance of 165.00 feet, said iron rod being located on said northeasterly right-of-way line of Heartland Parkway (variable width R.O.W. at this point), and being the beginning of a non-tangent curve to the left;

THENCE with said northeasterly right-of-way line of Heartland Parkway, said right-of-way dedicated by Final Plat of Heartland Tract A, Phase 2B, recorded in Cabinet 3, Slide 38, of the Plat Records of Kaufman County, Texas, and with said curve having a central angle of 02°09'35", a radius of 790.00 feet, a chord which bears North 81°18'07" West, a chord distance of 29.78 feet, for an arc distance of 29.78 feet to the end of said curve, a 1/2 inch iron rod with cap stamped "DAA" found for corner;

THENCE North 82°23'59" West, continuing with said northeasterly right-of-way line of Heartland Parkway, a distance of 23.30 feet to a 1/2 inch iron rod with cap stamped "DAA" found for corner, and being the beginning of a tangent curve to the right;

THENCE continuing with said northeasterly right-of-way line of Heartland Parkway, and with said curve having a central angle of 10°28'32", a radius of 300.00 feet, a chord which bears North 77°08'39" West, a chord distance of 54.77 feet, for an arc distance of 54.85 feet to the end of said curve, a 1/2 inch iron rod with cap stamped "DAA" found for corner, and being the beginning of a tangent reverse curve to the left;

THENCE continuing with said northeasterly right-of-way line of Heartland Parkway, and with said curve having a central angle of 10°28'32", a radius of 300.00 feet, a chord which bears North 77°08'39" West, a chord distance of 54.77 feet, for an arc distance of 54.85 feet to the end of said curve, a 1/2 inch iron rod with cap stamped "DAA" found for corner (called 100 foot R.O.W. at this point);

THENCE North 82°22'55" West, continuing with said northeasterly right-of-way line of Heartland Parkway, a distance of 172.65 feet to a 1/2 inch iron rod with cap stamped "DAA" found for corner, and being the beginning of a tangent curve to the right;

THENCE continuing with said northeasterly right-of-way line of Heartland Parkway, and with said curve having a central angle of 38°41'30", a radius of 950.00 feet, a chord which bears North 63°02'10" West, a chord distance of 629.41 feet, for an arc distance of 641.53 feet to the end of said curve, a 1/2 inch iron rod with cap stamped "DAA" found for corner;

THENCE North 43°41'26" West, continuing with said northeasterly right-of-way line of Heartland Parkway, a distance of 249.59 feet to the POINT OF BEGINNING of herein described tract, containing 25.464 acres of land.

TRANSFER AND SERVICE AGREEMENT

This Transfer and Service Agreement (this "Agreement") is entered into by the City of Mesquite, a Texas home-rule municipality, acting by and through its duly authorized City Manager ("Mesquite"); Kaufman County Municipal Utility District No. 12, a political subdivision of the State of Texas pursuant to Article 16, Section 59 of the Texas Constitution and Chapters 49 and 54 of the Texas Water Code, acting by and through its duly authorized President ("District"); Diecieseis, LLC, a Texas limited liability company ("Diecieseis"); CADG Kaufman 146, LLC, a Texas limited liability company ("CADG"); and D.R. Horton-Texas, Ltd., a Texas limited partnership ("D.R. Horton"). The mutual consideration for this Agreement is set forth below.

DEFINITIONS

"25 Acre Retail Tract" shall mean and refer to the future commercial development comprised of approximately 25 acres, more particularly described in Exhibit "A," attached hereto and made a part hereof.

"CADG" shall mean and refer to CADG Kaufman 146, LLC.

"CADG 10 Tract" shall mean and refer to the outparcel comprised of approximately 10 acres, more particularly described or depicted in Exhibit "B," attached hereto and made a part hereof, within the extraterritorial jurisdiction of Mesquite.

"CCN," "CCNs," or "Certificate of Convenience and Necessity" shall refer to and mean any Certificate of Convenience and Necessity issued by the Public Utility Commission of Texas ("PUC"), or its predecessor/successor agency as prescribed by the Texas Water Code, to any Party hereto, relating to the Service Tracts.

"Development Agreement" shall mean and refer to that certain Heartland Town Center Development Agreement between Mesquite, CADG and Kaufman County Fresh Water Supply District No. 5 dated effective April 2, 2018, relating to the development of the Service Tracts and the CADG 10 Tract, as amended.

"Diecieseis Tract" shall mean and refer to the future residential development comprised of approximately 69.4 acres, more particularly described in Exhibit "C," attached hereto and made a part hereof, within the extraterritorial jurisdiction of Mesquite.

"District" shall mean and refer to "Kaufman County Municipal Utility District No. 12," which is located in Kaufman County, Texas, and all of its officers, directors, agents, representatives, elected officials, successors, and assignees if any.

"DR Horton Tract" shall mean and refer to the future residential development comprised of approximately 41.5 acres, more particularly described in Exhibit "D," attached hereto and made a part hereof, within the extraterritorial jurisdiction of Mesquite.

"Party" or "Parties" shall mean and refer collectively to the District, Mesquite, Diecieseis, CADG, and D.R. Horton.

“PID Bonds” shall mean assessment revenue bonds issued by Mesquite in one or more series, for the construction of public infrastructure, including water and sewer infrastructure within the Heartland Town Center Public Improvement District created by Mesquite pursuant to Resolution No. 80-2017.

“PUC” means the Public Utility Commission of Texas, and its predecessor and successor agencies.

“Rate Order” means the District’s current rate order which may be amended from time to time.

“Service” means water and wastewater retail services.

“Service Tracts” means, collectively, the 25 Acre Retail Tract, the Diecieseis Tract, and the DR Horton Tract.

“Trailwind Development” means, collectively, the Diecieseis Tract and the DR Horton Tract.

“Water and Wastewater Infrastructure” shall mean and refer to all water and wastewater facilities constructed and/or financed by PID Bonds for the Heartland Town Center Public Improvement District to provide water and wastewater retail services to the Trailwind Development.

RECITALS

WHEREAS, pursuant to the Development Agreement, the Service Tracts and the CADG 10 Tract are now or will be voluntarily annexed into Mesquite; and

WHEREAS, the Service Tracts require water and wastewater service in order to develop the commercial and residential community, and Mesquite does not currently have infrastructure available to service the Service Tracts; and

WHEREAS, the Service Tracts are located within the District’s CCN service area and the District has the capacity to serve the Service Tracts; and

WHEREAS, the CADG 10 Tract is located within the District’s CCN service area but there are no plans to develop the CADG 10 Tract and the owner of the CADG 10 Tract has not reserved capacity from the District to serve the CADG 10 Tract; and

WHEREAS, Mesquite will use funds from the sale of PID Bonds to pay for a portion of the construction costs of the Water and Wastewater Infrastructure and D.R. Horton, as the developer of the Trailwind Development, will construct or cause to construct the remainder of the Water and Wastewater Infrastructure to serve the Trailwind Development and D.R. Horton or its assignees permitted by the Development Agreement will be reimbursed by Mesquite from the proceeds of PID Bonds for a portion of the costs as set forth in the Service and Assessment Plan adopted by the City pursuant to Chapter 372, Texas Local Government Code, as amended; and

WHEREAS, pursuant to Section 791.026 of the Texas Government Code, as amended, Mesquite and the District are authorized to enter into a contract to obtain or provide part or all of the water supply or wastewater treatment facilities; and

WHEREAS, Mesquite and the District desire for the District to serve the Service Tracts and as Service to the Trailwind Development necessitates the ownership and operation of the Water and Wastewater Infrastructure, the Parties desire to transfer ownership of the Water and Wastewater Infrastructure to the District upon construction such that the District can serve the Trailwind Development; and

NOW, THEREFORE, FOR AND IN CONSIDERATION of the contractual terms and conditions, recitals, the warranties and representations, acknowledgements and agreements set out herein, and other good and valuable consideration the Parties agree as follows:

1. Sufficiency of Consideration. The Parties expressly acknowledge and confess the adequacy and sufficiency of the consideration provided herein.

2. Service Area Agreement and Decertification Prohibition. Upon execution of this Agreement, Mesquite intends and agrees that the Service Tracts shall be served by the District under the District's CCNs. The CADG 10 Tract is also in the District's CCNs, however, there are no current plans to develop the CADG 10 Tract and the owner of the CADG 10 Tract has not reserved capacity in the District's water and wastewater systems. If ever the owner of the CADG 10 Tract requires water or wastewater service, the owner of the CADG 10 Tract will have to reserve capacity with the District and Mesquite shall have no obligation to provide water or wastewater service to the CADG 10 Tract. Mesquite, CADG, Diecieseis and D.R. Horton each agree, warrant and represent severally on its own behalf that it will not directly seek to decertify the District's CCNs for the Service Tracts or the CADG 10 Tract, nor indirectly encourage, cooperate with, require, sponsor or facilitate another in decertifying the District's CCNs for the Service Tracts or the CADG 10 Tract without the consent of the District.

3. Ownership of Facilities:

(a) Road Rights of Way. Mesquite and the District agree that ownership of the public roadway and storm water improvements within the Service Tracts is and will continue to be held by Mesquite.

(b) Ownership of the Utility Rights of Way and Easements. Mesquite shall grant the District a non-terminable license to operate within the easements and rights of way necessary for the operation and maintenance of the Water and Wastewater Infrastructure for the Trailwind Development and for Service to the Trailwind Development pursuant to this Agreement. CADG shall grant the District the easements and rights of way necessary for the operation and maintenance of the water and wastewater infrastructure for the 25 Acre Retail Tract and for Service to the 25 Acre Retail Tract pursuant to this Agreement. CADG, D.R. Horton and Diecieseis agree to amend the development plats or provide other conveyance documentation evidencing the easements in favor of the City and the District the later of: (1) approval of a development plat or (2) within thirty (30) days of the execution of this Agreement.

(c) Construction and Ownership of the Water and Wastewater Infrastructure Serving the Trailwind Development. Ownership of the Water and Wastewater Infrastructure serving the Trailwind Development shall be transferred by Mesquite to the District upon completion of construction of such infrastructure by Mesquite, CADG, and D.R. Horton. The Water and Wastewater Infrastructure will be constructed to Mesquite standards and specifications and in compliance with Mesquite codes and ordinances (including the provisions of payment, performance and maintenance bonds as required by Mesquite and the District) and shall be engineered and designed by a Texas Licensed Professional Engineer. The District shall have the right to inspect all plans and facilities and both the District and Mesquite must approve all contract awards and change orders for Water and Wastewater Infrastructure. The Parties agree that the Water and Wastewater Infrastructure will continue to benefit the Trailwind Development and will be utilized to provide water and wastewater service to the Trailwind Development. The District shall provide continuous and adequate service to the customers within the Trailwind Development, as required by the District's CCNs and its tariff and other District regulations. As consideration for the financing and transfer of the Water and Wastewater Infrastructure to serve the Trailwind Development, the District agrees to charge water and wastewater service rates to customers in the Trailwind Development in accordance with the District's Rate Order. In addition, the District will provide billing services on behalf of Mesquite for Mesquite's services provided to the District's customers located in the Trailwind Development. The District agrees to terminate water service to those customers in the Trailwind Development who do not pay for the Mesquite services in the same manner as it terminates service to District customers who do not pay for the District's water and sewer services. Upon inspection, approval and transfer of the Water and Wastewater Infrastructure serving the Trailwind Development, the District shall maintain and operate such Water and Wastewater Infrastructure in good condition and working order in compliance with all applicable laws and ordinances and all applicable regulations, rules, policies, standards and orders of any governmental entity with jurisdiction over same. Should the District cease providing service to the Trailwind Development or at such time that Mesquite begins to provide Service to the Trailwind Development, all Water and Wastewater Infrastructure constructed within the Heartland Town Center Public Improvement District and subsequently conveyed to the District shall, at Mesquite's sole option, be transferred by the District to Mesquite.

(d) Construction and Ownership of the Water and Wastewater Infrastructure Serving the 25 Acre Retail Tract. Ownership of the water and wastewater infrastructure serving the 25 Acre Retail Tract shall be transferred by CADG to the District upon completion of construction of such infrastructure by CADG. The water and wastewater infrastructure serving the 25 Acre Retail Tract will be constructed to Mesquite standards and specifications and in compliance with Mesquite codes and ordinances (including the provisions of payment, performance and maintenance bonds as required by Mesquite and the District) and shall be engineered and designed by a Texas Licensed Professional Engineer. The District shall have the right to inspect all plans and facilities and the District must approve all contract awards and change orders for water and wastewater infrastructure serving the 25 Acre Retail Tract. The District shall provide continuous and adequate service to the customers within the 25 Acre Retail Tract, as required by the District's CCNs and its tariff and other District regulations. As consideration for the transfer of the water and wastewater infrastructure to serve the 25 Acre Retail Tract, the District agrees to charge water and wastewater service rates to customers in the 25 Acre Retail Tract in accordance with the District's Rate Order. In addition, the District will

provide billing services on behalf of Mesquite for Mesquite's services provided to the District's customers located in the 25 Acre Retail Tract. The District agrees to terminate water service to those customers in the 25 Acre Retail Tract who do not pay for the Mesquite services in the same manner as it terminates service to District customers who do not pay for the District's water and sewer services. Upon inspection, approval and transfer of the water and wastewater infrastructure serving the 25 Acre Retail Tract, the District shall maintain and operate the water and wastewater infrastructure serving the 25 Acre Retail Tract in good condition and working order in compliance with all applicable laws and ordinances and all applicable regulations, rules, policies, standards and orders of any governmental entity with jurisdiction over same.

4. Provision of Services. Unless the prior approval of the District is obtained, such approval not to be unreasonably withheld, conditioned, or delayed, neither CADG, Diecieseis, nor D.R. Horton shall:

(a) Construct or install additional water or wastewater lines or facilities to service areas outside the Service Tracts from the District;

(b) Add any additional lands to the Service Tracts for which water and wastewater service is to be provided by the District pursuant to this Agreement; or

(c) Connect or provide service within the Service Tracts to any person or entity who, in turn, sells water or wastewater service directly or indirectly to another person or entity.

5. Connection Fees and Additional Payments by the Owner.

(a) CADG or D.R. Horton shall make or cause to be made the following payments to the District:

(1) a non-refundable capacity fee in the amount of not to exceed \$632,729 (the "Capacity Fee"), shall be made and transferred from CADG or D.R. Horton to the District prior to entering into contracts for construction of the Water and Wastewater Infrastructure;

(2) a fee of not to exceed \$1498 per unit shall be paid prior to the beginning of each phase of development.

(b) The fees in this Section 5 are based on development of the Service Tracts to include no more than 500 equivalent single family connections ("ESFCs"). The ESFCs are based upon a calculation of 300 gallons per day which equals 1 ESFC. 450 of the ESFC's are allocated to the Trailwind Development and 50 ESFCs are allocated to the 25 Acre Retail Tract. If the development plan for the Service Tracts is changed such that it will include more than 500 total ESFCs, the District reserves the right to charge additional connection fees as necessary to recover the cost of water and wastewater treatment capacity to serve the revised development of the Service Tracts.

6. Maintenance of the Water and Wastewater Infrastructure.

(a) The Parties agree that any damages to the Water and Wastewater Infrastructure that are the direct result of the construction, maintenance or repair of or to Mesquite’s streets or storm sewers and caused by Mesquite shall be repaired by Mesquite at its sole cost and expense (the “Interior City Repairs”). The Interior City Repairs shall be completed in a timely manner in an effort to decrease interruptions in service to the residents of the Trailwind Development. In the event that the Interior City Repairs are not completed in a timely manner, the District shall make the needed repairs and bill the actual cost of the repairs to Mesquite. Mesquite shall reimburse the District for its costs in making such repairs within thirty (30) days of being billed for same.

(b) Any damage to Mesquite’s streets, storm sewers or facilities that are the direct result of the construction, maintenance or repair of or to the Water and Wastewater Infrastructure caused by the District shall be repaired by the District at its sole cost and expense (the “Interior District Repairs”). The Interior District Repairs shall be completed in a timely manner in an effort to decrease interruptions in service to the residents of the Trailwind Development. In the event that the Interior District Repairs are not completed in a timely manner, Mesquite may make the needed repairs and bill the actual cost of the repairs to the District. The District shall reimburse Mesquite for its costs in making such repairs within thirty (30) days of being billed for same.

7. Rate Order

(a) Except for the following, there shall be no other inspection fees, meter installation fees or application fees required by the District:

Service Description	Owner Charge:
Water Connection (includes meter and sewer connection) for 5/8" or 3/4" or smaller	Included in Total Below
Water Tap 1" or greater	Per quote
Customer Service Inspection Fee:	Included in Total Below
Backflow Prevention Device:	Included in Total Below
Final Inspection Fee (includes sewer connection)	Included in Total Below
Water Reinspection Fee:	Included in Total Below
TOTAL:	\$700.00

Service Description	Owner Charge:
Sewer Connection 4" or smaller	Included in water connection fee
Sewer Tap 4" or greater	Per quote
Sanitary Sewer Inspection Fee:	\$ 125.00
Sewer Reinspection Fee:	\$ 50.00
Final Inspection Fee:	Included in water final inspection fee

8. Other Documents. The Parties covenant and agree to execute and deliver such other and further instruments and documents as are, or may become, necessary or convenient to effectuate and carry out the intent of this Agreement.

9. INDEMNIFICATION. CADG AND D.R. HORTON SHALL INDEMNIFY THE DISTRICT AND HOLD THE DISTRICT HARMLESS FROM ALL OF THE FOREGOING COSTS AND FEES AS PROVIDED FOR IN THIS AGREEMENT. THE PARTIES ACKNOWLEDGE THAT NEITHER THE SERVICE TRACTS NOR THE CADG 10 TRACT ARE LOCATED WITHIN THE BOUNDARIES OF THE DISTRICT AND NEITHER CADG NOR D.R. HORTON ARE ENTITLED TO REIMBURSEMENT FROM THE DISTRICT FOR ANY PORTION OF THE WATER AND WASTEWATER INFRASTRUCTURE.

10. Notices. Any notices or communications required to be given by one Party to another under this Agreement ("Notice") shall be given in writing addressed to the Party to be notified at the address set out below and shall be deemed given when: (a) personally delivered to the Party representative set out below; (b) when received if transmitted by facsimile or by certified mail return receipt requested, postage paid; or (c) delivered by FedEx, UPS or other nationally recognized delivery service. For purpose of giving Notice, the addresses of the Parties are set out below.

To the City of Mesquite: City of Mesquite
 Attn: City Manager
 P.O. Box 850137
 Mesquite, Texas 75185-0137

With copy to:

City of Mesquite
 Attn: City Attorney
 P.O. Box 850137
 Mesquite, Texas 75185-0137

To Kaufman County Municipal Utility District No. 12: Kaufman County Municipal Utility District No. 12
Attn: Mindy L. Koehne
14755 Preston Road
Suite 600
Dallas, Texas 75242

To CADG Attn: Mehrdad Moayed
1800 Valley View Lane, Suite 360
Farmers Branch, Texas 75234

To D. R. Horton David L. Booth, CPA
Land Manager
DR Horton – DFW East Division
4306 Miller Road
Rowlett, TX 75088

11. Nature of Terms. The terms hereof are contractual and not mere recitals.
12. Actual Damages. No Party shall be liable or have any responsibility to the other for any indirect, special, consequential, punitive or delay-related or performance-related damages including, without limitation, lost earnings or profits. Such limitation on liability shall apply to any claim or action, whether it is based on whole or in part on agreement, negligence, strict liability, tort, statute or other theory of liability.
13. Integration. This Agreement contains the sole and entire agreement between the Parties and supersedes all prior agreements, arrangements, or understandings between the Parties. No oral understandings, statements, promises, or inducements contrary to the terms of this Agreement exist, and this Agreement cannot be changed or terminated orally.
14. Construction. Each Party acknowledges that each Party and its counsel have had the opportunity to independently review and revise this Agreement and that the normal rules of construction that any vagueness or ambiguity are to be resolved against the drafting party shall not be employed in any interpretation of this Agreement or the Exhibits hereto.
15. Governing Law. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Texas, as applied to contracts performable in the State of Texas irrespective or without regard to any choice of law or principles to the contrary. The Parties hereby submit to the jurisdiction of the State District Court located in Dallas County, Texas and any action being necessary to enforce or construe any of the terms or provisions of this Agreement must be filed solely in the State District Court located in Dallas, Dallas County, Texas, and no other.
16. Severability. If any term, provision or condition of this Agreement is held by a court of competent jurisdiction to be unconstitutional, invalid, void or unenforceable, the remaining provisions shall not be impaired or invalidated, but shall remain in full force and

effect, and the Parties agree to negotiate in good faith to otherwise accomplish the intent of the invalid provisions.

17. No Waiver. Should one Party fail to insist upon strict or complete performance of a material term of this Agreement, such failure shall not be deemed to prevent the Party from subsequently demanding strict compliance of that term, or be deemed a waiver of any other term(s) contained in the Agreement. No provision herein may be waived except by a writing signed by the Party with the authority to waive such provision.

18. Force Majeure. If for any reason of force majeure, any Party is rendered unable, wholly or in part, to carry out its obligations under this Agreement, then that Party shall give notice of the reasons in writing to the other Parties within a reasonable time after the occurrence of the force majeure event. The obligation of the Party giving the notice, so far as it is affected by the force majeure, shall be suspended during the continuance of the inability then claimed, but for no longer period. The term "force majeure" as used in this Agreement shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of public enemy, order or actions of any kind of government of the United States or the State of Texas, or any civil or military authority, insurrection, riots, epidemics, landslides, lighting, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, explosions, breakage or accident to dams, machinery, pipelines, canals, or other structures, partial or entire failure of water supply including pollution (accidental or intentional), and any other cause not reasonably within the control of the Parties.

19. Reliance on Counsel. The Parties sign this Agreement after consultation with and upon advice of their own legal counsel, and no other.

20. No Assignments. The Parties expressly warrant that no claims, demands, controversies, actions, causes of action, contracts, liabilities, damages, injuries, losses, or other rights which are mentioned in or released by this Agreement have been assigned, conveyed, or in any manner whatsoever, transferred to any other person or entity. No Party may assign its obligations under this Agreement without prior written consent of the other Parties, which shall not be unreasonably withheld.

21. No Third-Party Beneficiaries. This Agreement does not create any third-party benefits to any person or entity other than the signatories hereto and their authorized successors in interest, and is solely for the consideration herein expressed.

22. Authority. The signatories below warrant and represent that each has the requisite authority, both individually and in all their representative capacities, to execute this Agreement for and on behalf of their respective entities in all respects. Further, each signatory warrants and represents that this Agreement has been approved by a duly constituted quorum of the requisite governing body of Mesquite or the District, at a meeting duly and properly noticed as required by law.

23. Successors and Assigns. This Agreement shall be binding on and shall inure to the benefit of the successors and assigns of the Parties.

24. Compliance with Laws. The Parties are of the understanding and agree that this Agreement complies with all federal and state statutes and constitutions, local law and common law which may govern the validity of this Agreement at the time of execution.

25. Revisions and Changes. This Agreement may not be changed, revised, or otherwise amended except by a writing signed by all the Parties hereto.

26. Evidentiary Value. It is the intent of the Parties that this Agreement have no precedential or evidentiary value in any administrative or judicial proceeding whatsoever, save and except an action to enforce the terms of this Agreement.

27. Admissions. Nothing in this Agreement shall be deemed to be an admission, concession, acknowledgment, interpretation or construction of alleged liability by any of the Parties to this Agreement.

28. No Precedent. The parties to this Agreement agree that the terms of this Agreement are specific to (a) this Agreement, (b) the CADG 10 Tract and Service Tracts, and (3) the parties hereto. This Agreement will not establish any precedent, nor will this Agreement be used as a basis to seek or justify similar terms in any subsequent agreement that the parties hereto may wish to pursue.

29. Originals and Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.

30. Business Days. In the event that any date or any period provided for in this Agreement shall end on a Saturday, Sunday or legal holiday observed by any Party, the applicable period shall be extended to the first business day following such Saturday, Sunday or legal holiday.

31. Effective Date. The Effective Date of this Agreement is the latest of the dates of execution by the signatories hereto.

32. Remedies


(a) In the event of any alleged breach of this Agreement by any of the Parties, the Party claiming breach shall give the other Party alleged to be in breach of this Agreement thirty (30) calendar day's written notice, after which, if the alleged breach has not been cured, the Party claiming breach may pursue any and all legal and equitable remedies in court. It is not intended hereby to specify (and this Agreement shall not be considered as specifying) an exclusive remedy for any default by any Party, but all such other remedies existing at law or in equity shall be cumulative including, without limitation, specific performance may be availed of by any Party. The prevailing Party shall be entitled to any reasonable attorney's fees, court costs or other expenses incurred in bringing or defending any suit alleging such default or claim.

WHEREFORE, the Parties hereto have executed this Agreement on the dates shown above the signature of the Party.

THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK

EXECUTED on this the 26 day of July, 2018.

**KAUFMAN COUNTY MUNICIPAL
UTILITY DISTRICT NO. 12**


By: 
Name: JOSEPH N. GUADALUPE JR
Title: PRESIDENT

THE STATE OF TEXAS §

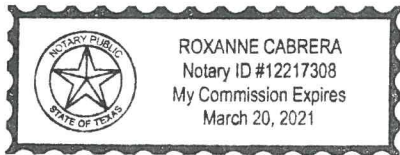
COUNTY OF KAUFMAN §

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared Joseph N. Guadalupe Jr. President of Kaufman County Municipal Utility District No. 12, a political subdivision of the State of Texas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same on behalf of such District.

July GIVEN UNDER MY HAND AND SEAL OF OFFICE this 26 day of July, 2018.


Notary Public in and for the State of Texas

(NOTARY SEAL)



EXECUTED on this the 26th day of July, 2018.

CITY OF MESQUITE

By: *Cliff Keheley*
Name: Cliff Keheley
Title: City Manager

ATTEST:

for *Susan House*
By: Sonja Land, City Secretary

APPROVED AS TO FORM:

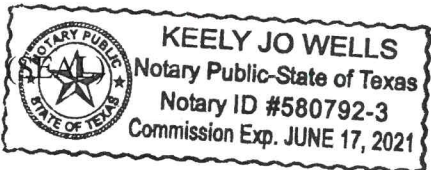
Stean Hernandez for Paula Anderson
By: Paula Anderson,
Interim City Attorney for Mesquite

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on the 26 day of July, 2018, by Cliff Keheley, City Manager of the City of Mesquite, a Texas home rule municipality, on behalf of the City of Mesquite for the consideration therein expressed.

Keely Jo Wells
Notary Public in and for the State of Texas



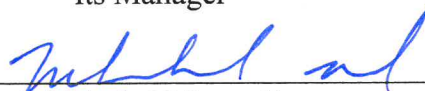
EXECUTED on this the 26 day of July, 2018.

CADG KAUFMAN 146, LLC,
A Texas limited liability company,
Its Sole Member

By: CADG Holdings, LLC,
A Texas limited liability company
Its Manager

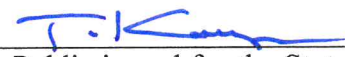
By: MMM Ventures, LLC,
A Texas limited liability company,
Its Manager

By: 2M Ventures, LLC,
A Delaware limited liability company,
Its Manager

By: 
Name: Mehrdad Moayedi
Its: Manager

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 26 day of July, 2018, by Mehrdad Moayedi, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of CADG Holdings, LLC, as Sole Member of CADG Kaufman 146, LLC, a Texas limited liability company on behalf of said company.


Notary Public in and for the State of Texas

(SEAL)



EXECUTED on this the 30th day of July, 2018.

D.R. HORTON – TEXAS, LTD.,
a Texas limited partnership

By: D.R. Horton, Inc.,
a Delaware corporation,
Its Authorized Agent

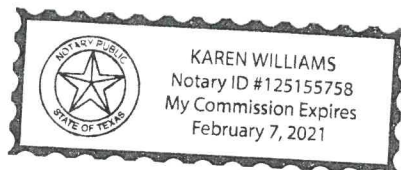
By: *David L. Booth*
Name: David L. Booth
Title: Assistant Vice President

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on July 30, 2018, by David L. Booth, as Assistant Vice President of D.R. Horton, Inc., a Delaware corporation, authorized agent of D.R. Horton – Texas, Ltd., a Texas limited partnership, on behalf of said limited partnership.

Karen Williams
Notary Public in and for the State of Texas

(SEAL)



EXECUTED on this the 18th day of August, 2018

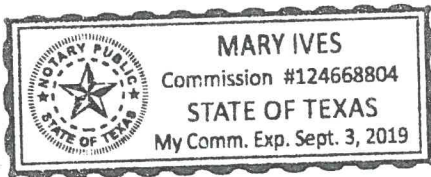
DIECIESEIS, LLC
a Texas limited liability company

By: [Signature]
Name: Ryan Horton
Title: manager

STATE OF TEXAS §

COUNTY OF Tarrant §

This instrument was acknowledged before me on the 18th day of August, 2018, by Ryan Horton, manager of Diecieseis, LLC, a Texas limited liability company, on behalf of said company.



[Signature]
Notary Public in and for the State of Texas

Metes and Bounds - Legal Description
25.464 Acres

BEING that certain tract of land situated in the Martha Music Survey, Abstract No. 312, in Kaufman County, Texas, and being part of that certain tract of land described in deed to CADG Kaufman 146, LLC, recorded in Volume 4363, Page 38, of the Deed Records of Kaufman County, Texas (DRKCT), and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set at the intersection of the southeast right-of-way line of Farm to Market Road No. 741 (called 90 foot R.O.W. at this point), and the northeasterly right-of-way line of Heartland Parkway (called 100 foot R.O.W. at this point), and being the west corner of said CADG Kaufman 146, LLC tract;

THENCE North 46°18'40" East, with said southeast right-of-way line of Farm to Market Road No. 741, said southeast right-of-way line according to Deed to the State of Texas recorded in Volume 454, Page 159, DRKCT, a distance of 428.96 feet to a 1/2 inch iron rod with cap stamped "DAA" found for corner at the west corner of that certain tract of land described as Tract 7 in deed to HW Heartland, L.P. recorded in Volume 3119, Page 142, DRKCT;

THENCE leaving said southeast right-of-way line of Farm to Market Road No. 741, and with the southwest and southeast lines of said Tract 7, the following bearings and distances to 1/2 inch iron rods with cap stamped "DAA" found for corner:

South 43°42'15" East, a distance of 207.45 feet;

And North 46°15'02" East, a distance of 146.43 feet;

THENCE North 15°07'57" East, continuing with said southeast line of Tract 7, a distance of 467.14 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner;

THENCE North 83°20'17" East, leaving said northwest line of Tract 7, and with the northerly line of said CADG Kaufman 146, LLC tract, a distance of 465.52 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" set for corner;

THENCE over and across said CADG Kaufman 146, LLC tract, the following bearings and distances to 5/8 inch iron rods with cap marked "PETITT-RPLS 4087" set for corner:

South 06°39'43" East, a distance of 222.01 feet;

South 68°43'31" East, a distance of 145.05 feet;

North 86°42'10" East, a distance of 198.45 feet;

South 07°44'02" East, a distance of 285.71 feet;

South 42°35'50" West, a distance of 477.61 feet;

South 15°12'36" West, a distance of 235.81 feet;

North 78°15'28" West, a distance of 65.47 feet;

And South 09°46'40" West, a distance of 165.00 feet, said iron rod being located on said northeasterly right-of-way line of Heartland Parkway (variable width R.O.W. at this point), and being the beginning of a non-tangent curve to the left;

THENCE with said northeasterly right-of-way line of Heartland Parkway, said right-of-way dedicated by Final Plat of Heartland Tract A, Phase 2B, recorded in Cabinet 3, Slide 38, of the Plat Records of Kaufman County, Texas, and with said curve having a central angle of 02°09'35", a radius of 790.00 feet, a chord which bears North 81°18'07" West, a chord distance of 29.78 feet, for an arc distance of 29.78 feet to the end of said curve, a 1/2 inch iron rod with cap stamped "DAA" found for corner;

THENCE North 82°23'59" West, continuing with said northeasterly right-of-way line of Heartland Parkway, a distance of 23.30 feet to a 1/2 inch iron rod with cap stamped "DAA" found for corner, and being the beginning of a tangent curve to the right;

THENCE continuing with said northeasterly right-of-way line of Heartland Parkway, and with said curve having a central angle of 10°28'32", a radius of 300.00 feet, a chord which bears North 77°08'39" West, a chord distance of 54.77 feet, for an arc distance of 54.85 feet to the end of said curve, a 1/2 inch iron rod with cap stamped "DAA" found for corner, and being the beginning of a tangent reverse curve to the left;

THENCE continuing with said northeasterly right-of-way line of Heartland Parkway, and with said curve having a central angle of 10°28'32", a radius of 300.00 feet, a chord which bears North 77°08'39" West, a chord distance of 54.77 feet, for an arc distance of 54.85 feet to the end of said curve, a 1/2 inch iron rod with cap stamped "DAA" found for corner (called 100 foot R.O.W. at this point);

THENCE North 82°22'55" West, continuing with said northeasterly right-of-way line of Heartland Parkway, a distance of 172.65 feet to a 1/2 inch iron rod with cap stamped "DAA" found for corner, and being the beginning of a tangent curve to the right;

THENCE continuing with said northeasterly right-of-way line of Heartland Parkway, and with said curve having a central angle of 38°41'30", a radius of 950.00 feet, a chord which bears North 63°02'10" West, a chord distance of 629.41 feet, for an arc distance of 641.53 feet to the end of said curve, a 1/2 inch iron rod with cap stamped "DAA" found for corner;

THENCE North 43°41'26" West, continuing with said northeasterly right-of-way line of Heartland Parkway, a distance of 249.59 feet to the POINT OF BEGINNING of herein described tract, containing 25.464 acres of land.

LEGAL DESCRIPTION
10.312 ACRES

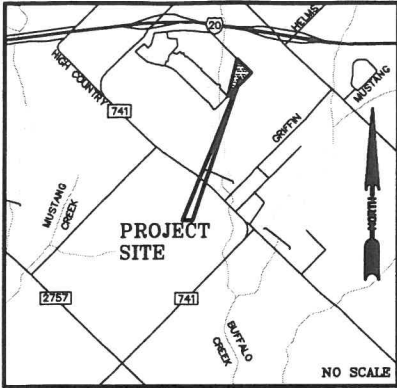
BEING that certain tract of land situated in the MARTHA MUSIC SURVEY, ABSTRACT NO. 312, in Kaufman County, Texas, and being part of that certain 146.733 acre tract of land described as Tract 1 in deed to CADG Kaufman 146, LLC, recorded in Volume 4363, Page 38, of the Deed Records of Kaufman County, Texas (DRKCT), and being more particularly described as follows:

BEGINNING at a 3/4 inch pipe found for the most easterly corner of said Tract 1;

THENCE South 44°46'26" West, with the southeasterly line of Tract 1, a distance of 1230.03 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner, from which a 1/2 inch iron rod with cap marked "DAA" found at a southwesterly corner of said Tract 1 bears South 44°46'26" West, a distance of 668.48 feet;

THENCE North 14°06'13" East, leaving said southeasterly line of Tract 1, and over and across Tract 1, a distance of 1431.78 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner, from which a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found at a northerly corner of Tract 1 bears North 45°06'42" West, a distance of 1382.69 feet;

THENCE South 45°06'42" East, with the northeasterly line Tract 1, a distance of 730.35 feet to the POINT OF BEGINNING of herein described tract, containing a calculated area of 10.312 acres of land.



LOCATION MAP

(PART OF)
CALLED 146.733 ACRES
CADG KAUFMAN 146, LLC
TRACT 1
VOL 4363, PG 38 DRKCT

(PART OF)
CALLED 146.733 ACRES
CADG KAUFMAN 146, LLC
TRACT 1
VOL 4363, PG 38 DRKCT

GORDON T. WEST, JR.
(PART OF) B LANDS
GRIFFIN TRACTS, K-44
TRACT 1
VOL. 1636, PG. 43 DRKCT

CALLED 148.19 ACRES TRACT
CROCKETT & WEST, LLC
VOL 4262, PG 558 DRKCT

CALLLED 148.19 ACRES TRACT
CROCKETT & WEST, LLC
VOL 4262, PG 558 DRKCT

N45°06'42"W 1382.69'
TO A 5/8" CIRF (PETITT)

5/8" CIRF (PETITT)

(DEED S44°06'30"E)
S45°06'42"E 730.35'

3/4" IRON PIPE FND.

N14°06'13"E 1431.78'

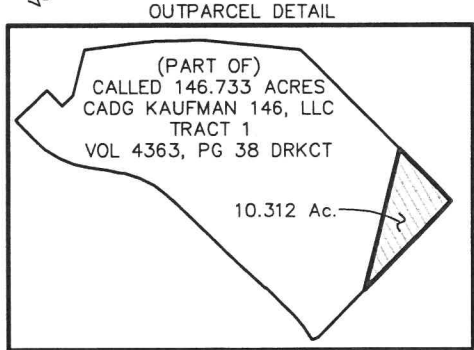
S44°46'26"W 1230.03'
(DEED S44°47'12"W)

MARtha MUSIC SURVEY
~ ABSTRACT NO. 312
APPROXIMATE SURVEY LINE

JOHN MOORE SURVEY ~
ABSTRACT NO. 309

S44°46'26"W 668.48'
TO A 1/2" CIRF (DAA)

5/8" CIRF (PETITT)



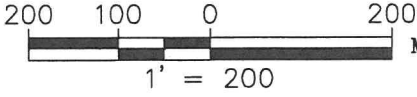
**PROPERTY EXHIBIT
10.312 ACRE TRACT**

SITUATED IN THE
MARtha MUSIC SURVEY ~ ABSTRACT NO. 312
KAUFMAN COUNTY, TEXAS

PETITT BARRAZA
ENGINEERING PLANNING SURVEYING
TBPE FIRM REGISTRATION NO. 1488
TBPLS FIRM REGISTRATION NO. 101068

1651 Glenville Drive, Suite 212 Tel. No. (214) 221-9955
Richardson, Texas 75081 Fax No. (214) 340-3550
DATE: MAY 2018 JOB NO. 17008-00 SCALE: 1"=200'

- NOTES:
1. NO IMPROVEMENTS OR EASEMENTS ARE SHOWN HEREON.
 2. THE BEARINGS SHOWN AND RECITED HEREON ARE REFERENCED TO THE TEXAS COORDINATE SYSTEM OF 1983 (NAD83 TEXAS NORTH CENTRAL ZONE NO. 4202). ALL DISTANCES ARE SURFACE DISTANCES WITH A SURFACE TO GRID SCALE FACTOR OF 0.999874745355.
 3. THIS DOCUMENT IS NOT AN OFFICIAL SURVEY DOCUMENT AND SHOULD NOT BE USED OR RELIED UPON AS SUCH, AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY.



LEGEND:

IRF	- IRON ROD FOUND
FND.	- FOUND
CIRF	- CAPPED IRON ROD FOUND
DOC. NO.	- DOCUMENT NUMBER
DRKCT	- DEED RECORDS OF KAUFMAN COUNTY, TEXAS

BEING that certain tract of land situated in the MARTHA MUSIC SURVEY, ABSTRACT NUMBER 312, in Kaufman County, Texas, and being part of that certain called 146.733 acre tract of land described in deed to CADG Kaufman 146, LLC, recorded in Volume 4363, Page 38, of the Deed Records of Kaufman County, Texas (DRKCT), and being more particularly described as follows:

COMMENCING at a 1/2 inch iron rod with cap marked "DAA" found at the southernmost corner of said CADG Kaufman 146, LLC tract, and being located on the northeasterly line of Lot 2X, Block 43, of Heartland Tract A, Phase 1B, an addition to Kaufman County, Texas, according to the Amending Plat recorded in Cabinet 3, Slide 20, of the Plat Records of Kaufman County, Texas (PRKCT):

THENCE North 65°43'36" East, with a southeasterly line of said CADG Kaufman 146, LLC tract, a distance of 65.81 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner;

THENCE North 44°46'26" East, with a southeasterly line of said CADG Kaufman 146, LLC tract, and partially with a northwest line of that certain tract of land described in deed to Crockett and West, LLC, recorded in Volume 4262, Page 558, DRKCT, a distance of 668.48 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for the POINT OF BEGINNING of herein described tract;

THENCE leaving said southeasterly line of the CADG Kaufman 146, LLC tract, and said northwest line of the Crockett and West, LLC tract, and over and across said CADG Kaufman 146, LLC tract, the following courses to 5/8 inch iron rods with cap marked "PETITT-RPLS 4087" set for corner:

North 45°26'12" West, a distance of 445.54 feet;

North 23°23'22" West, a distance of 16.06 feet, said iron rod being the beginning of a non-tangent curve to the left;

Northwesterly with said curve to the left which has a central angle of 148°30'59", a radius with a radius point which bears North 23°23'22" West, a distance of 59.50 feet, a chord which bears North 39°07'53" West, a chord distance of 114.54 feet, for an arc distance of 154.23 feet to the end of said curve;

North 45°41'09" West, a distance of 821.35 feet;

North 44°18'51" East, a distance of 30.00 feet;

North 45°41'09" West, a distance of 50.00 feet;

South 44°18'51" West, a distance of 30.00 feet;

North 45°41'09" West, a distance of 523.86 feet, said iron rod being the beginning of a tangent curve to the left;

Northwesterly with said curve to the left which has a central angle of 42°50'00", a radius of 75.00 feet, a chord which bears North 67°06'09" West, a chord distance of 54.77 feet, for an arc distance of 56.10 feet to the end of said curve;

North 45°41'09" West, a distance of 139.01 feet;

South 44°18'51" West, a distance of 41.13 feet;

North 32°13'47" West, a distance of 129.66 feet, said iron rod being the beginning of a non-tangent curve to the right;

Northeasterly with said curve to the right which has a central angle of 01°06'38", a radius of 475.00 feet, a chord which bears North 58°19'32" East, a chord distance of 9.21 feet, for an arc distance of 9.21 feet to the end of said curve;

North 58°52'51" East, a distance of 4.58 feet;

North 31°07'09" West, a distance of 50.00 feet;

South 58°52'51" West, a distance of 4.58 feet, said iron rod being the beginning of a tangent curve to the left;

Southwesterly with said curve to the left which has a central angle of 08°22'23", a radius of 525.00 feet, a chord which bears South 54°41'39" West, a chord distance of 76.66 feet, for an arc distance of 76.72 feet to the end of said curve;

North 39°29'32" West, a distance of 110.30 feet;

South 52°16'46" West, a distance of 148.98 feet;

And North 70°12'06" West, a distance of 191.87 feet;

THENCE continuing over and across said CADG Kaufman 146, LLC tract, the following courses to 5/8 inch iron rods with cap marked "PETITT-RPLS 4087" found for corner:

North 42°35'50" East, a distance of 310.62 feet;

North 07°44'02" West, a distance of 285.71 feet;

South 86°42'10" West, a distance of 198.45 feet;

North 68°43'31" West, a distance of 145.05 feet;

And North 06°39'43" West, a distance of 222.01 feet, said iron rod being located on the north line of said CADG Kaufman 146, LLC tract;

THENCE North 83°20'17" East, with a north line of said CADG Kaufman 146, LLC tract, a distance of 210.14 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner;

THENCE North 88°27'43" East, with a north line of said CADG Kaufman 146, LLC tract, a distance of 474.11 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner;

THENCE South 84°18'07" East, with a north line of said CADG Kaufman 146, LLC tract, a distance of 951.32 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner;

THENCE South 78°58'41" East, with a north line of said CADG Kaufman 146, LLC tract, a distance of 18.88 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner at a northeast corner of said CADG Kaufman 146, LLC tract;

THENCE South 45°06'42" East, with the northeasterly line of said CADG Kaufman 146, LLC tract, a distance of 1382.69 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner, from which a 3/4 inch iron pipe found at the easternmost corner of said CADG Kaufman County 146, LLC tract bears South 45°06'42" East, a distance of 730.35 feet;

THENCE South 14°06'13" West, leaving said northeasterly line, and over and across said CADG Kaufman 146, LLC tract, a distance of 1431.78 feet to the POINT OF BEGINNING of herein described tract, containing a calculated area of 69.470 acres of land.

BEING that certain tract of land situated in the MARTHA MUSIC SURVEY, ABSTRACT NUMBER 312, in Kaufman County, Texas, and being part of that certain called 146.733 acre tract of land described in deed to CADG Kaufman 146, LLC, recorded in Volume 4363, Page 38, of the Deed Records of Kaufman County, Texas (DRKCT), and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod with cap marked "DAA" found at the southernmost corner of said CADG Kaufman 146, LLC tract, and being located on the northeasterly line of Lot 2X, Block 43, of Heartland Tract A, Phase 1B, an addition to Kaufman County, Texas according to the Amending Plat recorded in Cabinet 3, Slide 20, of the Plat Records of Kaufman County, Texas (PRKCT), said iron rod also being located at the beginning of a non-tangent curve to the left;

THENCE Northwesterly with said northeasterly line of Lot 2X and with said curve to the left which has a central angle of 21°32'00", a radius of 800.00 feet, a chord which bears North 34°55'09" West, a chord distance of 298.90 feet, for an arc distance of 300.66 feet to the end of said curve, a 1/2 inch iron rod with cap marked "DAA" found for corner;

THENCE North 45°41'09" West, continuing with the northeasterly line of Lot 2X, a distance of 397.34 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner at the northernmost corner of said Lot 2X, Block 43, also being the northernmost corner of said Heartland Tract A, Phase 1B;

THENCE South 44°18'51" West, with the northwest line of said Lot 2X, Block 43, a distance of 10.00 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner at the easternmost corner of Heartland Tract A Phase 2B, an addition to Kaufman County, Texas, according to the Final Plat recorded in Cabinet 3, Slide 100, PRKCT, said iron rod also being located on the northeasterly right-of-way line of Heartland Parkway (called 80 foot right-of-way at this point), according to said Final Plat of Heartland Tract A Phase 2B;

THENCE North 45°41'09" West, with said northeasterly right-of-way line of Heartland Parkway, a distance of 1324.03 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner at the beginning of a tangent curve to the left;

THENCE Northwesterly, continuing with said northeasterly right-of-way line of Heartland Parkway, and with said curve having a central angle of 34°32'11", a radius of 790.00 feet, a chord which bears North 62°57'14" West, a chord distance of 469.01 feet, for an arc distance of 476.19 feet to the end of said curve, a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner, from which a 1/2 inch iron rod with cap marked "DAA" found is located northwesterly along said curve at an arc distance of 29.78 feet;

THENCE leaving said northeasterly right-of-way line of Heartland Parkway, and over and across said CADG Kaufman 146, LLC tract, the following courses to 5/8 inch iron rods with cap marked "PETITT-RPLS 4087" found for corner:

North 09°46'40" East, a distance of 165.00 feet;

South 78°15'28" East, a distance of 65.47 feet;

And North 15°12'36" East, a distance of 235.81 feet;

THENCE continuing over and across said CADG Kaufman 146, LLC tract, the following courses to 5/8 inch iron rods with cap marked "PETITT-RPLS 4087" set for corner:

North 42°35'50" East, a distance of 166.99 feet;

South 70°12'06" East, a distance of 191.87 feet;

North 52°16'46" East, a distance of 148.98 feet;

South 39°29'32" East, a distance of 110.30 feet, said iron rod being the beginning of a non-tangent curve to the right;

Northeasterly with said curve to the right which has a central angle of 08°22'23", a radius of 525.00 feet, a chord which bears North 54°41'39" East, a chord distance of 76.66 feet, for an arc distance of 76.72 feet to the end of said curve;

North 58°52'51" East, a distance of 4.58 feet;

South 31°07'09" East, a distance of 50.00 feet;

South 58°52'51" West, a distance of 4.58 feet, said iron rod being the beginning of a tangent curve to the left;

Southwesterly with said curve to the left which has a central angle of 01°06'38", a radius of 475.00 feet, a chord which bears South 58°19'32" East, a chord distance of 9.21 feet, for an arc distance of 9.21 feet to the end of said curve;

South 32°13'47" East, a distance of 129.66 feet;

North 44°18'51" East, a distance of 41.13 feet;

South 45°41'09" East, a distance of 139.01 feet, said iron rod being the beginning of a non-tangent curve to the right;

Southeasterly with said curve to the right which has a central angle of 42°50'00", a radius of 75.00 feet, a chord which bears South 67°06'09" East, a chord distance of 54.77 feet, for an arc distance of 56.10 feet to the end of said curve;

South 45°41'09" East, a distance of 523.86 feet;

North 44°18'51" East, a distance of 30.00 feet;

South 45°41'09" East, a distance of 50.00 feet;

South 44°18'51" West, a distance of 30.00 feet;

South 45°41'09" East, a distance of 821.35 feet, said iron rod being the beginning of a non-tangent curve to the right;

Southeasterly with said curve to the right which has a central angle of 148°30'59", a radius with a radius point which bears South 54°52'24" East, a distance of 59.50 feet, a chord which bears South 39°07'53" East, a chord distance of 114.54 feet, for an arc distance of 154.23 feet to the end of said curve;

And South 23°23'22" East, a distance of 16.06 feet;

THENCE South 45°26'12" East, continuing over and across said CADG Kaufman 146, LLC tract, a distance of 445.54 feet to a 5/8 inch iron rod with cap marked "PETITT-RPLS 4087" found for corner, said iron rod being located on a southeast line of said CADG Kaufman 146, LLC tract, and a northwest line of that certain tract of land described in deed to Crockett and West, LLC, recorded in Volume 4262, Page 558, DRKCT;

THENCE South 44°46'26" West, with said southeast line of the CADG Kaufman 146, LLC tract, and said northwest line of the Crockett and West, LLC tract, a distance of 668.48 feet to a 1/2 inch iron rod with cap marked "DAA" found for corner;

THENCE South 65°43'36" West, with a southeasterly line of said CADG Kaufman 146, LLC tract, a distance of 65.81 feet to the POINT OF BEGINNING of herein described tract, containing a calculated area of 41.500 acres of land.