

**FIRST AMENDMENT TO DEVELOPMENT AGREEMENT
WITH SOWELL RESERVE ASSOCIATES, L.P., FOR PUBLIC IMPROVEMENTS TO
PROPERTY WITHIN TAX INCREMENT REINVESTMENT ZONE NUMBER 1, CITY
OF MANSFIELD**

THIS FIRST AMENDMENT TO DEVELOPMENT AGREEMENT (this "Amendment") is entered into by and between the **City of Mansfield**, a Texas municipal corporation of Tarrant, Johnson and Ellis Counties, Texas (hereinafter called "City"), the **Board of Directors of the Tax Increment Financing Reinvestment Zone Number One**, City of Mansfield, Texas (hereinafter called "Board"), and **Sowell Reserve Associates, L.P.**, a Texas limited partnership (hereinafter called "the Owner").

W I T N E S S E T H:

WHEREAS, on or about January 17, 2017, the City, the Board, and Owner entered into that certain Development Agreement with Sowell Reserve Associates, L.P. for Public Improvements to Property Within Tax Increment Financing Reinvestment Zone Number 1, City of Mansfield (the "Development Agreement") in connection with the Property (a 138.184-acre tract described therein); and

WHEREAS, in connection with Section 3.A.1 of the Development Agreement (regarding the Waterline), the parties acknowledge that Owner has completed the Waterline at a total cost of \$566,611.93, and, pursuant to Section 3.A.1.a, Owner has received the initial Payment of \$391,557.50, leaving \$175,054.43 remaining to be paid to Owner pursuant to Section 3.A.1.b;

WHEREAS, through its Zoning Case #19-006 and Ordinance No. 19-3279 passed on October 28, 2019, the City approved a zoning change on a 33.495-acre tract within the TIF District and described on "Exhibit "A-2"" attached hereto (of which 27.143 acres is a portion of the original 138.184-acre "Property" (said 33.495-acre tract being hereinafter referred to as the "Ladera Tract"), which established the Ladera Tract as a new Planned Development with Development Regulations described in said Ordinance (the "Ladera PD"); and

WHEREAS, in conjunction with approval of the Ladera PD, the City has approved corresponding amendments to The Reserve PD Standards, under DS #19-003, by letter dated October 29, 2019; and

WHEREAS, this Amendment is necessary to amend certain provisions of the Development Agreement in order (i) to recognize the Ladera PD and amended Reserve PD Standards, and to render the Development Agreement consistent with the Ladera PD as to the Ladera Tract; (ii) to shift a portion of the total Owner Reimbursement from the Waterline to the Minor Collector (River Birch Drive); and (iii) to permit a partial assignment of Owner's rights and obligations as to the Phase 1 Minor Collector (River Birch I) from Owner to a new owner of the Ladera Tract;

NOW, THEREFORE, in consideration of the mutual covenants and obligations herein and in the Development Agreement, the parties agree to amend the Development Agreement as follows:

1. "DETAILED SITE PLAN" means that certain Detailed Site Plan for The View at the Reserve, approved by the City on October 29, 2019, under DS # 19-003, a true and correct copy of page 1 of which is attached hereto as Exhibit "B" for reference.
2. The definition of "PRELIMINARY PLAT" is amended in its entirety to read as follows:

PRELIMINARY PLAT means the preliminary plat of the Property dated October 17, 2017, approved by the City on November 6, 2017, the expiration date of which was most recently extended by the City on March 11, 2019, as may be subsequently modified in connection with the Ladera PD and the Detailed Site Plan.

3. Exhibit "B" attached to the Development Agreement is deleted, and Exhibit "B" (page 1 of the Detailed Site Plan) attached to this Amendment is substituted therefor.
4. Exhibit "C" attached to the Development Agreement is deleted, and Exhibit "C" attached to this Amendment is substituted therefor.
5. Exhibit "D" attached to the Development Agreement is deleted, and Exhibit "D" attached to this Amendment is substituted therefor.
6. The term "Minor Collector" shall be deemed to refer to "River Birch Drive," as shown on the Detailed Site Plan. River Birch Drive, for purposes of entitlement to a portion of the Owner Reimbursement, includes a first phase ("River Birch I"), and a second phase ("River Birch II"), as depicted on Exhibit "C" attached hereto.
7. The definition of PUBLIC IMPROVEMENTS is amended to refer to the Detailed Site Plan instead of the Preliminary Plat. The defined term "Minor Collector" is deleted, and, for purposes of the Owner Reimbursement, 2 phases of River Birch Drive are identified on Exhibit "C" attached hereto.
8. The definition of PRIVATE IMPROVEMENTS is amended in its entirety to read as follows:

PRIVATE IMPROVEMENTS means (a) the subdivision of the Property into (i) a residential development with approximately 309 residential lots in substantial conformance with the Detailed Site Plan, and in accordance with The Reserve Planned Development Standards adopted via City of

Mansfield Ordinance No. OR-1859-12, as amended (as amended, the "Reserve PD Standards"), and (ii) the Ladera Tract as one (1) lot for the construction of approximately 159 residential units in accordance with Ladera PD Standards adopted via City of Mansfield Ordinance No. 19-3279; (b) the streets shown on the Detailed Site Plan other than River Birch Drive (i.e., "Local Streets") (as may be segmented in Phase I and Phase II shown on the Detailed Site Plan; (c) the applicable public utilities to the extent necessary for Subdivision Acceptance (hereinafter defined); (d) the applicable hardscape improvements as depicted on Exhibit "D," attached hereto and incorporated herein by reference; and (e) the applicable landscaping improvements, depicted on Exhibit "D" that are located within the open space/common area lots described on the Detailed Site Plan as follows:

1. Open space XLots immediately adjacent to the right-of-way for River Birch Drive, and adjacent to the right-of-way for Hawthorn Lane in Phase I;
2. Park XLots adjacent to Cottonwood Drive in Phase I, along the north portion of Phase I and Phase II, adjacent to Boxwood Circle in Phase II, adjacent to Boxwood Court in Phase II; adjacent to Hawthorn Lane and Sage Brush Circle in Phase II, and adjacent to Crossvine Drive and Bluewood Lane in Phase II.

In the event River Birch I is constructed prior to Phase I, the landscaping improvements depicted on Exhibit "D" for the 10' Landscape Buffer (part of the .71-acre Open space XLot) adjacent to the north side of River Birch Drive are not required to be installed prior to the development of Phase I, so long as the median in River Birch I is landscaped with the construction of River Birch. Furthermore, the trees installed within said 10' Landscape Buffer north of River Birch I shall, when installed with the development of Phase I, be the same species, caliper size, and spacing, as those installed along the south side of River Birch I with the development of the Ladera Tract.

9. The definition of "PROPERTY" and Exhibit "A" is deleted, and the following substituted therefor:

"PROPERTY" means the combination of (i) that certain 111.041-acre tract (being the portion of the original 138.184 acres remaining, hereinafter referred to as the "Reserve Tract") described by metes and bounds on Exhibit "A-1," and (ii) the Ladera Tract, described by metes and bounds on Exhibit "A-2." .

10. The defined term "SUBDIVISION ACCEPTANCE/PHASE I" and its definition is deleted, and the following substituted therefor:

“FIRST SUBDIVISION ACCEPTANCE” means the date the City Engineer issues a letter of acceptance for either (i) Phase I as depicted on the Detailed Site Plan, (ii) Phase II as depicted on the Detailed Site Plan, or (iii) Phase I of the Ladera Tract, as depicted on Exhibit “C-1” attached hereto, whichever is first to occur, which shall be issued promptly after completion of the Public Improvements and the Private Improvements for the applicable phase in accordance with the plans and specifications approved by the City.”

All instances of the term “Subdivision Acceptance/Phase I” in the Development Agreement are amended to be “First Subdivision Acceptance.”

11. Section 3.A.1.b is amended to delete the amount of \$783,115.00, and to substitute \$566,611.93 therefor.
12. Section 3.A.2 is amended to replace “Phase 1 Minor Collector” with “River Birch I,” to replace “Phase 3 Minor Collector” with “River Birch II.”
13. Section 3.A.2.a is amended to delete the amount of \$378,000.00, and to substitute \$483,252.00 therefor.
14. Section 3.A.2.b is amended to delete the amount of \$758,000.00 and to substitute \$974,503.00 therefor.
15. This Amendment shall be deemed to be the “express written consent” of the City and the Board required under Section 12 of the TIRZ Agreement, of the partial assignment from Owner to M R Ladera, LLC, a Texas limited liability company (“Integrity”) of the obligations of Owner as to the Ladera Tract, and to the right to receive a portion of the Owner’s Reimbursement payable to Owner pursuant to Section 3.A.2.a, so long as (a) Integrity has completed and closed the purchase of the Ladera Tract from Owner, (b) Integrity complies with all of the Owner’s obligations with regard to the design and construction of River Birch I at Integrity’s sole cost and expense, (c) said partial assignment is in a writing signed by Owner and Integrity in which Integrity accepts the obligations specified therein and agrees to comply with the TIRZ Agreement, as amended hereby, in all respects as to the rights and obligations assigned to Integrity.
16. Section 6, Defaults and Remedies, is amended to reflect that, in the event of a partial assignment of rights and obligations hereunder, a default of a partial assignee shall not be deemed to be a default of the original Owner, and likewise, a default of the original Owner shall not be deemed to be a default of the assignee.
17. Section 7, Right of Offset, is amended to reflect that, in the event of a partial assignment of rights and obligations hereunder, any debt lawfully due and

delinquent to City or any other taxing unit participating in the Payment under this Agreement in connection with the Property (a "Tax Debt"), shall be offset against amounts due to the owner of the portion of the Property against which the Tax Debt has accrued. I.e., if a Tax Debt is owed against the Ladera Tract, such offset shall not be applied to reduce any portion of the Payment owed to the original Owner hereunder.

18. This Amendment shall become effective upon the last to occur of the execution of this Amendment by all parties.

EXECUTED and effective as of the _____ day of _____, 2019 by Board signing by and through its Chairman, duly authorized to execute same by majority vote of the TIF Board, by City, signing by and through its City Manager, duly authorized to execute same by Resolution No. _____.

BOARD OF DIRECTORS OF THE
TAX INCREMENT FINANCING
REINVESTMENT ZONE NUMBER
ONE, CITY OF MANSFIELD, TEXAS

By: _____
Larry Broseh, Board Chairman

CITY OF MANSFIELD, TEXAS

By: _____
Clayton Chandler, City Manager

ATTEST:

By: _____
Susana Marin, City Secretary

APPROVED AS TO FORM AND
LEGALITY:

By: _____
Elizabeth Elam, City Attorney

OWNER
SOWELL RESERVE ASSOCIATES,
L.P.

By: Sowell Reserve, Inc., General
Partner

By: _____
Stephen L. Brown, President

Exhibit List

Exhibit A-1: Property Description: The Reserve Tract

Exhibit A-2: Property Description: The Ladera Tract
Exhibit B: Sheet 1 of the Detailed Site Plan
Exhibit C: Public Improvements
Exhibit C-1: Phasing of the Ladera Tract
Exhibit D: Details of Certain Private Improvements

EXHIBIT "A-1"
The Reserve Tract (in 2 tracts)

Tract 1:

BEING a tract of land located in the SAMUEL MITCHELL SURVEY, ABSTRACT No. 1024, Tarrant County, Texas and the SAMUEL MITCHELL SURVEY, ABSTRACT No. 593, Johnson County, Texas same being all of a tract of land to SOWELL RESERVE ASSOCIATES, L.P. as recorded in Instrument Number D2014-20649 of the Deed Records of Johnson County, Texas, Instrument Number D214209294 of the Deed Records of Tarrant County, Texas, and all of a tract of land called Tract 1 to SOWELL RESERVE ASSOCIATES, L.P. as recorded in Instrument Number D2014-20648, of the Deed Records of Johnson County, Texas, Instrument Number D214209293 of the Deed Records of Tarrant County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod with orange cap found at the most Southerly corner of said Tract 1 lying in the approximate centerline of South Mitchell Road (County Road 2004) at its intersection with the approximate centerline of Mathis Road;

THENCE North 30 degrees 47 minutes 58 seconds West along the West line of said Tract 1 passing at a distance of 951.93 feet a railroad spike found for the southwest corner of said Sowell Reserve tract recorded in Instrument Number D2014-20649 and Instrument Number D214209294, and passing at a distance of 1578.26 feet a railroad spike found for the northwest corner of last mentioned Sowell Reserve tract, and continuing in all, a total distance of 2580.17 feet with the said approximate centerline of South Mitchell Road to an "X" cut in concrete found on the easterly line of that certain tract of land described in deed to Living Church recorded in Instrument Number D218159009 of the Official Public Records of Tarrant County, Texas;

THENCE North 32 degrees 48 minutes 24 seconds West along the Easterly line of said Living Church Tract, a distance of 374.20 feet to a 1/2 inch iron rod found at the Northwest corner of aforesaid Tract 1 lying on the Southerly boundary line of that certain tract of land described in deed to Mansfield Economic Development Corporation recorded in Instrument Number D204166392 of the Deed Records Tarrant County, Texas;

THENCE North 60 degrees 50 minutes 46 seconds East along the common line between said Mansfield Economic Development Tract and said Tract 1, a distance of 1228.93 feet to a 1/2 inch iron rod with cap stamped "COOMBS" found on the Southwest line of that certain tract of land described in deed to Tarrant County Water Control and Improvement District Number One recorded in Volume 4635, Page 866 of the Deed Records of Tarrant County, Texas;

THENCE South 52 degrees 33 minutes 39 seconds East along the Southwest line of said Water Control and Improvement District Tract, a distance of 2760.22 feet to a 5/8 inch iron rod found on the East line of aforesaid Tract 1 being the Westerly line of that certain tract of land described in deed to Mansfield Independent School District (Tract IV) recorded in Instrument No. D209164537 of the Official Public Records of Tarrant County, Texas;

THENCE South 30 degrees 48 minutes 52 seconds East along the common line between said Tract 1 and said Mansfield Independent School District tract, passing at a distance of 402.84 feet a 3/4 inch iron rod found and continuing in all, a total distance of 418.21 feet to a 5/8 inch iron rod found for the Southeast corner of said Tract 1 lying in the approximate centerline of aforesaid Mathis Road;

THENCE South 60 degrees 49 minutes 01 seconds West along the Southerly line of said Tract 1 with the said approximate centerline of Mathis Road a distance of 1147.67 feet to a 1 inch iron rod found at the Southeast corner of that certain tract of land described in deed to William C. Bryant and wife, Debbie T. Bryant recorded in Volume 2557, Page 741 of the Deed Records of Johnson County, Texas;

THENCE North 30 degrees 40 minutes 54 seconds West passing a 1/2 inch iron rod with cap stamped "5294" found at 14.77 feet and continuing in all a total distance of 659.79 feet along the Easterly boundary line of said Bryant Tract to a 1/2 inch iron rod found at the Northeast corner thereof;

THENCE South 60 degrees 50 minutes 29 seconds West along the Northerly boundary line of said Bryant Tract, a distance of 396.06 feet to a 1/2 inch iron rod found at the Northwest corner thereof;

THENCE South 30 degrees 41 minutes 03 seconds East along the Westerly boundary line of said Bryant Tract, a distance of 659.99 feet to a 1 inch iron rod found on the Southerly boundary line of aforesaid Tract 1 being in the aforesaid approximate centerline of Mathis Road;

THENCE South 60 degrees 47 minutes 40 seconds West along the Southerly line of said Tract 1 being the approximate centerline of said Mathis Road passing a P.K. Nail found in asphalt pavement and continuing in all a total distance of 695.94 feet to the POINT OF BEGINNING containing 5,055,223 square Feet, or 116.052 acres of land.

SAVE AND EXCEPT THE FOLLOWING 27.143-ACRE TRACT OUT OF TRACT 1:

BEING a tract of land located in the SAMUEL MITCHELL SURVEY, ABSTRACT No. 1024, Tarrant County, Texas and the SAMUEL MITCHELL SURVEY, ABSTRACT No. 593, Johnson County, Texas same being a portion of a tract of land called Tract 1 to SOWELL RESERVE ASSOCIATES, INC. as recorded in Instrument Number D2014-20648, of the Deed Records of Johnson County, Texas, Instrument Number D214209293 of the Deed Records of Tarrant County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found at the most Southerly corner of said Tract 1 lying in the approximate centerline of Mitchell Road South (County Road 2004) at its intersection with the approximate centerline of Mathis Road;

THENCE North 30 degrees 47 minutes 58 seconds West along the West line of said Tract 1, a distance of 1357.43 feet to a point for corner;

THENCE leaving the west line of said Tract 1, through the interior of same the following courses and distances:

North 59 degrees 12 minutes 02 seconds East, a distance of 30.49 feet to a point for corner;

North 14 degrees 11 minutes 54 seconds East, a distance of 21.19 feet to a point for corner;

North 59 degrees 15 minutes 35 seconds East, a distance of 753.79 feet to a point for corner;

South 75 degrees 44 minutes 25 seconds East, a distance of 35.36 feet to a point for corner;

South 30 degrees 44 minutes 25 seconds East, a distance of 261.30 feet to a point for corner at the beginning of a curve to the left;

With said curve to the left having a radius of 350.00 feet, a central angle of 44 degrees 13 minutes 26 seconds, an arc length of 270.15 feet, a chord bearing of South 52 degrees 51 minutes 08 seconds East, a distance of 263.49 feet to a point for corner;

South 74 degrees 57 minutes 51 seconds East, a distance of 315.99 feet to a point for corner at the beginning of a curve to the right;

With said curve to the right having a radius of 300.20 feet, a central angle of 45 degrees 01 minutes 12 seconds, an arc length of 235.88 feet, a chord bearing of South 52 degrees 26 minutes 48 seconds East, a distance of 229.86 feet to a point for corner;

South 27 degrees 31 minutes 43 seconds East, a distance of 267.74 feet to a point for corner;

South 30 degrees 44 minutes 25 seconds East, a distance of 167.37 feet to a point for corner lying in said Mathis Road, also lying on the southerly line of said Tract 1;

THENCE South 60 degrees 49 minutes 01 seconds West, along said Mathis Road, same being the southerly line of said Tract 1, a distance of 120.91 feet to a 1 inch iron rod with found for the southeast corner of a tract of land described by deed to William C. Bryant and wife, Debbie T. Bryant as recorded in Volume 2557, Page 741 of the Deed Records of Johnson County, Texas;

THENCE North 30 degrees 40 minutes 54 seconds West, along the easterly line of said Bryant tract, a distance of 659.79 feet to a 1/2 inch iron rod found for the northeast corner of same;

THENCE South 60 degrees 50 minutes 29 seconds West, along the northerly line of said Bryant tract, a distance of 396.06 feet to a 1/2 inch iron rod found for the northwest corner of same;

THENCE South 30 degrees 41 minutes 03 seconds East, along the westerly line of said Bryant tract, a distance of 659.99 feet to a 1 inch iron rod found for the southwest corner of same, also lying in said Mathis Road;

THENCE South 60 degrees 47 minutes 40 seconds West, along said Mathis Road, a distance of 695.94 feet to the POINT OF BEGINNING, containing 1,182,354 square feet, or 27.143 acres of land.

(END OF SAVE-AND-EXCEPT TRACT)

TRACT 2

BEING a tract of land located in the SAMUEL MITCHELL SURVEY, ABSTRACT No. 1024, Tarrant County, Texas and being all of a tract of land called Tract 2 to SOWELL RESERVE ASSOCIATES, L.P. recorded in Instrument Number D2014-20648, Deed Records of Johnson County, Texas, Instrument Number D214209293 of the Deed Records of Tarrant County, Texas, and more particularly described by metes and bounds as follows:

BEGINNING at a 3/4 inch iron rod found at the Northeast corner of said Tract 2 lying on the Southerly boundary line of that certain tract of land described in deed to Mansfield Economic Development Corporation recorded in Instrument No. D204166392 of the Deed Records Tarrant County, Texas and the Westerly boundary line of that certain tract of land described in deed to SP Land Partners, LP recorded in Instrument No. D207285890 of the Deed Records Tarrant County, Texas;

THENCE South 30 degrees 47 minutes 06 seconds East along the common line between said Tract 2 and said SP Land Partners Tract, passing at a distance of 1345.28 feet the northwest corner of a certain tract of land described in deed to Mansfield Independent School District (Tract IV), continuing along the common line of said Tract 2 and Mansfield Independent School District tract, a total distance of 2184.78 feet to a 5/8 inch iron rod found on the Northeast line of certain tract of land described in deed to Tarrant County Water Control and Improvement District Number One recorded in Volume 4635, Page 866 of the Deed Records of Tarrant County, Texas;

THENCE North 52 degrees 33 minutes 39 seconds West along the Northeast line of said Water Control and Improvement District Tract a distance of 2378.98 feet to a 1/2 inch iron rod with cap stamped "COOMBS" found for the west corner of aforesaid Tract 2 lying on the Southerly line of aforesaid Mansfield Economic Development Tract;

THENCE North 60 degrees 48 minutes 05 seconds East along the common line between said Tract 2 and said Mansfield Economic Development Tract a distance of 882.89 feet to the POINT OF BEGINNING containing 964,088 square Feet, or 22.132 acres of land.

EXHIBIT "A-2"
The Ladera Tract

Being all that certain lot, tract or parcel of land situated in the S. Mitchell Survey, Abstract Number 593 and Abstract Number 1024, City of Mansfield, Johnson County and Tarrant County, Texas, and being part of that certain called 110.120 acre tract of land described as Tract 1 in deed to Sowell Reserve Associates, L.P., recorded in Document Number D214209293 of the Official Public Records of Tarrant County, Texas, being part of that certain called 5.954 acre tract of land described in deed to Sowell Reserve Associates, L.P. recorded in Document Number D214209294 of the Official Public Records of Tarrant County, Texas, being all of that certain called 6.00 acre tract of land described in deed to William C. Bryant and wife, Debbie T. Bryant recorded in Volume 2557, Page 741 of the Real Property Records of Johnson County, Texas and being more particularly described as follows:

BEGINNING at the southwest corner of said Tract 1, and being in the intersection of Mathis Road and Mitchell Road;

THENCE N 30°47'58" W in Mitchell Road and the southwesterly line of said Tract 1 passing at 951.9 feet the south corner of said 5.954 acre tract and continuing with the west line thereof for a total distance of 1377.93 feet;

THENCE N 59°15'33" E, passing at 417.3 the east line of said 5.954 acre tract and the west line of said tract 1, continuing for a total distance of 807.35 feet;

THENCE S 75°43'12" E, 28.27 feet;

THENCE S 30°41'58" E, 257.86 to a point of curvature;

THENCE with the arc of a curve to the left, having a radius of 375.00 feet, a central angle of 44°17'44", whose chord bears S 52°50'50" E, 282.75 feet, an arc length of 289.91 feet;

THENCE S 75°08'16" E, 296.68 feet to a point for curvature;

THENCE with the arc of a curve to the right, having a radius of 325.00 feet, a central angle of 44°35'51", whose chord bears S 52°50'21" E, 246.63 feet, an arc length of 252.97 feet;

THENCE S 30°32'26" E, 429.76 feet to the south line of said tract 1 and being in said Mathis Road;

THENCE S 60°47'40 W, in said Mathis Road and with the south line of said Tract 1, passing at 139.5 feet the east corner of said 6.00 acre tract, continuing with the south line thereof, passing at 535.5 feet the south corner thereof, continuing with the south line of said Tract 1 a total distance of 1231.48 feet to the POINT OF BEINNING and containing approximately 33.495 acres of land.

EXHIBIT "B"
The Detailed Site Plan (Reserve Tract)

HE VIEW AT THE RESERVE - JOB NO. N7480-0084

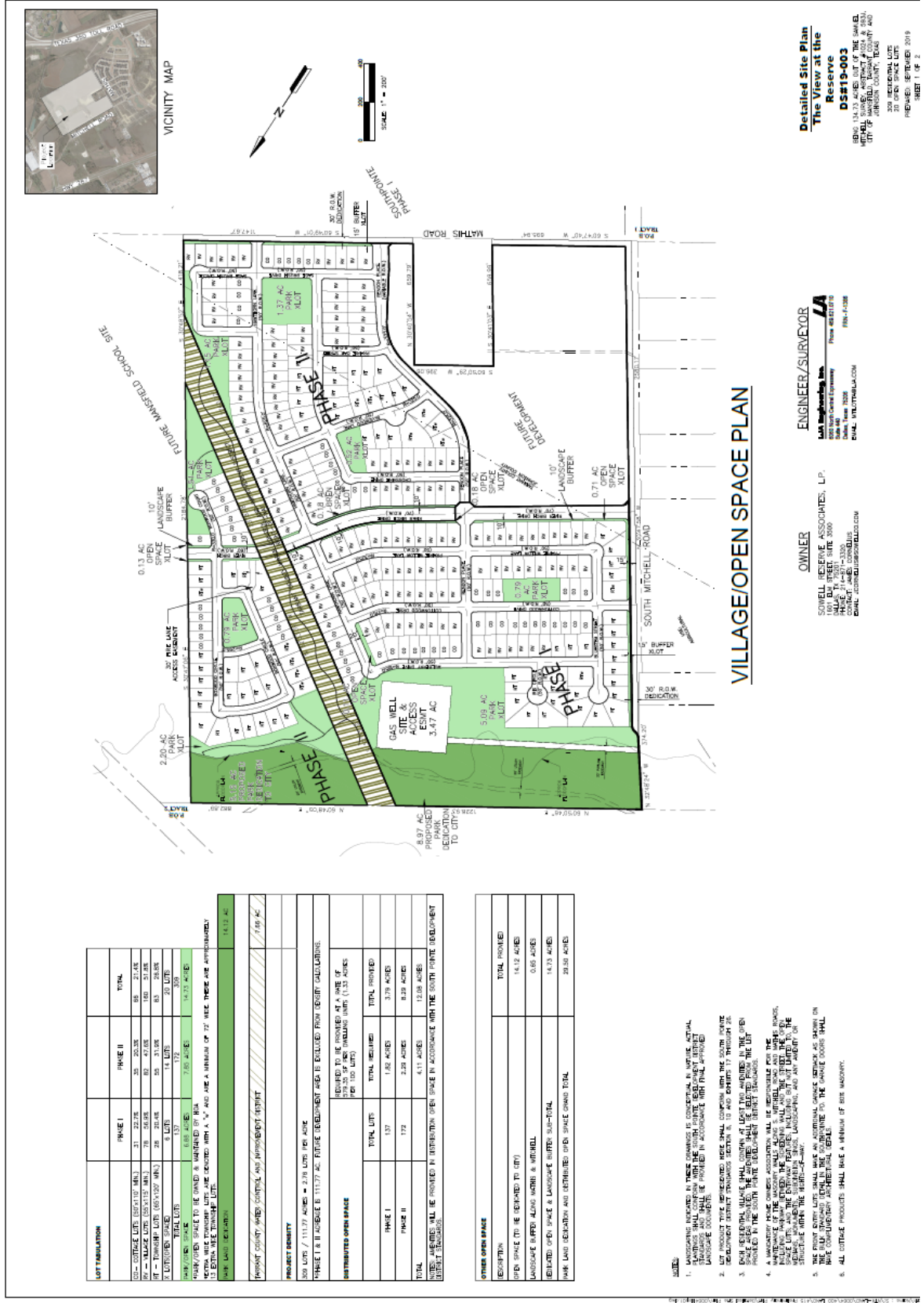


EXHIBIT "C"
Reserve Tract

EXHIBIT "C-1" **Site Plan (Ladera Tract)**

