

AFFIDAVIT OF
MATT MCDONALD
LEGAL REPRESENTATIVE OF MD HOMES LLC

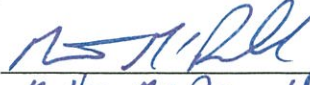
THE STATE OF TEXAS

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COUNTY OF LAMPASAS

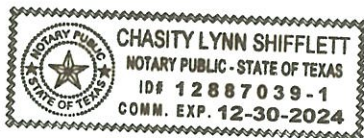
BEFORE ME, the undersigned authority, on this day personally appeared the below identified Affiant, personally known to me, and who, after being by me first duly sworn, upon her/his oath, did depose and say:


1. My name is Matt McDonald. I am over eighteen years of age, and am fully competent to make this affidavit. I have personal knowledge of the statements herein made and they are all true and correct to the best of my knowledge and memory.
2. I have served in the position of representative of and developer for M D Homes, LLC, a private developer ("MD Homes") since _____, 20____, and have had the duty and obligation for exercising the responsibilities of those positions continuously since that date as they relate to the discussions and negotiations concerning the 'Hillside Acres Subdivision Development Agreement with Economic Incentives: Request for Voluntary Annexation into Lampasas Corporate Limits', entered into by and Between the City of Lampasas Texas and MD Homes, on or about May 7, 2021 (the "Development Agreement").
3. In my position with MD Homes, I have been provided and have utilized full corporate and legal authority to fully bind MD Homes to the terms of the Development Agreement with the City of Lampasas, which is evidences by my signature thereon.
4. By my execution of this Affidavit, I hereby affirm that I personally negotiated, reviewed and agreed to the terms of the Development Agreement on behalf of and as the legal representative of MD Homes, as the developer of Hillside Acres Subdivision and, further, that I have personal knowledge of the facts stated herein. Finally, I aver to the complete accuracy of same, to the best of my knowledge.
5. Further, Affiant sayeth not.



Matt McDonald (Affiant's Printed Name)

SUBSCRIBED AND SWORN TO BEFORE ME on this the 7th day of May 2021





NOTARY PUBLIC,
STATE OF TEXAS

My Commission Expires December 30, 2021.

**HILLSIDE ACRES SUBDIVISION DEVELOPMENT AGREEMENT WITH ECONOMIC
INCENTIVES: REQUEST FOR VOLUNTARY ANNEXATION INTO
LAMPASAS CORPORATE LIMITS**

This Development Agreement with Economic Incentives provided by the City of Lampasas, Texas, and including the Developer's Request For Voluntary Annexation into the Lampasas Corporate Limits (a/k/a the "Agreement") is made and entered into by and between the City of Lampasas, Texas ("City"), a Texas Municipal Corporation, and MD Homes, LLC, a private developer ("MD" or "Developer") on the 7th day of MAY 2021 ("Effective Date"). The City and Developer are hereinafter jointly referred to as "Parties" to the Agreement and separately as a "Party."

RECITALS

WHEREAS, as a home-rule municipality, the City is fully authorized by the State and its Charter to enter into development agreements and provide support to those investors within its jurisdiction, as detailed herein; and

WHEREAS, the City has identified a shortage in the availability of single-family homes in Lampasas, which has and will continue to impact economic development opportunities within the community; and

WHEREAS, MD owns 36.76 acres of land within the extraterritorial jurisdiction ("ETJ") of the City and the County of Lampasas, Texas, which it desires to voluntarily annex into the City's corporate limits and to develop as a single-family residential subdivision, as detailed herein, and to be known as the Hillside Acres ("Hillside Acres" or "Subdivision"); and

WHEREAS, following the City's approval of the Subdivision's plats, plans, infrastructure design and specifications, MD shall construct Hillside Acres, within the annexed property boundaries ultimately consisting of approximately twenty-seven (27) single family residential dwellings, that will be located within the corporate limits of the City of Lampasas (the "Project"); and

WHEREAS, the City desires to promote local development of residential housing, such as the Project, in order to support and stimulate economic development and the resulting commercial activity in the City; and

WHEREAS, the Developers shall be required by this Agreement to perform work, meet City standards and to achieve development deadlines, in order to receive the benefit of the City's Participation for the Project, as is defined herein below; and

WHEREAS, accordingly, after evaluation and careful assessment, the City has determined that an economic benefit to the local economy will result from the development of this Project and, therefore, the City desires to authorize an Economic Development Incentive, pursuant to its Statutory Authority derived from LGC §380, *et seq.*, as detailed herein below and offer certain incentives to MD for the Project; and

WHEREAS, (1) as an economic incentive to MD's Project, the City will install, at the appropriate time in the Project's development, at the City's cost, but not to exceed a total expense to the City of \$37,254.36 ("City's Financial Participation") certain electrical infrastructure to each platted lot in the Subdivision, and (2) the City will annex the Property upon the execution by Owner of the Voluntary Annexation Request.

NOW, THEREFORE, in consideration of the foregoing and the covenants, agreements, representations, and warranties hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and MD agree as follows:

AGREEMENT

Section I. Recitals and Consideration

The Recitals set forth above are agreed to by the Parties to be accurate and, thus, are incorporated herein by reference, as if fully set forth in this Agreement.

The Parties acknowledge and agree that pursuant to the terms of this Agreement each has provided and received adequate legal consideration for entering into this Agreement and for it to have a binding effect, as agreed between them.

Section 2. MD's Obligations

In consideration of the City agreeing to participate in the Project, MD's obligations are as follows:

A. Annexation Responsibilities:

1. Execute and fully process, at Developer's expense if any is incurred, a "Request for Voluntary Annexation of the Property," form which is attached hereto as Exhibit "A," contemporaneously with the execution of this Development Agreement and work cooperatively with the City to complete the voluntary annexation of the Property into the City's corporate limits as quickly as is feasible under the law. This requirement includes providing the City with all documentation necessary to complete voluntary annexation pursuant to State laws. Developer acknowledges and the Parties agree that without full annexation of the Property, this Agreement shall be come void and all obligations of both Parties shall cease if annexation fails for any reason.
2. Final Voluntary Annexation of the Property shall commenced and completed by City as soon as reasonably possible.

B. Financial Investment Responsibilities:

3. MD shall invest of approximately \$6,000,000.00 in the development of the Subdivision within the City's corporate limits, which shall, at completion, consist of approximately twenty-seven (27) single-family residential structures.
4. MD shall make improvements to public infrastructure with an estimated value of eight hundred sixteen thousand dollars (\$816,000.00) over the Term of this Agreement. (See Exhibit "B" Developer's Cost Estimate for Public Infrastructure, e.g., subdivision roadways and water improvements in the subdivision.)

C. Phasing/Timing Requirements:

5. Final Platting for the Subdivision shall be submitted to the City for consideration on or before April 30, 2021. MD shall begin construction on at least two (2) single family homes in the Subdivision within 90 days of final plat approval.
6. MD shall have completed construction on a minimum of thirteen (13) single-

family residential structures in the Subdivision on or before the end of the 5th anniversary of the Effective Date of this Agreement.

D. Subdivision Vesting/Design Standards

7. MD shall require that all structures, infrastructure, roadways and utilities for the Subdivision to be constructed according to the City's currently adopted Building and Development Codes, the City of Lampasas' Standard Contract Documents and the City's Standard Specifications and Details as required by the City's consulting engineers and the City's Codes, Policies and Programs, as of the date the original application for a permit for the development is filed with the City.
8. MD shall construct and bid all public infrastructure improvements to City standards and specifications. All terms and conditions reflected in the City's Subdivision Regulations shall apply to the platting and development of the Subdivision Property.

E. Phasing; Bonding Requirements:

9. On November 6, 2020 MD and the City executed a Development Site Work Agreement, attached hereto as Exhibit "C," which allows MD to develop the Project, including the installation of public infrastructure including grading, excavation, site prep/leveling, compaction, drainage/detention ponds, land clearing, installation of underground utilities, and earthwork necessary for vehicular circulation, specifically streets and cul-de-sac, AT ITS SOLE RISK, prior to execution of a Development Agreement or approval of the Final Plat. For any and all uncompleted portions or components of the public infrastructure required to serve the fully developed Project that has not passed inspection, has not been finally approved/accepted by the City, or that remains to be installed at the time MD presents the Final Plat for approval by the City, MD shall provide an approved, irrevocable Letter of Credit, attached hereto as Exhibit "D," specifically for the public infrastructure at issue, in an amount equal to 100% of the then estimated of total costs remaining uncompleted and/or unaccepted public infrastructure which will identify the City as the entity that may, at its sole option, trigger the bond for completion of the infrastructure in the event of any default by the MD or any of MD's sub-contractors or contractors. The amount of any uncompleted and unaccepted public infrastructure, which shall be covered by the irrevocable Letter of Credit required hereby, shall be estimated and submitted to the City by MD's engineer, and verified by the City's consulting engineer prior to approval of the Final Plat. The City shall be specifically identified as a beneficiary on the Letter of Credit. The Letter of Credit shall be drawn on a Bank, and in a format, acceptable to the City Attorney.

The Developer agrees and acknowledges that it shall not be permitted to construct any residential structures on the lots in the Project until such time as either the public infrastructure is fully installed, inspected and approved/accepted by the City, to the lot or lots to be constructed on, or, alternatively, the City has, at its option, due to default by the Developer, elected to use the Letter of Credit funds to complete installation of all outstanding public infrastructure related to the project.

Developer acknowledges and agrees that it shall not seek and the City shall not issue any type of construction permit or perform inspections, if any are required, until such time as the

City has taken action to provide approval to the Final Plat for the Project and it has been filed, along with any ancillary documentation, including this Development Agreement and Letter of Credit, in the Lampasas County Property Records.

10. The Developer shall provide maintenance bonds on all components of the public infrastructure installed by the Developer pursuant to the Subdivision plans, warranting the construction of same for a period of two (2) years after the completion of the last phase of the final construction of the public infrastructure. The City shall be specifically identified as a beneficiary on all maintenance bonds. The Developer shall provide copies of all maintenance bonds to the City at the time of completion of the final construction of the public infrastructure in the Subdivision. The bonding company used by Developer shall be licensed in Texas and have, at a minimum, an "A" rating from A.M Best Company, Inc.

F. Miscellaneous Responsibilities:

11. For property owned by MD, to keep current in the payment of any and all taxes owed to any taxing jurisdiction in which the Property is located. Should MD allow *ad valorem taxes* on the Property owned by MD to the City to become delinquent, then in such event this Agreement shall terminate and the recapture provisions shall be initiated
12. MD shall keep current in the payment of all charges and fees for utility services provided by the City to the Property, including utility construction costs.
13. MD shall provide report of all construction activities through build-out to the City Manager, upon request.
14. MD acknowledges and agrees that the purpose of the City in entering into this Agreement is to encourage development of the Property as residential development with ancillary services and, therefore, MD agrees to develop the Property solely to said purpose.
15. MD acknowledges and agrees that if any residential water meters are located above 1200 feet in elevation, that the corresponding residential dwelling must have installed an operational private booster pump to meet the minimum pressure of 35 psi, as required by TCEQ, for domestic water service at the Developer's sole cost.

Section 3. City's Obligations

The City's obligations under the Agreement are as follows:

- A. Electrical Infrastructure: So long as MD is in compliance with its contractual obligations and has satisfactorily performed all acts and obligations described herein, the City shall install residential electric utility infrastructure to the lot line of each of the Subdivision's platted residential lots, but in no event shall the City install electrical infrastructure to the Subdivision in any manner that exceeds a total cost to the City of \$37,254.36. (referred to herein as the "City's Participation") The 'Plans and Cost Summary' related to the City's Participation and expenditure is

set forth on Exhibit "E". The Parties agree and acknowledge that due to the fact that the lots for the Subdivision's residential structures, as they are envisioned by the Developer to be platted, are generally one (1) acre in size, or over, and therefore, the location of the residential structure on the lots has yet to be determined. Accordingly, the future home owner(s) may, in some cases, be required to provide electrical 'service poles' on their lots/property, when necessary to reach their residence or other structures, and such private service poles shall be installed solely at the property owner(s)' expense. It shall be the Developer's responsibility to notify the potential owners or representatives of such limitations on the City's obligations related to electric service to the lots in the Subdivision.

- B. Strict Limitation on City's Participation. It is agreed the maximum total amount of the City's financial expenditure on the Project shall not exceed \$37,254.36. Accordingly, for purposes of Section 4, below, the total Recapture Value associated with the City's Participation in the Project is agreed by the Parties to be thirty-seven thousand two hundred fifty-four dollars and 36 cents (\$37,254.36).

Section 4. Recapture/Termination

In the event that the City determines that MD is in default *of any* of the terms or conditions contained in this Agreement, then the City shall give MD thirty (30) days written notice to cure such default. In the event such default is not cured, or if MD has not commenced to cure said default with due diligence to the satisfaction of the City within the thirty (30) days' notice period, then this Agreement shall terminate.

The date of termination as that term is used in this subsection shall, in every instance, be the 30th day after the day the City sends notice of default, in the mail to the address shown in this Agreement to MD. Should the default be cured by MD within the thirty (30) day notice period, MD shall be responsible for so advising the City and obtaining a release from the notice of default from the City, failing in which, the Agreement remains terminated.

In every case of termination set forth above: (1) the City shall determine in its sole discretion whether default has occurred by MD in the terms and conditions of this Agreement, which determination shall not be unreasonably withheld or delayed; (2) MD will forfeit any and all City Participation it has received from the City under this Agreement; and, (3) MD shall be responsible for repayment funds equivalent to the amount of the City's Participation as of the date of default (and/or equivalent value, e.g., such as waived permitting values) provided to MD for the Project, under the terms of this Agreement. Maximum amounts required to be repaid to the City pursuant to this Agreement shall be no more than the amounts outlined in Section 3 of this Agreement.

Section 5. Certification of Compliance by MD

For the term of this agreement, on written request by City, at least once per year MD shall certify in writing to the City its compliance with all provisions of this Agreement. Such certification shall include all documentation establishing that all taxes related to the Property have been paid in full as required by law and that development targets have been satisfied.

The City, at any reasonable time, shall have the right to review all records of MD related to the provisions of this Agreement.

In accordance with Chapter 2264, Texas Government Code, MD certifies that MD, or a branch, division, or department of MD does not and will not knowingly employ an undocumented worker. MD further certifies that in the event that MD, or a branch, division, or department of MD, is convicted of a violation under 8 U.S.C. Section 1324a (f), MD shall repay the amounts previously paid to MD by the City pursuant to this Agreement, with interest, at the rate and according to the other terms provided herein. Such a conviction shall be cause for this Agreement to terminate.

Section 6. Term

This Agreement shall be effective for a period of five (5) years from its effective date, unless otherwise terminated in accordance with another section of this Agreement.

Section 7. Entire Agreement

This Agreement contains the entire agreement between the City and MD with respect to the transactions contemplated herein. This Agreement may be amended, altered, or revoked only by written instrument signed by the City and MD.

Section 8. Successors and Assigns

This Agreement shall be binding on and inure to the benefit of the parties, their respective successors and assigns. MD may assign all or part of its rights and obligations hereunder only upon prior written approval of the City, which approval shall not be unreasonably withheld or delayed.

Section 9. Notices

Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses or at such addresses provided by the parties in writing hereafter:

MD HOMES:

MD Homes
Attention Matt McDonald
101 N Summer Street
Lampasas, Texas 76550

CITY OF LAMPASAS:

Finley DeGraffenried, City Manager
312 E 3rd Street
Lampasas, Texas 76550

Section 10. Interpretation/Applicable Law

Regardless of the actual drafter of this Agreement, this Agreement shall, in the event of dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against either Party. This Agreement is made and shall be construed and interpreted under the laws of the State of Texas and exclusive venue for any claim, dispute, lawsuit or other legal proceeding arising out of this Agreement shall lie in Lampasas County, Texas.

Section 11. Attorney's Fees/Severability

The Parties hereto agree that the prevailing party in any dispute between the parties arising out of this Agreement shall be entitled to recover its attorney's fees in accordance with Texas Local Government Code, Section 271.159. In the event that any provision of this Agreement is illegal, invalid, or unenforceable under present or future laws, then it is the intention of the Parties hereto that the remainder of this Agreement shall not be affected thereby, and the Parties hereby agree that in lieu of each clause or provision that is found to be illegal, invalid, or unenforceable, a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid, or unenforceable.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the 7 day of MAY 2021.

THE CITY OF LAMPASAS



Finley deGraffenried, City Manager

ATTEST:



Becky Sims, City Secretary

MD HOMES



_____, Owner

State of Texas

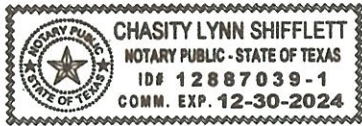
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County of Lampasas

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The foregoing instrument was acknowledged before me this 7th day of May, 2021 by Matt McDonald, who by his oath stated that he is the Owner of MD Homes, and is authorized to so execute this document on behalf of that entity.



Chasity Lynn Shifflett
Notary Public

My Commission expires: December 30, 2024

Exhibit A

Voluntary Annexation Form and Draft Service Plan

COUNTY OF LAMPASAS

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STATE OF TEXAS

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**REQUEST AND PETITION TO THE CITY COUNCIL OF THE CITY OF
LAMPASAS, TEXAS, FOR ANNEXATION OF SPARSELY OCCUPIED
PROPERTY**

WHEREAS, the undersigned is the owner of a certain tract of property located within Lampasas County, Texas, such property more particularly described hereinafter by true and correct legal description (referred to herein as the "Subject Property");

WHEREAS, the undersigned has sought the annexation of the Subject Property by the City of Lampasas, Texas, (hereinafter sometimes referred to as "City") in order to obtain the benefits of City services to the Subject Property by the City;

WHEREAS, the subject property is contiguous and adjacent to the corporate limits of the City, is one-half mile or less in width, and is occupied by fewer than three (3) persons; and,

WHEREAS, the undersigned agrees and consents to the annexation of the Subject Property by the City and further agrees to be bound by all acts, ordinances, and all other legal action now in force and effect within the corporate limits of the City and all those which may be hereafter adopted;

NOW THEREFORE, the undersigned by this Petition and Request:

SECTION ONE: Requests the City Council of the City of Lampasas to commence annexation proceedings and to annex into the corporate limits of the City of Lampasas, Texas, the Subject Property described as follows:

Annexation Tract 1: Lot 1, 2, 3, and 4, Hillside Subdivision, in the ETJ of the City of Lampasas, Lampasas County, Texas.

SECTION TWO: Requests that, after annexation, the City provide such services as are legally permissible and provided by the City, including sanitation, water and general governmental services.

SECTION THREE: Acknowledges and represents having received, read and understood the attached Draft Service Plan, Exhibit "A," (proposed to be applicable to and adopted for the Subject Property) and that such Draft Service Plan is wholly adequate and acceptable to the undersigned who hereby requests the City Council to proceed with the

annexation and preparation of a final Service Plan and publish notice and hold the requisite public hearings thereon, in accordance with the applicable laws of the State of Texas.

SECTION FOUR: Acknowledges that the undersigned understands and agrees that all City services to the Subject Property will be provided by the City on the same terms and conditions as provided to other areas of the City and as provided in the Service Plan.

SECTION FIVE: Agrees that a copy of this Petition and Request may be filed of record in the offices of the City of Lampasas and in the real property records of Lampasas County, Texas, and shall be notice to and binding upon all persons or entities now or hereafter having any interest in the Subject Property.

FILED, this 7 day of May, 2021, with the City Secretary of the City of Lampasas, Lampasas County, Texas.



[Applicant]

Address

101 N Sumner
Lampasas Tx, 76550

State of Texas §

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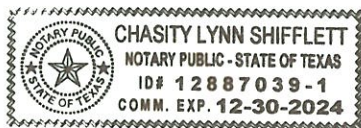
County of Lampasas §

Matt McDonald BEFORE ME, the undersigned authority, on this day personally appeared, and acknowledged that (s)he has executed the foregoing document, for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL of office this 7th day of May, 2021.



Notary Public in and for the State of Texas



**CITY OF LAMPASAS
MUNICIPAL SERVICE PLAN
FOR VOLUNTARY ANNEXATION OF SPARSELY OCCUPIED
36.76ACRES OF LAND
ADJACENT TO THE CITY'S MUNICIPAL LIMITS**

INTRODUCTION

The City Council of the City of Lampasas has directed that staff proceed with the voluntary annexation process of land generally comprised of the following:

Being described as Lot 1, 2, 3, and 4, Hillside Subdivision, in the ETJ of the City of Lampasas, Lampasas County, Texas.

The area is described as a sparsely occupied area of land.

INTENT

It is the intent of the City of Lampasas that this Service Plan shall provide for the delivery of fully available municipal services to the annexed area in accordance with State law. The failure of this plan to describe any particular service shall not be deemed to be an attempt to omit the provision of such services from the annexed areas. The delivery of municipal services may be accomplished through any means permitted by law.

SCHEDULE OF MUNICIPAL SERVICES TO BE PROVIDED:

FIRE

Existing Services: Currently, the City of Lampasas Fire Department (with limited staff), in conjunction and under agreement with the Lampasas County Volunteer Fire Department responds to this area, due to its close proximity to the City limits.

Services to be Provided: The City of Lampasas Fire Department and Lampasas County Volunteer Fire Department will continue to respond to the area after annexation. The level of staff available from the City of Lampasas Fire Department will be consistent with the existing level for staffing as provided for current City residents upon the effective date of the annexation. Primary fire response will be provided by the Fire Station located at 1107 East 4th Street. Adequate fire suppression activities can be afforded to the annexed area within the current budget appropriation. Fire prevention activities will be provided by the Fire Marshal's office, as needed.

POLICE

Existing Services: Currently, the area to be annexed is under the jurisdiction of the Lampasas County Sheriff's Department.

Services to be Provided: Upon annexation, the City of Lampasas Police Department will extend regular and routine patrols to the area. Law enforcement protection will be provided to this area in the same manner as it is currently provided to other similarly situated land within the corporate limits of the City. It is anticipated that the implementation of police patrol activities can be effectively accommodated within the current budget and staff appropriation.

EMERGENCY MEDICAL SERVICE

Existing: Emergency medical services to the area to be annexed are provided through a contracted provider administered by Lampasas County.

Services to be provided: The City of Lampasas does not provide emergency medical services. First responders from the Lampasas Fire Department/Lampasas Volunteer Fire Department will continue to respond to medical calls and assist the Lampasas County contracted emergency medical services provider. Emergency medical services will continue to be available to the area upon annexation through the contracted provider administered by Lampasas County.

BUILDING INSPECTION

Existing Services: Provide limited electrical and plumbing inspection services.

Services to be Provided: The Building and Planning Department will provide permit and inspection services upon the effective date of annexation. This includes issuing building, electrical and plumbing permits for any new construction and remodeling, and enforcing all other applicable codes which regulate building construction within the City of Lampasas.

PLANNING AND ZONING

Existing Services: None.

Services to be Provided: The Building and Planning Department's responsibility for regulating development and land use through the administration of the City of Lampasas Zoning Ordinance will extend to this area on the effective date of the annexation. The property will also continue to be regulated under the requirements of the City of Lampasas Subdivision Ordinance. These services can be provided within the department's current staff and appropriation plans and/or budget.

ENVIRONMENTAL HEALTH CODE ENFORCEMENT SERVICES

Existing Services: Lampasas County currently provides all county level health regulations and services applicable to the property.

Services to be Provided: Enforcement of the City of Lampasas' health and sanitation ordinances and regulations, including but not limited to, weed and brush ordinances, junked and abandoned vehicles ordinances and animal control ordinances, shall begin within these areas within sixty (60) days of the effective date of the annexation. These services can be provided within the department's current staff and appropriation plans and/or budget. Lampasas County will continue to enforce all county level health regulations and services applicable to the property, after annexation, pursuant to applicable State and local laws.

LIBRARY

Existing Services: Currently, the Public Library is open to county residents with increased user fees for services provided.

Services to be Provided: City resident fees will be applied for library use privileges and will be available to anyone residing in this area. These services can be provided within the department's current staff and appropriation plans and/or budget.

PARKS AND RECREATION

Existing Services: Currently, Park and Recreation facilities are open to all area citizens. Local associations and locally sponsored recreational events receive priority use of facilities.

Services to be Provided: Park and Recreation facilities will be available to with no difference in services or costs provided to existing City residents, upon the effective date of annexation.

STREET

Existing Services: The property is adjacent to and accessed by Texas FM 580, which is a State of Texas roadway. No other roadways abut or serve the property. The State of Texas maintains the roadway and rights of way. The adjacent roadway is already within the corporate boundaries.

Services to be Provided: Street maintenance to the publicly owned street rights-of-way, not including state owned and maintained rights-of-way, will be provided by the City, upon the effective date of the annexation. Routine maintenance will be scheduled as part of the City's annual street maintenance program in accordance with the current policies and procedures. A monthly street maintenance fee will be applied within thirty (30) days of the effective date of annexation, the same rate structure as that of the existing City residents will be applied.

STORM WATER MANAGEMENT

Existing Services: State of Texas Road and Drainage Maintenance; Lampasas County

Services to be Provided: The City of Lampasas Street Department will provide maintenance on any existing drainage system that falls under the City's responsibilities, i.e., those not maintained by the State of Texas, upon the effective date of annexation. Routine maintenance will be scheduled as part of the City's annual street maintenance program in accordance with current policies and procedures. Developer will provide storm water drainage at its own expense and the plans for same will be inspected by the City Engineers at time of completion. The City will then maintain the public drainage facilities associated with the annexed area, if any, upon approval and dedication to the City.

ELECTRIC SERVICE

Existing Services: Currently, the City of Lampasas serves electrical power to the area to be annexed for a fee that is greater than that of the residents of the City.

Services to be Provided: The City of Lampasas will continue to provide electric service to the annexed area. Within thirty (30) days of the effective date of annexation, the same rate structure as similarly situated users/properties within the City limits will be applied.

STREET LIGHTING

Existing Service: None

Services to be Provided: The City of Lampasas will coordinate any request for improved street lighting in accordance with standard policy and as plans, appropriations and budget allow.

TRAFFIC ENGINEERING

Existing Services: Roadway signage as provided by the State of Texas; and Lampasas County.

Services to be Provided: The City's Street Department will be able to provide, after the effective date of annexation, any additional traffic control devices as may be necessary for safety and traffic control of the annexed property not including state owned and maintained roadways or rights-of-way. If necessary, the Building Official will provide all properties involved with City street designations and numeric addresses that comply with the City's street system, within 90 days of the effective date of annexation.

WATER SERVICE

Existing Services: The City of Lampasas currently provides public water supply system to the property at an out of city rate as established by the City's fee schedule.

Services to be Provided: The City of Lampasas public water supply will continue to provide water service to the area in accordance with the applicable codes, fees and City policy. After annexation, water service shall be provided in accordance with extension ordinances and City policies applicable to in-city properties. Extension of service, if any new ones are required in the future, shall comply with City codes and ordinances and State law. Within thirty (30) days of the effective date of annexation, the same rate structure as that of the similarly situated properties within the City limits will be applied.

SANITARY SEWER SERVICE

Existing Services: The property is currently not served by the City of Lampasas sanitary sewer system.

Services to be Provided:

Sanitary sewer service to the area of proposed annexation will be provided in accordance with applicable City codes and departmental policy. When property develops in the area, sanitary

sewer service shall be handled in accordance with the present policies, codes and ordinances that apply to all residents of the City.

SOLID WASTE SERVICES

Existing Services: Rural service providers.

Service to be Provided: Solid waste collection services will be made available to the area of annexation in accordance with the City's present ordinance, fee schedule and agreement with solid waste providers as those agreements apply to the businesses and residents in the annexed area. Solid waste collection services will be administered in accordance with section 43.056 of the Texas Local Government Code.

MISCELLANEOUS

All other applicable municipal services will be provided to the newly annexed area in accordance with the City of Lampasas' established policies governing extension of municipal services to newly annexed areas.

CAPITAL IMPROVEMENTS, AVAILABILITY AND LEVEL OF SERVICE

The annexed area will be included with all other areas of the City for future planning for any new or expanded facilities, functions, and services to be funded by future capital improvements programs. The priorities assigned by these plans are driven by a desire to maintain an equitable level of service to all areas of the City with the same population density, land used and topography characteristics. Nothing in this plan shall require the city to provide a uniform level of municipal services to each area of the city, including the annexed area, if different characteristics of topography, land use, and population density are considered a sufficient basis for providing different levels of service.

Exhibit B

DEVELOPER'S PUBLIC IMPROVEMENTS

Preliminary Engineer's Opinion of Probable Construction Cost

Hillside Acres Subdivision

Prepared For: MD Homes

Prepared By: Eckermann Engineering, Inc.

TBPE Firm No. F-10496

April 9, 2021

Phase I

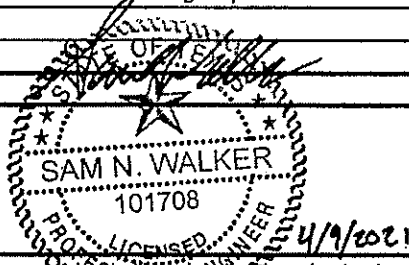
Item No.	Description	Unit	Contractor Cost	% Complete	Remaining Construction Cost
1	Construction Entrance	LS	\$ 2,400.00	100%	\$0
2	Rough Cut Roads, Ditches, and Pond	LS	\$ 108,739.00	100%	\$0
3	Water Improvements	LS	\$ 161,616.00	100%	\$0
4	Roadway - Subgrade	LS	\$ 24,380.00	100%	\$0
5	Roadway - Base (6-inches)	LS	\$ 44,200.00	100%	\$0
6	Roadway - Asphalt Pavement	LS	\$ 30,392.00	100%	\$0
7	Detention Pond - Topsoil	LS	\$ 21,000.00	100%	\$0
8	Detention Pond - Drainage Pipe and Structures	LS	\$ 39,765.00	100%	\$0
Phase I Balance Remaining:					\$0

Phase II (Combined Phase II and III)

Item No.	Description	Unit	Contractor Cost	% Complete	Remaining Construction Cost
1	Construction Entrance	LS	\$ 2,400.00	100%	\$0
2	Rough Cut Roads, Ditches, and Pond	LS	\$ 62,082.00	90%	\$6,208
3	Water Improvements	LS	\$ 90,909.00	0%	\$90,909
4	Roadway - Subgrade	LS	\$ 37,866.00	90%	\$3,787
5	Roadway - Base (6-inches)	LS	\$ 81,250.00	0%	\$81,250
6	Roadway - Asphalt Pavement	LS	\$ 43,674.00	0%	\$43,674
7	Detention Pond - Topsoil	LS	\$ 9,500.00	0%	\$9,500
8	Detention Pond - Drainage Pipe and Structures	LS	\$ 56,548.00	25%	\$42,411
Phase II Balance Remaining:					\$277,739

Sub-total: **\$277,739**

Total Construction Cost Remaining: \$277,739



* Costs do not include fees associated with engineering, surveying, legal services, easement acquisition, or private single-family home lot lot improvements.

* Contractor Costs provided are based on Estimate #1142 and #1143 from Demarick Corporation, dated 1/23/2020. (Attached)

* Electrical extensions/services to be provided by the City of Lampasas and therefore have not been included in the above summary.

* The Engineer has no control over the cost of labor, materials, equipment, contractor's methods of determining prices, competitive bidding, or market conditions. Estimates of Probable Construction Costs, as provided herein are approximate, and compiled on the basis of the Engineer's experience and qualifications which represents the Engineer's judgement as a design professional familiar with the construction industry. The Engineer cannot and does not guarantee that the proposals, bids, or actual construction costs will not vary from these estimates of probably costs prepared for the owner or intended recipient of this document.

Demarick Corporation
1875 FM 3170
KEMPNER, TX 76539
(254) 290-4575
demarickcorp@gmail.com
www.demarick.com



Demarick Corporation
Site Work & Utility Installation

Estimate

ADDRESS

Matt McDonald
Hillside Acres Phase One
580 West
Lampasas, TX 76550

ESTIMATE # 1142

DATE 01/23/2020

ACTIVITY	AMOUNT
Construction Entrance	2,400.00
Rough cut roads, bar ditches, channels, and detention pond	108,739.00 ✓
Water	161,616.00
Final subgrade	24,380.00 ✓
Base: 6" thick	44,200.00
Asphalt	30,392.00
Detention pond: topsoil only. No grass, seed, or watering included.	21,000.00 ✓
Detention pond wall, pipes for road crossing and end treatments (includes rip rap)	39,765.00 ✓

NOTE: There will be an additional cost for rock and ground water in excess. No SWPPP or silt fence included*

TOTAL

\$432,492.00

Accepted By

Accepted Date

Thank you for your Business!

Demarick Corporation
1875 FM 3170
KEMPNER, TX 76539
(254) 290-4575
demarickcorp@gmail.com
www.demarick.com



Demarick Corporation
Site Work & Utility Installation

Estimate

ADDRESS

Matt McDonald
Hillside Acres Phase Two &
Three (combined as phase 2
total)
580 West
Lampasas, TX 76550

ESTIMATE # 1143

DATE 01/23/2020

ACTIVITY	AMOUNT
Construction entrance	2,400.00 ✓
Rough cut subgrade & road and detention pond	62,082.00 ✓
Water	90,909.00
Final subgrade	37,866.00 ✓
Base: 6"	81,250.00
Asphalt: 1 1/2"	43,674.00
Detention pond wall / rip rap / pipe / junction box / headwall	56,548.00 ✓
Topsoil for point only, No grass, seed, or water included	9,500.00 ✓

NOTE: There will be additional cost for rock or ground water in excess. No SWPPP or silt fence included.

TOTAL

\$384,229.00

Accepted By

Accepted Date

Thank you for your Business!

EXHIBIT C

Site Work Agreement

**MD HOMES, LLC'S AGREEMENT WITH THE CITY
OF LAMPASAS, TEXAS, REGARDING
DEVELOPMENT SITE WORK FOR HILLSIDE
ACRES SUBDIVISION PRIOR TO FINAL
SUBDIVISION AND DEVELOPMENT
AGREEMENT APPROVALS FROM THE CITY**

MD Homes, LLC, a private land developer with a business address at 101 North Summer Street, Lampasas, Texas ("MD," "MD Homes" or "Developer") is the Owner of approximately 36.76 acres of certain real property ("Property") which is located in the Extraterritorial Jurisdiction ("ETJ") of the City of Lampasas, Texas, ("City"). The City has annexation and development authority over the Property at this time.

MD is in the process of planning the development of a large, single-family residential subdivision on the Property, i.e., the Subdivision Project. As a part of the Subdivision Project, the City Council, City Manager and staff are working with the Developers on matters related to voluntary annexation of the Property, future planning related to the Subdivision, installation of both public and private infrastructure, as well as discussions regarding certain economic incentives pertaining to the Project, which will be memorialized in a future Development Agreement. These discussions are complex and will require additional time for negotiations, as well as time for processing, hearings and considerations by and before various City staff members, engineers, commissions, boards and the Council.

Nevertheless, Developer has expressed a strong desire to commence certain preliminary site work on the Property in preparation for its future development of the Subdivision Project ("Site Work"), even prior to any approval by the City staff, engineers, council commissions or boards and, accordingly, has asked the City to enter into this written agreement to allow such Site Work to be done by Developer at its sole expense, risk and liability, prior to obtaining the City's Final Plat Approval, including civil and utility plan approvals, as well as prior to agreement of terms and execution of a Development Agreement between MD Homes and the City. ("Site Work Agreement") MD Homes agrees and understands that this Site Work Agreement is, in no way, and may not be inferred or interpreted by any entity to be a waiver of the City's permit requirements, building code requirements or utility requirements for the Subdivision. Further, MD Homes understands and agrees that in the event the Subdivision is, for any reason, not approved on Final Platting, or if requirements of the Final Plat are not acceptable to MD Homes, or if any of the terms and obligations set forth in the Development Agreement are not agreed to by the Parties, all discussions and agreements, including all provisions of this Site Work Agreement shall be void, *ab initio*, and in such case, the City shall have no responsibility for any direct or indirect costs incurred by MD Homes for its site development activities conducted under terms of this Site Work Agreement.

After consideration of this request from Developer, the City has determined that it will agree to allow the Developer to undertake the Site Work identified on Exhibit "A," ("Permitted Activities")

upon MD Home's LLC's acknowledgement and agreement that it is **PROCEEDING IN THESE ACTIVITIES AT ITS SOLE RISK** and following issuance of a site development permit issued for all such Site Work activities by the City, and further, it demonstrates its concurrence to same by agreeing to the **WIAVER OF LIABILITY, INDEMNITY AND HOLD HARMLESS provisions contained herein below and** by executing same.

NOW THEREFORE, in consideration of the mutual promises and agreements contained herein, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

I. 'PERMITTED ACTIVITIES'

City hereby consents to and authorizes MD Homes, LLC, its employees, agents, contractors, and subcontractors to enter upon the Property and perform certain site development work related to the Project AT ITS SOLE RISK. Such Project site work activities are referred to herein as the "Permitted Activities." See Exhibit "A".

II. WAIVER AND RELEASE

WAIVER AND RELEASE OF THE CITY OF LAMPASAS ,TEXAS BY MD HOMES, LLC. IN CONSIDERATION FOR THE MUTUAL COVENANTS, OBLIGATIONS, AND RELEASES EXCHANGED HEREIN, MD HOMES, LLC, AND ITS AGENTS, CONTRACTORS, SUBCONTRACTORS, EMPLOYEES, WORKERS, REPRESENTATIVES, INSURERS, ATTORNEYS, HEIRS, SUCCESSORS, AND ASSIGNS, EXPRESSLY WAIVE ANY AND ALL CLAIMS AND RELEASE, ACQUIT, AND FOREVER DISCHARGE THE CITY AND ALL OF ITS PAST, PRESENT AND FUTURE OFFICERS, EMPLOYEES, AGENTS, SERVANTS, REPRESENTATIVES, INSURERS, ATTORNEYS, AFFILIATES, PREDECESSORS, SUCCESSORS IN INTEREST, AND ALL OTHER PERSONS, FIRMS, OR ENTITIES WITH WHOM ANY OF THE FORMER HAVE BEEN, OR MAY HEREAFTER BE AFFILIATED, FROM ANY AND ALL PAST, PRESENT, OR FUTURE ACTIONS, CAUSES OF ACTION, CLAIMS, DEMANDS, LEGAL THEORIES, OBLIGATIONS, RIGHTS, DAMAGES, COSTS, ATTORNEY'S FEES, EXPENSES AND ANY COMPENSATION WHATSOEVER, WHETHER BASED ON A TORT, CONTRACT, STATUTORY, OR ANY OTHER LEGAL THEORY, AND WHETHER FOR ACTUAL, COMPENSATORY, PUNITIVE, EXEMPLARY, OR STATUTORY DAMAGES, SUBROGATION OR INDEMNIFICATION, WHICH MD HOMES, LLC MAY NOW HAVE, OR MAY HEREAFTER BE ACQUIRED, THAT WERE OR COULD HAVE BEEN THE SUBJECT OF OR RELATED TO THE SITE WORK AND/OR PERMITTED ACTIVITIES FOR THE PROJECT, AND OF MD HOMES LLC'S PRE-APPROVAL WORK AT THE SITE, THE CONDITION OF THE PROJECT SITE OR ANY OTHER WORK DONE BY MD HOMES, LLC THEREON PRIOR TO OR WITHOUT CITY APPROVAL IF REQUIRID, RESULTING FROM THE MD HOME LLC'S ACTIVITIES RELATED TO OR ACTUALLY RESULTING FROM THE PROJECT WHICH ARE UNDERTAKEN PRIOR TO ENTERING INTO A FINAL DEVELOPMENT AGREEMENT WITH THE CITY AND/OR UNDERTAKEN PRIOR TO REVIEW AND PROCESSING OF

DEVELOPMENT PLANS, PLAT AND APPROVAL OF SAME BY THE CITY. THIS WAIVER AND RELEASE SHALL BE FULLY BINDING ON ALL PARTIES REPRESENTED BY, FORMERLY REPRESENTED BY, OR CLAIMING THROUGH THE PARTIES.

III. HOLD HARMLESS

MD Homes, LLC agrees to SAVE AND HOLD HARMLESS the City of Lampasas, Texas, its officers, directors, agents and employees from any or all claims or causes of action arising from the actions or omissions of the City, its officers, directors, agents, and employees while carrying out any and all activities, whether related to any Permitted Activity or other, while MD Homes LLC undertakes pre-approval Site work on its Project. MD Homes, LLC agrees to SAVE AND HOLD HARMLESS the City, its officers, directors, agents and employees from any or all claims or causes of action arising specifically from any claim or cause related to how MD Homes LLC's pre-approval Site work functions with its Subdivision Development plans as ultimately designed under City standards and regulations and/or as finally agreed and approval by the City, after evaluation, review and processing by the City's staff, engineer, council commissions and boards.

It is specifically acknowledged and agreed by MD Homes LLC that any and all future failure of MD Homes LLC's pre-approval Site work to harmonize or work successfully with MD Homes LLC's post-City approval Project plans shall be the sole responsibility of MD Homes LLC and its owners and the City shall have no responsibilities, or obligations to remedy or resolve same, other than to work with the Developer if Developer attempts to identify work that it may do, at Developer's sole cost, to remedy such issues, if any occur.

III. AMENDMENT OR WAIVER

This Site Work Agreement may not be amended, modified, waived, or altered in any way except by an instrument in writing executed by the Parties hereto.

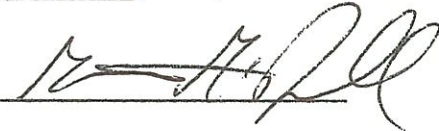
IV. GOVERNING LAW/ SEVERABILITY/ BINDING EFFECT

This Site Work Agreement is made under the laws of the State of Texas and shall be construed by and governed in accordance with the laws of the State of Texas. In case any one or more of the provisions contained in this Site Work Agreement shall be deemed invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein will not in any way be affected or impaired thereby.

This Site Work Agreement shall be binding upon and shall inure to the benefits of the Parties hereon and their respective successors and assigns.


IN WITNESS WHEREFORE, the Parties hereto have executed this Site Work Agreement to be effective as of the latest date (the "Effective Date") opposite the signature lines below.

Executed this 6 day of November, 2020,

MD Homes, LLC : 

By: Matt McDonald / Co-owner
[Name and title]

THE CITY OF LAMPASAS

By: 
Finley DeGraffenried, City Manager

Date: 11/6, 2020



Pre-Site Work Requirements

- City of Lampasas Grading/Site Work Permit
- TCEQ SWPPP Permit
- TxDOT Access/Curb Cut Permit (if required)
- Lampasas County Burn Permit (if landscaped material will be burned on-site)

Permitted Activities

- Grading
- Excavation
- Site Prep/Leveling
- Compaction
- Drainage/Detention Ponds
- Land Clearing
- Installation of underground utilities
- Earthwork necessary for vehicular circulation; specifically streets and cul-de-sac.

Exhibit D

Irrevocable Letter of Credit

**FIRST STATE BANK OF BURNET
P.O. BOX 10
BURNET, TEXAS 78611**

IRREVOCABLE LETTER OF CREDIT # 222 MAY 6, 2021

APPLICANT: HILLSIDE ACRES SUBDIVISION
 ATTN: MATT MCDONALD , AUTHORIZED AGENT OF MD HOMES
 101 N SUMMER
 LAMPASAS, TEXAS 76550

SOLE BENEFICIARY: CITY OF LAMPASAS, TEXAS
 ATTN: FINLEY DEGRAFFENRIED, CITY MANAGER
 312 EAST THIRD STREET
 LAMPASAS, TEXAS 76550

AMOUNT: US \$277,739.00. (TWO HUNDRED, SEVENTY SEVEN THOUSAND,
 SEVEN HUNDRED THIRTY NINE AND 00/100'S US DOLLARS) 110%
 OF ENGINEER'S OPINION OF PROBABLE CONSTRUCTION COSTS
 FOR INFRASTRUCTURE STATED IN EXHIBIT "A"

EXPIRATION DATE: *ON OR BEFORE MAY 6, 2023: PROVIDED HOWEVER THIS
IRREVOCABLE LETTER OF CREDIT SHALL AUTOMATICALLY
RENEW ANNUALLY, ON THE ANNIVERSARY OF THE DATE SHOWN
ABOVE, UNTIL SUCH TIME AS THE CITY OF LAMPASAS AFFIRMS, IN
WRITING PROVIDED TO THE FIRST STATE BANK OF BURNET, THAT
ALL OBLIGATIONS OF MD HOMES HAVE BEEN MET, PURSUANT TO
THE FULLY EXECUTED DEVELOPMENT AGREEMENT, BY AND
BETWEEN MD HOMES AND THE CITY, DATED MAY 7, 2021.*

LET IT BE KNOWN TO ALL PERSONS PRESENT:

WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. 222
IN THE CITY OF LAMPASAS' FAVOR AS SOLE BENEFICIARY, IN THE AGGREGATE SUM
OF \$277,739.00 US DOLLARS, EXPIRING NO SOONER THAN THE EXPIRATION DATE
STATED ABOVE, AT THE COUNTERS OF FIRST STATE BANK OF BURNET, AVAILABLE
BY PAYMENT AGAINST YOUR DRAFT(S), PARTIAL OR TOTAL, DRAWN ON US AT
SIGHT ACCOMPANIED BY:

1. A STATEMENT DATED AND SIGNED BY AN AUTHORIZED OFFICIAL OF
 THE CITY OF LAMPASAS, TEXAS, SIGNING AS SUCH AND SWORN TO
 BEFORE A NOTARY PUBLIC STATING THAT:

- A. “WE/I HEREBY CERTIFY THAT THE FUNDS DRAWN UNDER LETTER OF CREDIT # 222 ISSUED BY FIRST STATE BANK OF BURNET ARE DUE BY REASON OF FAILURE TO COMPLETE CERTAIN ELEMENTS OF THE HILLSIDE ACRE’S (“SUBDIVISION”) DEVELOPMENT AGREEMENT BY AND BETWEEN IT AND THE CITY OF LAMPASAS, TEXAS, SETTING FORTH THE DEVELOPER’S OBLIGATIONS FOR CONSTRUCTION OF INFRASTRUCTURE NECESSARY TO SERVE THE SUBDIVISION, AS REQUIRED BY THE CITY OF LAMPASAS, ITS CODE OF ORDINANCES AND STATE LAW, SAID IMPROVEMENTS BEING DESCRIBED BY THAT ENGINEER’S “OPINION OF PROBABLE CONSTRUCTION COSTS FOR THE “HILLSIDE ACRES SUBDIVISION” DATED APRIL 9, 2021, SIGNED BY SAM N WALKER # 101708, P.E.;" AND THAT AT LEAST TEN (10) BUSINESS DAYS IN ADVANCE OF ITS PRESENTATION OF THE SIGHT DRAFT FOR PAYMENT, THE CITY OF LAMPASAS HAS PROVIDED TO THE APPLICANT, BY HAND DELIVERY, DELIVERY SERVICE OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, NOTICE OF THE CITY’S INTENTION TO DRAW FUNDS ON THIS LETTER OF CREDIT,” OR
- B. WE HEREBY CERTIFY THAT WE HAVE RECEIVED A NOTICE OF NON-EXTENSION OR TERMINATION OF LETTER OF CREDIT #222, ISSUED BY FIRST STATE BANK OF BURNET TO THE CURRENT EXPIRATION DATE OF MAY 6, 2023, THAT HILLSIDE’S OBLIGATIONS TO THE CITY REMAIN OUTSTANDING AND THAT WE HAVE NOT RECEIVED A REPLACEMENT LETTER OF CREDIT IN A FORM ACCEPTABLE TO US;”

2. THE ORIGINAL OF THIS LETTER OF CREDIT.

SPECIAL CONDITIONS:

PARTIAL DRAWS ARE ACCEPTABLE, IN SUCH AMOUNT AS NECESSARY TO COMPLETE INSTALLATION OF ITEMS SPECIFIED BY THE ENGINEER’S “OPINION OF PROBABLE CONSTRUCTION COSTS FOR “HILLSIDE ACRES” AS SHOWN IN EXHIBIT “A,” AND FOR THOSE COMPONENTS INDICATED IN THE NOTICE TO THE DEVELOPER TO BE CONSTRUCTED WITH DRAWN FUNDS, IN EACH INSTANCE OF A PARTIAL DRAW AGAINST THE LETTER OF CREDIT. IN THE EVENT OF A PARTIAL DRAW BY THE CITY, THE ORIGINAL LETTER OF CREDIT WILL BE ENDORSED AND RETURNED TO THE CITY, UNLESS THE LETTER OF CREDIT HAS EXPIRED OR THE AMOUNT AVAILABLE IS REDUCED TO ZERO BY THE DRAW MADE BY THE CITY.

DRAFTS DRAWN UNDER THIS LETTER OF CREDIT MUST BE MARKED “DRAWN UNDER IRREVOCABLE STANDBY LETTER OR CREDIT #222 , ISSUED BY FIRST STATE BANK OF BURNET.”

WE HEREBY REPRESENT TO YOU THAT DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT WILL BE DULY HONORED UPON PRESENTATION AT OUR OFFICE AT 136 EAST WASHINGTON,

Hillside Acres Performance Letter of Credit

BURNET, TEXAS 78611 BY COURIER OR CERTIFIED MAIL, ON OR BEFORE THE EXPIRATION DATE AS SPECIFIED ABOVE.

PLEASE MAIL ALL DRAWS AND/OR CORRESPONDENCE IN CONNECTION WITH THIS STANDBY LETTER OF CREDIT TO OUR OFFICE:

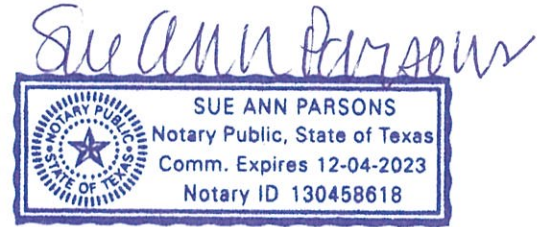
FIRST STATE BANK OF BURNET
P.O. BOX 10
BURNET, TEXAS 78611

THIS LETTER OF CREDIT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS WITHOUT REGARD TO PRINCIPLES OR CONFLICT OF LAWS, AND SHALL BE PERFORMABLE IN BURNET COUNTY, TEXAS.

VERY TRULY YOURS,

FIRST STATE BANK OF BURNET

BY: *Matt Kelley*
MATT KELLEY, PRESIDENT



ACCEPTED
CITY OF LAMPASAS

BY: *Finley de Graffenried*
FINLEY de GRAFFENRIED, CITY MANAGER

DATE: May 10, 2021

EXCEPT SO FAR AS IS OTHERWISE EXPRESSLY STATED, THIS DOCUMENTARY CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS, 2007 REVISION, INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION No. 600.

***NOTE: IF THERE ARE ANY QUESTIONS IN REGARD TO ANY INFORMATION WITHING THIS LETTER OF CREDIT, PLEASE CONTACT MATT KELLEY, PRESIDENT, AT 512/756-2191 OR SUE ANN PARSONS, VICE PRESIDENT AT 512/556-5466 saparsons@fsbburnet.com.

Preliminary Engineer's Opinion of Probable Construction Cost
Hillside Acres Subdivision
Prepared For: MD Homes
Prepared By: Eckermann Engineering, Inc.
TBPE Firm No. F-10496
April 9, 2021

Phase I

Item No.	Description	Unit	Contractor Cost	% Complete	Remaining Construction Cost
1	Construction Entrance	LS	\$ 2,400.00	100%	\$0
2	Rough Cut Roads, Ditches, and Pond	LS	\$ 108,739.00	100%	\$0
3	Water Improvements	LS	\$ 161,616.00	100%	\$0
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7	Detention Pond - Topsoil	LS	\$ 21,000.00	100%	\$0
8	Detention Pond - Drainage Pipe and Structures	LS	\$ 39,765.00	100%	\$0
Phase I Balance Remaining:					\$0

Phase II (Combined Phase II and III)

item No.	Description	Unit	Contractor Cost	% Complete	Remaining Construction Cost
1	Construction Entrance	LS	\$ 2,400.00	100%	\$0
2	Rough Cut Roads, Ditches, and Pond	LS	\$ 62,082.00	0%	\$6,208
3	Water Improvements	LS	\$ 90,909.00	0%	\$90,909
4	Roadway - Subgrade	LS	\$ 37,866.00	90%	\$3,787
5	Roadway - Base (6-inches)	LS	\$ 81,250.00	0%	\$81,250
6	Roadway - Asphalt Pavement	LS	\$ 43,674.00	0%	\$43,674
7	Detention Pond - Topsoil	LS	\$ 9,500.00	0%	\$9,500
8	Detention Pond - Drainage Pipe and Structures	LS	\$ 56,548.00	25%	\$42,411
Phase II Balance Remaining:					\$277,739

Sub-total: \$277,739

Total of **\$277,739**

Total Construction Cost Remaining:

Costs do not include fees associated with surveying, legal services, easement acquisition, or private single-family home lot improvements.

Contractor Costs provided are based on #1142 and #1143 from Demarick Corporation, dated 1/23/2020. (Attached)

Electrical extensions/services to be provided by the City of Lampasas and therefore have not been included in the above summary.

* The Engineer has no control over the cost of labor, materials, equipment, contractor's methods of determining prices, competitive bidding, or market conditions. Estimates of Probable Construction Costs, as provided herein are approximate, and compiled on the basis of the Engineer's experience and qualifications which represents the Engineer's judgement as a design professional familiar with the construction industry. The Engineer cannot and does not guarantee that the proposals, bids, or actual construction costs will not vary from these estimates of probable costs prepared for the owner or intended recipient of this document.

NOTARY PUBLIC RECORD BOOK
LAMPASAS COUNTY, STATE OF TEXAS

NOTARIZATION DATE/TIME May 6, 2021 9:30 am

DATE OF DOCUMENT May 6, 2021

DESCRIPTION OF DOCUMENT Hillside Acres Subdivision
Letter of Credit # 222

SIGNER'S NAME Matthew Kelley

SIGNER'S ADDRESS PO Box 10, Burnet, Tx 78611

SIGNER'S PHONE NUMBER (512) 756-2191

TYPE OF IDENTIFICATION Known -

(IF NEEDED)

SIGNER'S SIGNATURE  DATE 5-6-21

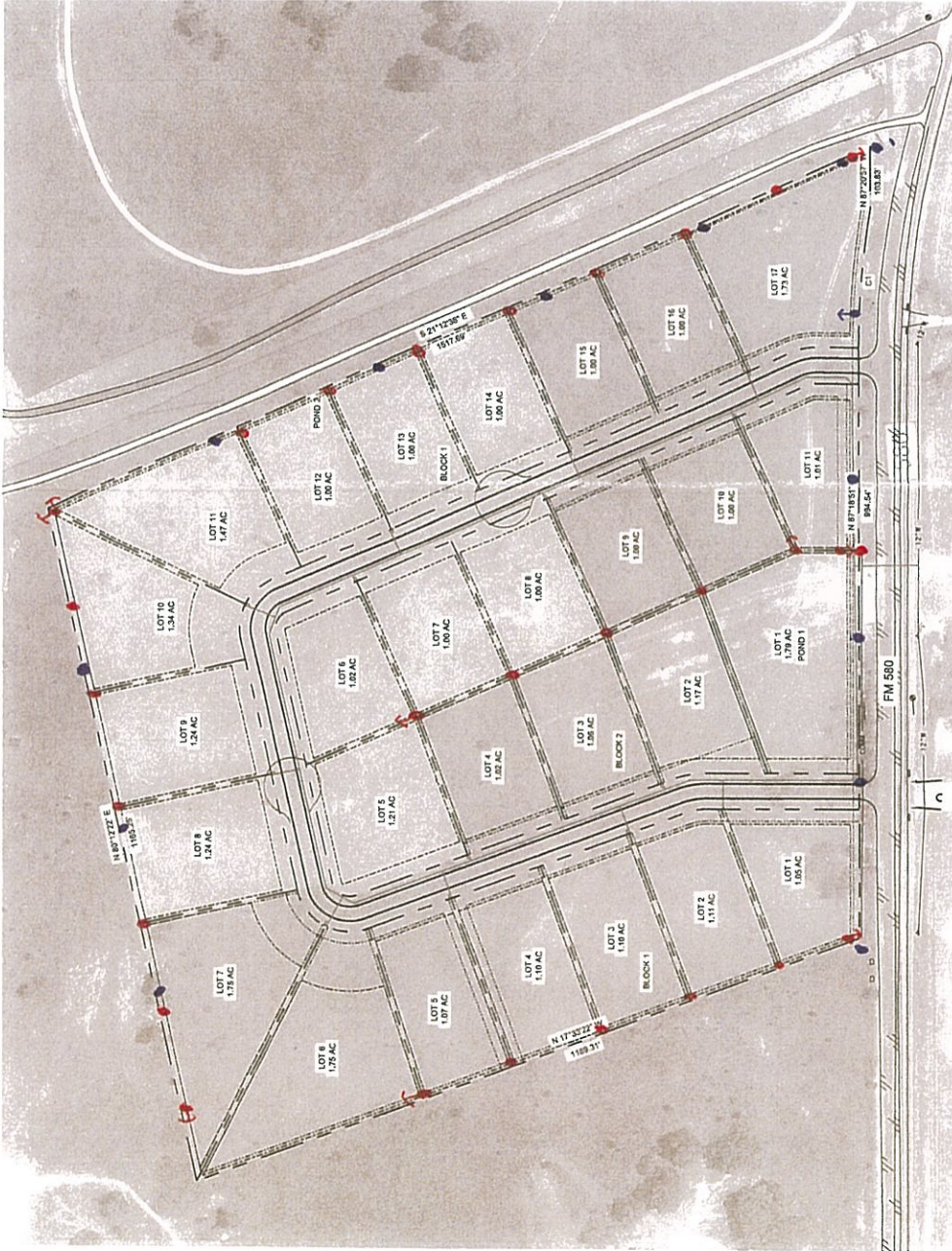
NOTARY'S NAME Sue Ann Parsons

NOTARY'S SIGNATURE  DATE May 6, 2021

Exhibit E

Electric Service Plan and Cost

Electric



- LEGEND:**
- PROPERTY LINE
 - PROPERTY LOT LINE
 - BUILDING SETBACK
 - WATER LINE
 - SEWER LINE
 - PHASE I
 - PHASE II
 - PHASE III

- NOTES:**
1. EXHIBIT FOR PLANNING PURPOSES ONLY. NOT FOR CONSTRUCTION.
 2. ALL LOTS SHALL BE AT LEAST 7.5 FEET WIDE AND SHALL HAVE A MINIMUM 30 FEET FRONT YARD SETBACK FROM THE ADJACENT PROPERTY LINE.
 3. LOTS SHALL NOT BE PERMITTED TO FURTHER SUBDIVIDE INTO SMALLER LOTS.
- PHASING PLAN:**
- PHASE I: CONSTRUCT POND ON BLOCK 2, LOT 8. INSTALL WATER LINES FOR PHASE I LOTS AND SEWER LINES FOR PHASE I LOTS. CONSTRUCT ROADSIDE ENTRIES AND DELIVERS TO DRIVE TO POND.
- PHASE II: CONSTRUCT POND ON BLOCK 1, LOT 13. INSTALL WATER LINES FOR PHASE II LOTS AND SEWER LINES FOR PHASE II LOTS. CONSTRUCT ROADSIDE ENTRIES AND DELIVERS TO DRIVE TO POND.
- PHASE III: CONSTRUCT POND ON BLOCK 3, LOT 1. INSTALL WATER LINES FOR PHASE III LOTS AND SEWER LINES FOR PHASE III LOTS. CONSTRUCT ROADSIDE ENTRIES AND DELIVERS TO DRIVE TO POND.

36+ ACRES
27 Homes
Septic

- - new poles
- - existing poles

Existing poles are not on property lines and will need to be relocated with new poles looks like the west entrance will need to be adjusted so not to move the feeder line pole No street lights will be available

Across From 580 SPORTS PARK

PRELIMINARY
FOR INTERIM REVIEW ONLY
THIS PLAN IS NOT TO BE USED FOR CONSTRUCTION
IT IS THE RESPONSIBILITY OF THE CLIENT TO VERIFY ALL INFORMATION
AND TO OBTAIN ALL NECESSARY PERMITS AND APPROVALS
DATE: 1/31/2019
BY: [Signature]

N
SCALE: 1"=100'
(ON 22" X 34" SHEET)

MD HOMES
FM 580 SUBDIVISION
PHASING PLAN
JANUARY 31, 2019

202 SPRING HO AVENUE
LAMPASAS, TEXAS 76550
PHONE: 512-556-8160
TBPE FIRM NO. F-10496



