CITY POINT PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT ZONE B CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT

THIS CITY POINT PUBLIC IMPROVEMENT DISTRICT IMPROVEMENT ZONE B CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT (this "Agreement"), dated as of December 9, 2019 is by and between the **CITY OF NORTH RICHLAND HILLS, TEXAS**, a home-rule municipality of the State of Texas (the "City"), and **MM CITY POINT 53 , LLC**, a Texas limited liability company, (the "Developer"). The Developer and the City are sometimes individually referred to as a "Party" and collectively as the "Parties."

ARTICLE I
DEFINITIONS

The following terms shall have the meanings ascribed to them in this Article I for purposes of this Agreement. Unless otherwise indicated, any other terms, capitalized or not, when used herein shall have the meanings ascribed to them in the Indenture (as hereinafter defined).

"Act" means the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended.

"Actual Costs" means the costs of the Authorized Improvements actually paid or incurred for construction and installation of the Authorized Improvements.

"Administrator" means, initially, P3Works, LLC, or any other individual or entity designated by the City to administer the District.

"Affiliate" means any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

"Annual Service Plan Update" means the annual update to the Service and Assessment Plan conducted by the Administrator pursuant to the Service and Assessment Plan.

"Authorized Improvements" means improvements authorized by Section 372.003 of the Act, including those listed in Section III of the Service and Assessment Plan benefitting Improvement Zone B. An individual Authorized Improvement, including a completed segment or part, shall be referred to as an **Authorized Improvement**.

"Bond Ordinance" means the ordinance adopted by the City Council on December 9, 2019 authorizing the issuance of the Bonds pursuant to the Indenture.

"Bonds" means the City's bonds designated "City of North Richland Hills, Texas, Special Assessment Revenue Bonds, Series 2019 (City Point Public Improvement District Improvement Zone B Project)".

"Budgeted Costs" means the anticipated, agreed upon costs of the Authorized Improvement as shown in Section III of the Service and Assessment Plan.

"Certification for Payment" means a certificate, substantially in the form attached as Exhibit H of the Development Agreement or otherwise agreed to by the Developer, the Administrator and the City Representative, executed by the Developer, as approved by the City Representative, provided no more frequently than once per month to the City Representative and the Trustee, specifying the amount of work performed and the amount charged for that work, including materials and labor costs, presented to the Trustee to request payment from the Improvement Zone B Public Improvement Account of the Project Fund for Actual Costs of Authorized Improvements that have been paid by the Developer under the Indenture.

"City Representative" means that official or agent of the City authorized by the City Council to undertake the action referenced herein. As of the date hereof, the Finance Director, the City Manager, and/or designees are the authorized City Representatives.

"Closing Disbursement Request" means the certificate, substantially in the form of Exhibit I of the Development Agreement or otherwise mutually agreed to by the Developer, Administrator and City Representative, delivered to the City Representative and the Trustee at the time of the Closing Date, specifying the costs incurred in the establishment, administration, and operation of the District or issuing the Bonds, and requesting payment for such costs from money on deposit in the Cost of Issuance Account or the Improvement Zone B Public Improvement Account of the Project Fund.

"Construction Contracts" means the contracts for the construction of an Authorized Improvement. "Construction Contract" means any one of the Construction Contracts.

"Cost" means the Budgeted Costs or the cost of an Authorized Improvement as reflected in a Construction Contract, if greater than the Budgeted Costs.

"Cost Overrun" means, with respect to each Authorized Improvement, the Actual Cost, as appropriate, of such Authorized Improvement in excess of the Budgeted Cost.

"Development Agreement" means that certain City Point Development Agreement executed by and between the City and the Developer, effective October 25, 2019.

"**District**" shall mean City Point Public Improvement District created September 9, 2019.

"Final Completion" means completion of an Authorized Improvement in compliance with existing City standards for dedication under the City's ordinances and the Development Agreement.

"Improvement Zone B" means approximately 44.44 acres of property to be developed within the District, which includes the Single Family Tracts and the Multifamily Tracts, as further identified and described in the Service and Assessment Plan as "Improvement Zone B."

"Improvement Zone B Assessed Property" means, collectively, the Multifamily Tracts Assessed Property and the Single Family Tracts Assessed Property that is designated as a part of Improvement Zone B within the District, against which an Improvement Zone B Assessment is levied by the Improvement Zone B Assessment Ordinance in accordance with the Service and Assessment Plan.

"Improvement Zone B Assessment Ordinance" means Ordinance No. _____ adopted by the City Council on December 9, 2019, that levied the Improvement Zone B Assessments on the Improvement Zone B Assessed Property.

"Improvement Zone B Assessment Roll" means, the Improvement Zone B Assessment Roll attached as Exhibit F-2 to the Service and Assessment Plan or any other assessment roll for Improvement Zone B in an amendment or supplement to the Service and Assessment Plan or in an Annual Service Plan Update, showing the total amount of the Improvement Zone B Assessment levied against Improvement Zone B Assessed Property, and/or the portion of the total Improvement Zone B Assessment levied against each Single Family Tract and Multifamily Tract located within Improvement Zone B, related to the Bonds and the Authorized Improvements, as updated, modified, or amended from time to time in accordance with the terms of the Service and Assessment Plan and the PID Act.

"Improvement Zone B Assessments" means the aggregate assessments shown on the Improvement Zone B Assessment Roll. The singular of such term means the assessment levied against a specific tract of the Improvement Zone B Assessed Property, as shown on the Improvement Zone B Assessment Roll, subject to reallocation upon the subdivision of Improvement Zone B Assessed Property or reduction according to the provisions of the Service and Assessment Plan and the PID Act.

"Indenture" means that certain Indenture of Trust between the City and Wilmington Trust, National Association, as trustee, dated as of December 1, 2019 relating to the Bonds.

"Inspector" means an individual employed by or an agent of the City whose job is, in part or in whole, to inspect infrastructure to be owned by the City for compliance with all rules and regulations applicable to the development and the infrastructure inspected.

"Multifamily Tracts" means approximately 8.53 acres located within the District, which is more specifically described on Exhibit A-5 and depicted on Exhibit B-5 of the Service and Assessment Plan.

"Multifamily Tracts Assessed Property" means any and all Parcels within the Multifamily Tracts other than Non-Benefited Property.

"Non-Benefitted Property" means Parcels within Improvement Zone B of the District that accrue no special benefit from the Authorized Improvements as determined by the City Council.

"Parcel" means a specific property within the District identified by either a tax map identification number assigned by the Tarrant Appraisal District for real property tax purpose, by metes and bounds description, or by lot and block number in a final subdivision plat recorded in the Official Public Records of Tarrant County, or by any other means determined by the City.

"Plans" means the plans, specifications, schedules and related construction contracts for the Authorized Improvements, respectively, approved pursuant to the applicable standards, ordinances, procedures, policies and directives of the City, the Development Agreement, and any other applicable governmental entity.

"Project Fund" means the fund, including the accounts created and established under such fund, where monies from the proceeds of the sale of the Bonds, excluding those deposited in other funds in accordance with the Indenture, shall be deposited, and the fund by such name created under the Indenture.

"Service and Assessment Plan" means the City Point Public Improvement District Service and Assessment Plan adopted by Ordinance No. _____ on December 9, 2019 by the City Council, prepared pursuant to the Act.

"Single Family Tracts" means approximately 36.67 acres located within the District and designated as a part of Improvement Zone B, which is more specifically described on Exhibit A-4 and depicted on Exhibit B-4 of the Service and Assessment Plan.

"Single Family Tracts Assessed Property" means any and all Parcels within the Single Family Tracts that are designated as a part of Improvement Zone B other than Non-Benefitted Property.

"Substantial Completion" means the time at which the construction of an Authorized Improvement (or specified segment, section or part thereof) has progressed to the point where such Authorized Improvement (or a specified segment, section or part thereof) is sufficiently complete in accordance with the Construction Contracts related thereto so that such Authorized Improvement (or a specified segment, section or part thereof) can be utilized for the purposes for which it is intended.

"Supplement" means a written document agreed upon by the parties to this Agreement amending, supplementing or otherwise modifying this Agreement.

ARTICLE II
RECITALS

Section 2.01. The District and the Authorized Improvements.

(a) The City has created the District under the Act for the financing of, among other things, the acquisition, construction and installation of the Authorized Improvements.

(b) The City has authorized the issuance of the Bonds in accordance with the provisions of the Act, the Bond Ordinance and the Indenture, a portion of the proceeds of which shall be used, in part, to finance all or a portion of the Authorized Improvements in accordance with the terms and limitations of the Development Agreement and the Service and Assessment Plan.

(c) It is anticipated that there shall be one bond issue for the Authorized Improvements.

(d) All Authorized Improvements are eligible to be financed with proceeds of the Bonds to the extent specified in the Indenture and the Service and Assessment Plan and subject to the provisions of the Development Agreement.

(e) The proceeds from the issuance and sale of the Bonds shall be deposited in accordance with the Indenture.

(f) The Developer will undertake, oversee, or ensure the engineering, construction and development of the Authorized Improvements for acquisition and acceptance by the City.

Section 2.02. Agreements. In consideration of the mutual promises and covenants set forth herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Developer agree that the foregoing recitals, as applicable to each, are true and correct and further make the agreements set forth herein.

ARTICLE III
FUNDING

Section 3.01. Bonds.

(a) The City, in connection with this Agreement, is proceeding with the issuance and delivery of the Bonds.

(b) Subject to the Cost Overrun provisions set forth in the Development Agreement and Section 4.04 of this Agreement, the Bonds will finance all or a portion of the Actual Costs of the Authorized Improvements as provided for in the Service and Assessment Plan, as may be updated or amended. The payment of costs from the proceeds of the Bonds for such Authorized

Improvements shall be made from the Improvement Zone B Public Improvement Account of the Project Fund established under the Indenture.

(c) The City's obligation with respect to the payment of the Authorized Improvements shall be limited to the Actual Costs, and shall be payable solely from amounts on deposit for the payment of such costs as provided herein and in the Indenture. The Developer agrees and acknowledges that it is responsible for all Cost Overruns, Actual Costs and all expenses related to the Authorized Improvements, qualified, however, by the distribution of Cost Underrun (as defined in Section 4.04 hereof) monies, as detailed in Section 4.04.

(d) The City shall have no responsibility whatsoever to the Developer with respect to the investment of any funds held in the Project Fund by the Trustee under the provisions of the Indenture, including any loss of all or a portion of the principal invested or any penalty for liquidation of an investment. Any such loss may diminish the amounts available in the Project Fund to pay the Costs of the Authorized Improvements in the District. The obligation of a property owner in the District to pay Improvement Zone B Assessments is not in any way dependent on the availability of amounts in the Project Fund to pay for all or any portion of the Costs of the Authorized Improvements, including the Developer to the extent it owns any real property in the District.

(e) The Developer acknowledges that any lack of availability of amounts in the funds or accounts established in the Indenture to pay the Costs of the Authorized Improvements shall in no way diminish any obligation of the Developer with respect to the construction of or contributions for the Authorized Improvements required by this Agreement, the Development Agreement, or any other agreement to which the Developer is a party or any governmental approval to which the Developer or any land within the District is subject.

Section 3.02. Disbursements and Transfers at Bond Closing.

(a) The City and the Developer agree that from the proceeds of the Bonds and upon the presentation of evidence satisfactory to the City Representative and the approval of the Closing Disbursement Request by the City Representative, the City will cause the Trustee to pay at closing of the Bonds from the Cost of Issuance Account of the Project Fund and/or the Improvement Zone B Public Improvement Account of the Project Fund, an amount not to exceed the amount set forth in the Indenture to the persons entitled to the payment for costs of issuance and payment of costs incurred in the establishment, administration, and operation of the District as of the delivery of the Bonds, as described in the Service and Assessment Plan, as may be updated and amended.

Section 3.03 Accounts. In addition to the Cost of Issuance Account, there shall be the Improvement Zone B Public Improvement Account, in the Project Fund administered by the Trustee at the direction of the City Representative and in accordance with the Indenture:

(a) The Improvement Zone B Public Improvement Account of the Project Fund. Certain proceeds from the issuance and sale of the Bonds attributable to the Authorized

Improvements shall be deposited into the Improvement Zone B Public Improvement Account of the Project Fund in the amount shown in the Indenture.

Section 3.04. Security for the Authorized Improvements. Prior to completion and conveyance to the City of an Authorized Improvement, including a segment, section, or portion thereof, the Developer or the Developer's contractor shall provide to the City a maintenance bond, which maintenance bond shall be for a term of two years from the date of final acceptance of the Authorized Improvement. Any surety company through which a bond is written shall be a Texas-domestic surety company duly authorized to do business in the State of Texas, provided that the City, through the City Attorney, shall retain the right to reject any surety company as a surety for any work hereunder regardless of such company's authorization to do business in Texas. Approvals by the City shall not be unreasonably withheld or delayed. The Developer shall construct or cause to be constructed Authorized Improvements in accordance with the City's established ordinances, regulations, policies, procedures, specifications, and the Development Agreement. Prior to City accepting any Authorized Improvement and/or approving a final disbursement for an Authorized Improvement, the Developer shall provide an "all bills paid/no liens" affidavit, in the form provided by the City and shall also provide such supporting documentation as required by the City, that affirms that all invoices and bills, other than statutory ten percent (10%) retainage, were paid for the Authorized Improvement.

ARTICLE IV

CONSTRUCTION OF AUTHORIZED IMPROVEMENTS

Section 4.01. Duty of Developer to Construct.

(a) All Authorized Improvements shall be constructed by or at the direction of the Developer in accordance with the Plans and in accordance with this Agreement and the Development Agreement. The Developer shall perform, or cause to be performed, all of its obligations and shall conduct, or cause to be conducted, all operations with respect to the construction of Authorized Improvements in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall employ at all times adequate staff or consultants with the requisite experience necessary to administer and coordinate all work related to the design, engineering, acquisition, construction and installation of all Authorized Improvements, to be acquired and accepted by the City from the Developer as provided in this Agreement and the Development Agreement.

(b) The Developer shall not be relieved of its obligation to construct or cause to be constructed each Authorized Improvement and, upon completion, inspection, and acceptance, convey each such Authorized Improvement to the City in accordance with the terms hereof, even if there are insufficient funds in the Project Fund to pay the Actual Costs thereof. In any event,

this Agreement shall not affect any obligation of the Developer under any other agreement to which the Developer is a party or any governmental approval to which the Developer or any land within the District is subject, with respect to the Authorized Improvements required in connection with the development of the land within the District.

Section 4.02. No Competitive Bidding. The Authorized Improvements shall not require competitive bidding pursuant to Sections 252.022(a)(9) and 252.022(a)(11) of the Texas Local Government Code, as amended, based upon current cost estimates.

Section 4.03. Independent Contractor. In performing this Agreement, the Developer is an independent contractor and not the agent or employee of the City with respect to the Authorized Improvements.

Section 4.04. Remaining Funds After Completion of an Authorized Improvement. Upon the Final Completion of an Authorized Improvement (or its completed segment or phase thereof) and payment of all outstanding invoices for such Authorized Improvement (or its completed segment or phase thereof), if the Actual Cost of such Authorized Improvement is less than the Budgeted Cost (a "Cost Underrun"), any remaining Budgeted Cost may be made available to pay Cost Overruns on any other Authorized Improvement (or its completed segment or phase thereof). The City shall promptly confirm to the Administrator that such remaining amounts are available to pay such Cost Overruns, and the Developer, the Administrator and the City Representative will agree how to use such moneys to secure the payment and performance of the work for other Authorized Improvements. Any Cost Underrun for any Authorized Improvement (or its completed segment or phase thereof) is available to pay Cost Overruns on any other Authorized Improvement (or its completed segment or phase thereof) and may be added to the amount approved for payment in any Certification for Payment, as agreed to by the Developer, the Administrator, and the City Representative.

Section 4.05. Contracts and Change Orders. The Developer shall be responsible for entering into all contracts and any supplemental agreements (herein referred to as "Change Orders") required for the construction of the Authorized Improvements. Developer or its contractors may approve and implement any Change Orders, even if such Change Order would increase the Cost of an Authorized Improvement, but the Developer shall be solely responsible for payment of any Cost Overruns resulting from such Change Orders except to the extent amounts are available pursuant to Section 4.04. If any Change Order is for work that requires changes to be made by an engineer to the construction and design documents and plans previously approved under Section 4.01, then such revisions made by an engineer must be submitted to the City for approval by the City's engineer prior to execution of the Change Order.

ARTICLE V
ACQUISITION, CONSTRUCTION, AND PAYMENT

Section 5.01. Closing Disbursement Request. In order to receive the disbursement from the Cost of Issuance Account or the Improvement Zone B Public Improvement Account of the Project Fund at closing of the Bonds described in Section 3.02, the Developer shall deliver a Closing Disbursement Request, to be delivered to the City no less than five (5) business days prior to the scheduled Closing Date for the Bonds for payment in accordance with the provisions of the Indenture. Upon approval by the City, the City shall submit a Closing Disbursement Request to the Trustee for disbursement to be made from the Cost of Issuance Account or the Improvement Zone B Public Improvement Account of the Project Fund, as applicable, upon closing of the Bonds.

Section 5.02. Certification for Payment for an Authorized Improvement.

(a) No payment hereunder shall be made from the Project Fund to the Developer for work on an Authorized Improvement until a Certification for Payment is received (no more frequently than once per month) from the Developer for work and payment with respect to an Authorized Improvement (or its completed segment or phase thereof). Upon receipt of a Certification for Payment (and all accompanying documentation executed by the Developer) from the Developer, the Inspector shall conduct a review in order to confirm that such request is complete, that the work with respect to such Authorized Improvement identified therein for which payment is requested was completed in accordance with all applicable governmental laws, rules and regulations and applicable Plans therefor and with the terms of this Agreement, the Development Agreement, and to verify and approve the Actual Cost of such work specified in such Certification for Payment (collectively, the "Developer Compliance Requirements"). The approval of the Actual Costs and other matters set forth in the Certification for Payment by the Inspector shall constitute a representation by the Inspector to the City and the Trustee that the Developer Compliance Requirements have been satisfied with respect to the Authorized Improvement identified therein. The Inspector and/or the City Representative shall also conduct such review as is required in his discretion to confirm the matters certified in the Certification for Payment. The Developer agrees to cooperate with the Inspector and/or City Representative in conducting each such review and to provide the Inspector and/or City Representative with such additional information and documentation as is reasonably necessary for the Inspector to conclude each such review.

(b) Within fifteen (15) business days of receipt of any Certification for Payment, the Inspector shall either (i) approve the Certification for Payment and forward the same to the City Representative for his or her consideration and provided the City Representative does not require any additional information regarding the Certification for Payment in accordance with Section 5.02(d) hereof, his or her approval and delivery to the Trustee for payment to the Developer in accordance with Section 5.03(a) hereof or (ii) in the event the Inspector disapproves the Certification for Payment, give written notification to the Developer of the Inspector's disapproval, in whole or in part, of such Certification for Payment, specifying the reasons for such disapproval and the additional requirements to be satisfied for approval of such Certification for Payment. If

a Certification for Payment seeking reimbursement is approved only in part, the Inspector shall specify the extent to which the Certification for Payment is approved and shall deliver such partially approved Certification for Payment to the City Representative for approval in accordance with Section 5.02(c) hereof and delivery to the Trustee for payment to the Developer or its designee in accordance with Section 5.03 hereof, and any such partial work shall be processed for payment under Section 5.03 notwithstanding such partial denial.

(c) If the Inspector fails to act with respect to a Certification for Payment within the time period therein provided, the Developer shall submit the Certification for Payment directly to the City Representative for approval. Within fifteen (15) business days of receipt of any Certification for Payment, the City Representative shall approve or deny the Certification for Payment and provide notice to the Administrator and the Developer. Upon approval of a Certification for Payment, the approval shall be forwarded to the Trustee for payment, and delivery to the Developer in accordance with Section 5.03 hereof. The approval of the Certification for Payment by the City Representative shall constitute a representation by the City Representative to the Trustee of the Developer's compliance therein. Pursuant to the terms of Section 5.03 and the Indenture, the Trustee shall make a payment to the Developer, or pursuant to the Developer's directions, of an approved Certification for Payment.

(d) If the City Representative requires additional documentation, timely disapproves or questions the correctness or authenticity of the Certification for Payment, the City shall deliver a detailed notice to the Developer within ten (10) business days of receipt thereof, then payment with respect to disputed portion(s) of the Certification for Payment shall not be made until the Developer and the City have jointly settled such dispute or additional information has been provided to the City's reasonable satisfaction. The denial may be appealed to the City Council by the Developer in writing within thirty (30) days of being denied by the City Representative. Denial of the Certification for Payment by the City Council shall be attempted to be resolved by half-day mediation between the Parties in the event an agreement is not otherwise reached by the Parties, with the mediator's fee being paid by Developer. The portion of the Certification for Payment in dispute shall not be forwarded to the Trustee for payment until the dispute is resolved by the City and the Developer.

(e) The Developer shall deliver the approved or partially approved Certification for Payment to the Trustee for payment and the Trustee shall make such payment from the Project Fund in accordance with Section 5.03 below.

Section 5.03. Payment for an Authorized Improvement.

(a) Upon receipt of a reviewed and approved Certification for Payment, the Trustee shall make payment from the Improvement Zone B Public Improvement Account of the Project Fund as designated in the Certification for Payment pursuant to the terms of the Certification for Payment and the Indenture in an amount not to exceed the Budgeted Cost for the particular

Authorized Improvement (or its completed segment), unless a Cost Overrun amount has been approved for a particular Authorized Improvement. If a Cost Overrun amount has been approved, then the amount reimbursed shall not exceed the Budgeted Amount plus the approved Cost Overrun amount.

(b) Amounts to be paid pursuant to approved Certification for Payment forms that await reimbursement shall not accrue interest.

(c) Notwithstanding any other provisions of this Agreement, when payment is made, the Trustee shall make payment directly to the person or entity specified by the Developer in an approved Certification for Payment, including a general contractor or supplier of materials or services or jointly to Developer (or any permitted assignee of the Developer) and the general contractor or supplier of materials or services, as indicated in an approved Certification for Payment, out of available funds in the Project Fund. If an unconditional lien release related to the items referenced in the Certification for Payment is attached to such Certification for Payment, the Trustee shall make such payment to the Developer or any permitted assignee of the Developer. In the event the Developer provides a general contractor's or supplier of materials' unconditional lien release for a portion of the work covered by a Certification for Payment, the Trustee will make such payment directly to the Developer or any permitted assignee of the Developer to the extent of such lien release.

(d) Withholding Payments.

Nothing in this Agreement shall be deemed to prohibit the Developer or the City from contesting in good faith the validity or amount of any mechanic's or materialman's lien and/or judgment nor limit the remedies available to the Developer or the City with respect thereto, including the withholding of any payment that may be associated with the exercise of such remedy, so long as such delay in performance shall not subject the Authorized Improvement to foreclosure, forfeiture, or sale.

ARTICLE VI
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 6.01. Representations, Covenants and Warranties of the Developer. The Developer represents and warrants for the benefit of the City as follows:

(a) Organization. The Developer is a limited liability company duly formed, organized and validly existing under the laws of the State of Texas, is in compliance with the laws of the State of Texas, and has the power and authority to own its properties and assets and to fulfill its obligations in this Agreement and to carry on its business in the State of Texas as now being conducted as hereby contemplated.

(b) Authority. The Developer has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the Developer.

(c) Binding Obligation. This Agreement is a legal, valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms, subject to bankruptcy and other equitable principles.

(d) Compliance with Law. The Developer shall not commit, suffer or permit any act to be done in, upon or to the lands of the Developer in the District or the Authorized Improvements in violation of any law, ordinance, rule, regulation or order of any governmental authority or any covenant, condition or restriction now or hereafter affecting the lands in the District or the Authorized Improvements.

(e) Requests for Payment. The Developer represents and warrants that (i) it will not request payment from the Project Fund for the acquisition, construction or installation of any improvements that are not part of the Authorized Improvements, and (ii) it will diligently follow all procedures set forth in this Agreement with respect to the Certification for Payments.

(f) Financial Records. For a period of two years after completion of the Authorized Improvements, the Developer covenants to maintain proper books of record and account for the construction of the Authorized Improvements and all Actual Costs related thereto. Such accounting books shall be maintained in accordance with generally accepted accounting principles and shall be available for inspection by the City or its agents at any reasonable time during regular business hours on reasonable notice.

(g) Plans. The Developer represents that it has obtained or will obtain approval of the Plans from all appropriate departments of the City and from any other public entity or public utility from which such approval must be obtained. The Developer further agrees that, subject to the terms hereof, the Authorized Improvements have been or will be constructed in full compliance with such Plans and any change orders thereto consistent with the Act, this Agreement and the Development Agreement. Developer shall provide as-built plans for all Authorized Improvements to the City.

(h) Additional Information. The Developer agrees to cooperate with all reasonable written requests for nonproprietary information by the initial purchaser of the Bonds, the Inspector and the City Representative related to the status of construction of Authorized Improvements within the District, the anticipated completion dates for future improvements and any other matter that the initial purchaser of the Bonds or City Representative deems material to the investment quality of the Bonds.

(i) Continuing Disclosure Agreement. The Developer agrees to provide the information required pursuant to the Continuing Disclosure Agreement executed by the Developer,

the Administrator, and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., dated as of December 1, 2019 in connection with the Bonds.

(j) Tax Certificate. The City will deliver a certificate relating to the Bonds (such certificate, as it may be amended and supplemented from time to time, being referred to herein as the "Tax Certificate") containing covenants and agreements designed to satisfy the requirements of 26 U.S. Code Sections 103 and 141 through 150, inclusive, and the federal income tax regulations issued thereunder relating to the use of the proceeds of the Bonds or of any monies, securities or other obligations on deposit to the credit of any of the funds and accounts created by the Indenture or this Agreement or otherwise that may be deemed to be proceeds of the Bonds within the meaning of 26 U.S. Code Section 148 (collectively, "Bond Proceeds").

The Developer covenants to provide, or cause to be provided, such facts and estimates as the City reasonably considers necessary to enable it to execute and deliver its Tax Certificate. The Developer further covenants that (i) such facts and estimates will be based on its reasonable expectations on the date of issuance of the Bonds and will be, to the best of the knowledge of the officers of the Developer providing such facts and estimates, true, correct and complete as of that date, and (ii) the Developer will make reasonable inquires to ensure such truth, correctness and completeness. The Developer covenants that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use or investment of the Bond Proceeds (including, but not limited to, the use of the Authorized Improvements) that would cause any of the covenants or agreements of the City contained in the Tax Certificate to be violated or that would otherwise have an adverse effect on the tax-exempt status of the interest payable on the Bonds for federal income tax purposes.

(k) Financial Resources. The Developer represents and warrants that it has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Agreement, the Service and Assessment Plan and the Development Agreement.

Section 6.02. Indemnification and Hold Harmless. THE DEVELOPER SHALL INDEMNIFY AND HOLD HARMLESS THE INSPECTOR, THE CITY, ITS OFFICIALS, EMPLOYEES, OFFICERS, REPRESENTATIVES AND AGENTS (EACH AN "INDEMNIFIED PARTY"), FROM AND AGAINST ALL ACTIONS, DAMAGES, CLAIMS, LOSSES OR EXPENSE OF EVERY TYPE AND DESCRIPTION TO WHICH THEY MAY BE SUBJECTED OR PUT: (I) BY REASON OF, OR RESULTING FROM THE BREACH OF ANY PROVISION OF THIS AGREEMENT BY THE DEVELOPER; (II) THE NEGLIGENT DESIGN, ENGINEERING, AND/OR CONSTRUCTION BY THE DEVELOPER OR ANY ARCHITECT, ENGINEER OR CONTRACTOR HIRED BY THE DEVELOPER OF ANY OF THE AUTHORIZED IMPROVEMENTS ACQUIRED FROM THE DEVELOPER HEREUNDER; (III) THE DEVELOPER'S NONPAYMENT UNDER CONTRACTS BETWEEN THE DEVELOPER AND ITS CONSULTANTS, ENGINEERS, ADVISORS, CONTRACTORS, SUBCONTRACTORS AND SUPPLIERS IN THE PROVISION OF THE

AUTHORIZED IMPROVEMENTS; (IV) ANY CLAIMS OF PERSONS EMPLOYED BY THE DEVELOPER OR ITS AGENTS TO CONSTRUCT THE AUTHORIZED IMPROVEMENTS; OR (V) ANY CLAIMS AND SUITS OF THIRD PARTIES, INCLUDING BUT NOT LIMITED TO DEVELOPER'S RESPECTIVE PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEES AND/OR TRUSTEES, REGARDING OR RELATED TO THE AUTHORIZED IMPROVEMENTS OR ANY AGREEMENT OR RESPONSIBILITY REGARDING THE AUTHORIZED IMPROVEMENTS, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE SOLE OR PARTIAL NEGLIGENCE OF AN INDEMNIFIED PARTY (THE "CLAIMS"). NOTWITHSTANDING THE FOREGOING, NO INDEMNIFICATION IS GIVEN HEREUNDER FOR ANY ACTION, DAMAGE, CLAIM, LOSS OR EXPENSE DETERMINED BY A COURT OF COMPETENT JURISDICTION TO BE DIRECTLY ATTRIBUTABLE TO THE WILLFUL MISCONDUCT OF ANY INDEMNIFIED PARTY, DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS, AND CITY IS REQUIRED TO REASONABLY COOPERATE AND ASSIST DEVELOPER IN PROVIDING SUCH DEFENSE.

IN ITS REASONABLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY DEVELOPER IN FULFILLING ITS OBLIGATIONS HEREUNDER TO DEFEND AND INDEMNIFY THE INDEMNIFIED PARTIES, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY CITY IN WRITING. THE INDEMNIFIED PARTIES RESERVE THE RIGHT TO PROVIDE A PORTION OR ALL OF THEIR/ITS OWN DEFENSE, AT THEIR/ITS SOLE COST; HOWEVER, INDEMNIFIED PARTIES ARE UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY AN INDEMNIFIED PARTY IS NOT TO BE CONSTRUED AS A WAIVER OF DEVELOPER'S OBLIGATION TO DEFEND INDEMNIFIED PARTIES OR AS A WAIVER OF DEVELOPER'S OBLIGATION TO INDEMNIFY INDEMNIFIED PARTIES, PURSUANT TO THIS AGREEMENT. DEVELOPER SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF WRITTEN NOTICE FROM AN INDEMNIFIED PARTY THAT IT IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF DEVELOPER FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, INDEMNIFIED PARTIES SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND DEVELOPER SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES.

THIS SECTION 6.02 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

THE PARTIES AGREE AND STIPULATE THAT THIS INDEMNIFICATION COMPLIES WITH THE CONSPICUOUSNESS REQUIREMENT AND THE EXPRESS NEGLIGENCE TEST AND IS VALID AND ENFORCEABLE AGAINST THE DEVELOPER.

Section 6.03. Use of Monies by City; Changes to Indenture. The City agrees not to take any action or direct the Trustee to take any action to expend, disburse or encumber the monies held in the Project Fund and any monies to be transferred thereto for any purpose other than the purposes permitted by the Indenture. Prior to the acceptance of all the Authorized Improvements, the City agrees not to modify or supplement the Indenture without the approval of the Developer if as a result or as a consequence of such modification or supplement: (a) the amount of monies that would otherwise have been available under the Indenture for disbursement for the Costs of the Authorized Improvements is reduced, delayed or deferred, (b) the obligations or liabilities of the Developer are or may be substantially increased or otherwise adversely affected in any manner, or (c) the rights of the Developer are or may be modified, limited, restricted or otherwise substantially adversely affected in any manner.

Section 6.04. No Reduction of Assessments. The Developer agrees not to take any action or actions to reduce the total amount of such Improvement Zone B Assessments to be levied as of the Effective Date of this Agreement.

ARTICLE VII
TERMINATION

Section 7.01. Mutual Consent. This Agreement may be terminated by the mutual, written consent of the City and the Developer, in which event the City may either execute contracts for or perform any remaining work related to the Authorized Improvements not accepted by the City or other appropriate entity and use all or any portion of funds on deposit in the Project Fund or other amounts transferred to the Project Fund under the terms of the Indenture to pay for same, and the Developer shall have no claim or right to any further payments for the Actual Costs of an Authorized Improvement hereunder for any remaining work, except as otherwise may be provided in such written consent.

Section 7.02. City's Election for Cause.

(a) The City, upon notice to Developer and the passage of the cure period identified in subsection (b) below, may terminate this Agreement, without the consent of the Developer if the Developer shall breach any material covenant or default in the performance of any material obligation hereunder.

(b) If any such event described in Section 7.02(a) occurs, the City shall give written notice of its knowledge of such event to the Developer, and the Developer agrees to promptly meet and confer with the Inspector and other appropriate City staff and consultants as to options available to assure timely completion, subject to the terms of this Agreement, of the Authorized Improvements. Such options may include, but not be limited to, the termination of this Agreement by the City. If the City elects to terminate this Agreement, the City shall first notify the Developer

(and any mortgagee or trust deed beneficiary specified in writing by the Developer to the City to receive such notice) of the grounds for such termination and allow the Developer a minimum of forty-five (45) days to eliminate or to mitigate to the satisfaction of the City the grounds for such termination. Such period may be extended, at the sole discretion of the City, if the Developer, to the reasonable satisfaction of the City, is proceeding with diligence to eliminate or mitigate such grounds for termination. If at the end of such period (and any extension thereof), as determined reasonably by the City, the Developer has not eliminated or completely mitigated such grounds to the satisfaction of the City, the City may then terminate this Agreement. In the event of the termination of this Agreement, the Developer is entitled to payment for work accepted by the City related to an Authorized Improvement only as provided for under the terms of the Indenture and this Agreement prior to the termination date of this Agreement and pursuant to a completed, submitted, and accepted Certification for Payment. Notwithstanding the foregoing, so long as the Developer has breached any material covenant or defaulted in the performance of any material obligation hereunder, notice of which has been given by the City to the Developer, and such event has not been cured or otherwise eliminated by the Developer, the City may in its discretion cause the Trustee to cease making payments for the Actual Costs of Authorized Improvements, provided that the Developer shall receive payment of the Actual Costs of any Authorized Improvements that were accepted by the City at the time of the occurrence of such breach or default by the Developer upon submission of the documents and compliance with the other applicable requirements of this Agreement.

(c) If this Agreement is terminated by the City for cause, the City may either execute contracts for or perform any remaining work related to the Authorized Improvements not accepted by the City and use all or any portion of the funds on deposit in the Project Fund or other amounts transferred to the Project Fund and the Developer shall have no claim or right to any further payments for the Authorized Improvements hereunder, except as otherwise may be provided upon the mutual written consent of the City and the Developer or as provided for in the Indenture. The City shall have no obligation to perform any work related to an Authorized Improvement or to incur any expense or cost in excess of the remaining balance of the Project Fund.

Section 7.03. Termination Upon Redemption or Defeasance of Bonds. This Agreement will terminate automatically and with no further action by the City or the Developer upon the redemption or defeasance of all outstanding Bonds issued under the Indenture.

Section 7.04. Construction of the Authorized Improvements Upon Termination of this Agreement. Notwithstanding anything to the contrary contained herein, upon the termination of this Agreement pursuant to this Article VII, the Developer shall perform its obligations with respect to the Authorized Improvements in accordance with this Agreement and the Development Agreement.

Section 7.05. Force Majeure. Whenever performance is required of a party hereunder, that party shall use all due diligence and take all necessary measures in good faith to perform, but

if completion of performance is delayed by reasons of floods, earthquakes or other acts of God, war, civil commotion, riots, strikes, picketing or other labor disputes, damage to work in progress by casualty or by other cause beyond the reasonable control of the party (financial inability excepted) ("Force Majeure"), then the specified time for performance shall be extended by the amount of the delay actually so caused. The extension of time to perform allowed by this Section 7.05 shall not apply unless, upon the occurrence of an event of Force Majeure, the party needing additional time to perform notifies the other party of the event of Force Majeure and the amount of additional time reasonably required within ten (10) business days of the occurrence of the event of Force Majeure.

ARTICLE VIII
MISCELLANEOUS

Section 8.01. Limited Liability of City. The Developer agrees that any and all obligations of the City arising out of or related to this Agreement are special obligations of the City, and the City's obligations to make any payments hereunder are restricted entirely to the moneys, if any, in the Project Fund and from no other source. Neither the City, the Inspector, the City Representative nor any other City employee, officer, official or agent shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of their actions hereunder or execution hereof.

Section 8.02. Audit. The Inspector, the City Representative or a finance officer of the City shall have the right, during normal business hours and upon the giving of three business days' prior written notice to a Developer, to review all books and records of the Developer pertaining to costs and expenses incurred by the Developer with respect to any of the Authorized Improvements and any bids taken or received for the construction thereof or materials therefor.

Section 8.03. Notices. Any notice, payment or instrument required or permitted by this Agreement to be given or delivered to any party shall be deemed to have been received when personally delivered or transmitted by telecopy or facsimile transmission (which shall be immediately confirmed by telephone and shall be followed by mailing an original of the same within 24 hours after such transmission) or 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

To the City:	Attn: City Manager City of North Richland Hills, Texas 4301 City Point Drive North Richland Hills, Texas 76180
With a copy to:	Attn: City Attorney City of North Richland Hills, Texas 4301 City Point Drive North Richland Hills, Texas 76180
And to:	Attn: Bond Counsel Norton Rose Fulbright US LLP 2200 Ross Avenue, Suite 3600 Dallas, Texas 75201
To the Owner:	Attn: Mehrdad Moayedi MM City Point 53, LLC 1800 Valley View Lane, Suite 300 Farmers Branch, Texas 75234
With a copy to:	Attn: J. Prabha Cinclair Miklos Cinclair, PLLC 1800 Valley View Lane, Suite 360 Farmers Branch, Texas 75234

Any party may change its address or addresses for delivery of notice by delivering written notice of such change of address to the other party.

The City shall advise the Developer of the name and address of any Inspector who is to receive any notice or other communication pursuant to this Agreement.

Section 8.04. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent possible.

Section 8.05. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. Any receivables due under this Agreement may be assigned by the Developer without the consent of, but upon written notice to the City pursuant to Section 8.03 of this Agreement. The obligations, requirements, or covenants of this Agreement shall be able to be assigned to an affiliate or related entity of the Developer, or any lien holder on the Property, without prior written consent of the City. The obligations, requirements, or covenants of this Agreement shall not be assigned by the Developer to a non-affiliate or non-related entity of the Developer without prior written consent of the City Manager, except pursuant to a collateral assignment to any person or entity providing construction financing to the Developer for the Developer for an Authorized Improvement, provided such person or entity expressly agrees to assume all obligations of the Developer hereunder if there is a default under such financing and such Person elects to complete the Authorized Improvement. No such

assignment shall be made by the Developer or any successor or assignee of the Developer that results in the City being an "obligated person" within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission without the express written consent of the City. In connection with any consent of the City, the City may condition its consent upon the acceptability of the financial condition of the proposed assignee, upon the assignee's express assumption of all obligations of the Developer hereunder and/or upon any other reasonable factor which the City deems relevant in the circumstances. In any event, any such assignment shall be in writing, shall clearly identify the scope of the rights and/or obligations assigned. The City may assign by a separate writing certain rights as described in this Agreement and in the Indenture, to the Trustee and the Developer hereby consents to such assignment.

Section 8.06. Other Agreements. The obligations of the Developer hereunder shall be those of a party hereto and not as an owner of property in the District. Nothing herein shall be construed as affecting the City's or the Developer's rights or duties to perform their respective obligations under other agreements, use regulations, ordinances or subdivision requirements relating to the development of the lands in the District, including the applicable Construction Contracts and the Development Agreement. To the extent there is a conflict between this Agreement and the Indenture, the Indenture shall control. To the extent there is a conflict between this Agreement and the Development Agreement, this Agreement shall control.

Section 8.07. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by any other party, or the failure by a party to exercise its rights upon the default of any other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by such other party with the terms of this Agreement thereafter.

Section 8.08. Merger. No other agreement, statement or promise made by any party or any employee, officer or agent of any party with respect to any matters covered hereby that is not in writing and signed by all the parties to this Agreement shall be binding.

Section 8.09. Parties in Interest. Nothing in this Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and the Developer any rights, remedies or claims under or by reason of this Agreement or any covenants, conditions or stipulations hereof, and all covenants, conditions, promises and agreements in this Agreement contained by or on behalf of the City or the Developer shall be for the sole and exclusive benefit of the City and the Developer.

Section 8.10. Amendment. Except as otherwise provided in Section 8.05, upon agreement by the parties, this Agreement may be amended, from time to time in a manner consistent with the Act, the Indenture, and the Bond Ordinance by written supplement hereto and executed in counterparts, each of which shall be deemed an original.

Section 8.11. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Section 8.12. Effective Date. This Agreement has been dated as of the date first above written solely for the purpose of convenience of reference and shall become effective upon its execution and delivery, on the Closing Date of the Bonds, by the parties hereto. All representations

and warranties set forth therein shall be deemed to have been made on the Closing Date of the Bonds.

Section 8.13 No Waiver of Powers or Immunity. The City does not waive or surrender any of its governmental powers, immunities, or rights except as necessary to allow Developer to enforce its remedies under this Agreement.

Section 8.14 Anti-Boycott Verification. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other Affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

Section 8.15 Iran, Sudan and Foreign Terrorist Organizations. The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf, https://comptroller.texas.gov/purchasing/docs/iran-list.pdf, or https://comptroller.texas.gov/purchasing/docs/fto-list.pdf. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other Affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

Section 8.16 Form 1295. Submitted herewith is a completed Form 1295 in connection with the Developer's participation in the execution of this Agreement generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The City hereby confirms receipt of the Form 1295 from the Developer, and the City agrees to acknowledge such form with the TEC through its electronic filing application not later than the 30th day after the receipt of such form. The Developer and the City understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Developer; and, neither the City nor its consultants have verified such information.

[Execution pages follow.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of December 9, 2019.

ATTEST:

_____
Alicia Richardson
City Secretary

CITY OF NORTH RICHLAND HILLS, TEXAS

By: _____
Mark Hindman
City Manager

Date: _____

APPROVED AS TO FORM AND LEGALITY:

_____
Maleshia B. McGinnis
City Attorney

RECOMMENDED:

_____
Craig Hulse
Economic Development Director

DEVELOPER:

MM City Point 53, LLC,
a Texas limited liability company

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