

**Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley)  
Improvement Area #4 Reimbursement Agreement**

This Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley) Improvement Area #4 Reimbursement Agreement (this "Improvement Area #4 Reimbursement Agreement") is entered into by QUAIL VALLEY DEVCO IVB, LLC ("Devco IVB"), QUAIL VALLEY DEVCO V, LLC ("Devco V"), and QUAIL VALLEY DEVCO VIA, LLC ("Devco VIA", and, together with Devco IVB and Devco V, collectively referred to as the "Developer"), as successors to Walsh Ranches Limited Partnership, a Texas limited partnership ("Walsh Ranches") and Quail Valley Devco I, LLC, a Texas limited liability company ("Devco I" and together with Walsh Ranches, the "Original Developer"), and the CITY OF FORT WORTH, TEXAS (the "City"), to be effective May 1, 2026 (the "Effective Date"). The Developer and the City are sometimes individually referred to as a "Party" and collectively as the "Parties."

**SECTION 1. RECITALS**

1.1 **WHEREAS**, capitalized terms used in this Improvement Area #4 Reimbursement Agreement shall have the meanings given to them in Section 2, unless otherwise defined herein or unless the context in which a term is used clearly requires a different meaning; and

1.2 **WHEREAS**, all resolutions, ordinances, agreements, documents, and instruments referenced in this Improvement Area #4 Reimbursement Agreement are incorporated as part of this Improvement Area #4 Reimbursement Agreement; and

1.3 **WHEREAS**, Devco IVB is a Texas limited liability company; and

1.4 **WHEREAS**, Devco V is a Texas limited liability company; and

1.5 **WHEREAS**, Devco VIA is a Texas limited liability company; and

1.6 **WHEREAS**, the City is a Texas home-rule municipality; and

1.7 **WHEREAS**, the City Council is authorized by Chapter 372, Texas Local Government Code, as amended (the "PID Act"), to create public improvement districts within the City's corporate limits and extraterritorial jurisdiction; and

1.8 **WHEREAS**, the PID Act authorizes the City to create a public improvement district to undertake public improvement projects that confer a special benefit on the property within the district and to pay for such public improvement projects by levying assessments against benefited property within the district; and

1.9 **WHEREAS**, the Original Developer filed with the municipal secretary of the City (the "City Secretary") a petition (the "Petition") requesting the creation of a public improvement district covering the Property; and

1.10 **WHEREAS**, the Petition satisfied the requirements of the PID Act; and

1.11 **WHEREAS**, on August 30, 2016, the City Council approved Resolution No. 4671-08-2016: (1) accepting the Petition; (2) calling a public hearing for September 20, 2016 (the "Public Hearing") to take public testimony on the feasibility and advisability of creating Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley) (the "District") and the feasibility and advisability of the public improvement projects proposed by the Petition; and (3) authorizing and directing notices of the Public Hearing be mailed and published as required by the PID Act; and

1.12 **WHEREAS**, City staff caused notice of the Public Hearing to be mailed before the 15<sup>th</sup> day before the date of the Public Hearing as required by the PID Act; and

1.13 **WHEREAS**, City staff caused notice of the Public Hearing to be published in a newspaper of general circulation before the 15<sup>th</sup> day before the date of the Public Hearing as required by the PID Act; and

1.14 **WHEREAS**, after publishing, mailing, and otherwise providing all notices required by the PID Act and state law, the City Council conducted the Public Hearing on the date and at the location and time specified in such notices, at which Public Hearing the City Council took public testimony on the feasibility and advisability of creating the District and the feasibility and advisability of undertaking the public improvement projects proposed by the Petition; and

1.15 **WHEREAS**, on September 27, 2016, the City Council approved Resolution No. 4686-09-2016 authorizing the creation of the District covering the Property; and

1.16 **WHEREAS**, notice of Resolution No. 4686-09-2016 was published in a newspaper of general circulation as required by the PID Act, whereupon the District authorization became effective; and

1.17 **WHEREAS**, Resolution No. 4686-09-2016 was filed (1) November 29, 2016, as Instrument No. 201627203, in the real property records of Parker County, Texas and (2) December 6, 2016, as Instrument No. D216284552, in the real property records of Tarrant County, Texas; and

1.18 **WHEREAS**, the Property is to be developed in phases; and

1.19 **WHEREAS**, a Master Reimbursement Agreement by and among the City, Walsh Ranches and Devco I, an affiliate of the Developer, was executed relating to the financing of certain Authorized Improvements in each phase of the District for the special benefit of Assessed Property within that phase; and

1.20 **WHEREAS**, the Fort Worth City Council adopted Ordinance No. 22707-05-2017 on May 2, 2017, approving the Original SAP, allocating and levying assessments on the Lots in Improvement Area #1, and ordaining related matters, and such ordinance was recorded on July 12, 2017 in the real property records of Tarrant County, Texas as Document No. D217158056 and on July 19, 2017 in the real property records of Parker County, Texas as Document No. 201717529; and

1.21 **WHEREAS**, in connection with the development of Improvement Area #1 of the District, that certain Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley) Improvement Area #1 Reimbursement Agreement was executed by the City and the Original Developer to be effective as of May 2, 2017, as approved by Resolution 4777-05-2017; and

1.22 **WHEREAS**, the Fort Worth City Council adopted Ordinance No. 24386-09-2020 on September 1, 2020, approving the 2020 SAP Update for Improvement Area #2, allocating and levying assessments on the Lots in Improvement Area #2, and ordaining related matters, and such ordinance was recorded on October 2, 2020 in the real property records of Tarrant County, Texas as Document No. D220252700 and in the real property records of Parker as Document 202031777; and

1.23 **WHEREAS**, in connection with the development of Improvement Area #2 of the District, that certain Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley) Improvement Area #2 Reimbursement Agreement was executed by the City, Walsh Ranches and Quail Valley Devco II, LLC, a Texas limited liability company ("Devco II") to be effective September 1, 2020, as approved by Fort Worth Mayor and Council Communication 20-0639; and

1.24 **WHEREAS**, the Fort Worth City Council adopted Ordinance No. 25775-09-2022 on August 27, 2022, approving the 2022 SAP Update for Improvement Area #3, allocating and levying assessments on the Lots in Improvement Area #3, and ordaining related matters, and such ordinance was recorded on May 10, 2023 in the real property records of Tarrant County, Texas as Document No. D223080738 and in the real property records of Parker as Document 20231200; and

1.25 **WHEREAS**, in connection with the development of Improvement Area #3 of the District, that certain Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley) Improvement Area #3 Reimbursement Agreement was executed by the City, Quail Valley Devco III, LLC, a Texas limited liability company ("Devco III") and Quail Valley Devco VLO, LLC, a Texas limited liability company ("Devco VLO") to be effective June 18, 2023 as approved by Fort Worth Mayor and Council Communication 23-0381; and

1.26 **WHEREAS**, Original Developer has assigned all of its rights under the Master Reimbursement Agreement with respect to Improvement Area #4 to Developer (the "Transfer"); and

1.27 **WHEREAS**, pursuant to Section 13.A of the Master Reimbursement Agreement, a copy of the notice of the Transfer (the "Notice"), along with a copy of the instrument evidencing the assignment attached to such Notice, has been received by the City and is attached hereto as Schedule I to this Improvement Area #4 Reimbursement Agreement; and

1.28 **WHEREAS**, development of Improvement Area #4 requires construction of Authorized Improvements within Improvement Area #4, including the Improvement Area #4 Funded Improvements, which the Developer has begun constructing; and

1.29 **WHEREAS**, the Actual Costs of the Authorized Improvements that could be assessed against Lots within Improvement Area #4 based on the special benefit conferred on the Lots by the Authorized Improvements benefitting Improvement Area #4 is \$62,487,848, as shown on Table III-D in the 2026 SAP Update; and

1.30 **WHEREAS**, the PID-Funded Actual Costs of the Improvement Area #4 Funded Improvements that were assessed against Lots within Improvement Area #4 based on the special benefit conferred on the Lots by the Improvement Area #4 Funded Improvements is \$24,190,000, which amount is shown in Table III-D in the 2026 SAP Update (the "Total Improvement Area #4 Assessment Amount"); and

1.31 **WHEREAS**, the methodology by which the Total Improvement Area #4 Assessment Amount is apportioned, and the apportionment of the Total Improvement Area #4 Assessment Amount to each Lot Type and Lot within Improvement Area #4 is set forth in the 2026 SAP Update; and

1.32 **WHEREAS**, the apportionment of the Total Improvement Area #4 Assessment Amount to each Lot within Improvement Area #4 is shown on the Improvement Area #4 Assessment Roll; and

1.33 **WHEREAS**, the City Council passed and approved Ordinance No. \_\_\_\_\_ on May 12, 2026 (the "Improvement Area #4 Assessment Ordinance") and recorded on [\_\_\_\_\_] , 2026 in the real property records of Tarrant County, Texas as Document No. [\_\_\_\_\_] and in the real property records of Parker County, Texas as Document No. [\_\_\_\_\_] ; and

1.34 **WHEREAS**, the Improvement Area #4 Assessment Ordinance: (1) approved the 2026 SAP Update; and (2) levied the Improvement Area #4 Assessments against each Lot within Improvement Area #4 in accordance with the Improvement Area #4 Assessment Roll; and

1.35 **WHEREAS**, the Improvement Area #4 Assessment Ordinance provides that an Improvement Area #4 Assessment levied against a Lot may be paid in full at any time in accordance with the PID Act; however, if not paid in full, the owner of the Lot shall not be in Default but shall be deemed to have elected to pay the Improvement Area #4 Assessment in Annual Installments in accordance with the 2026 SAP Update and this Improvement Area #4 Reimbursement Agreement; and

1.36 **WHEREAS**, Annual Installments of the Improvement Area #4 Assessments shall be billed and collected by or on behalf of the City in accordance with the Improvement Area #4 Assessment Ordinance, the 2026 SAP Update, and this Improvement Area #4 Reimbursement Agreement and as authorized by the PID Act; and

1.37 **WHEREAS**, all Assessment Revenue from the collection of the Improvement Area #4 Assessments shall be deposited into the Improvement Area #4 Account of the District Fund; and

1.38 **WHEREAS**, the Assessment Revenue from the collection of the Improvement Area #4 Assessments on deposit in the Improvement Area #4 Account of the District Fund shall only be used to pay the Improvement Area #4 Reimbursement Balance or to pay debt service on PID Bonds secured by Improvement Area #4 Assessments, if issued ("Improvement Area #4 PID Bonds"); and

1.39 **WHEREAS**, on May 12, 2026, the Fort Worth City Council approved and authorized the execution of this Improvement Area #4 Reimbursement Agreement via adoption of Fort Worth Mayor and Council Communication No. \_\_\_\_\_; and

1.40 **WHEREAS**, this Improvement Area #4 Reimbursement Agreement is a "reimbursement agreement" authorized by Section 372.023(d)(1) of the PID Act; and

1.41 **WHEREAS**, the foregoing RECITALS: (1) are part of this Improvement Area #4 Reimbursement Agreement for all purposes; (2) are true and correct; and (3) constitute representations, warranties, and covenants that each Party has relied upon in entering into this Improvement Area #4 Reimbursement Agreement.

**NOW THEREFORE**, for and in consideration of the mutual obligations of the Parties set forth in this Improvement Area #4 Reimbursement Agreement, the Parties agree as follows:

## SECTION 2. DEFINITIONS

2.1 "2026 SAP Update" means the *Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley) Service and Assessment Plan* dated May 2, 2017, as updated for Improvement Area #2 on September 1, 2020, as further updated for Improvement Area #3 on September 27, 2022, as further updated for Improvement Area #1-3 Bonds on July 11, 2024, and further updated for Improvement Area #4 on [May 1], 2026 approved by the Improvement Area #4 Assessment Ordinance including updates, modifications, and amendments approved by the City Council from time to time in accordance with the SAP and the PID Act.

2.2 "Actual Costs" are defined in the SAP.

2.3 "Administrative Expenses" are defined in the SAP.

2.4 "Administrator" is defined in the SAP.

2.5 "Annual Installment" is defined in the SAP. As used herein, the term Annual Installment is comprised of two components: (a) Administrative Expenses, and (b) Assessment Revenues.

2.6 "Assessment" is defined in the SAP and includes the Improvement Area #1 Assessments, the Improvement Area #2 Assessments, the Improvement Area #3 Assessments and the Improvement Area #4 Assessments.

- 2.7 "Assessment Revenue" means: (1) revenue collected from the payment of Assessments (including pre-payments and amounts received from the foreclosure of liens but excluding costs and expenses of collection); and (2) revenue collected from the payment of the Annual Installments (excluding Administrative Expenses) of the Assessments.
- 2.8 "Authorized Improvements" means the public improvement projects authorized by the PID Act and to be constructed in the District that confer a special benefit on Property within the District, including, but not limited to, the Improvement Area #4 Funded Improvements.
- 2.9 "Chief Financial Officer" the Chief Financial Officer of the City of Fort Worth, also known as the Director of Financial Management Services.
- 2.10 "City" is defined in the Preamble.
- 2.11 "City Council" means the governing body of the City of Fort Worth, Texas.
- 2.12 "City Engineer" means the person designated in writing as the "City Engineer" for purposes of this Improvement Area #4 Reimbursement Agreement by the City Manager of the City.
- 2.13 "City Secretary" is defined in Section 1.9.
- 2.14 "Default" is defined in Section 3.12.
- 2.15 "Devco I" is defined in the Preamble.
- 2.16 "Devco IVB" is defined in the Preamble.
- 2.17 "Devco V" is defined in the Preamble.
- 2.18 "Devco VIA" is defined in the Preamble.
- 2.19 "Developer" is defined in the Preamble.
- 2.20 "Developer's Continuing Disclosure Agreement" means a continuing disclosure agreement of the Developer in connection with the issuance of PID Bonds secured by the Improvement Area #4 Assessments, if any, in satisfaction of the requirements of Rule 15c2-12, promulgated by the United States Securities and Exchange Commission.
- 2.21 "District" is defined in Section 1.11.
- 2.22 "District Fund" means a fund created by the City for the sole benefit of the District that is segregated from all other funds of the City and containing the Improvement Area #4 Account into which the City shall deposit Assessment Revenue from the collection of the Improvement Area #4 Assessments pursuant to Section 3.2 and from which the City will pay the Improvement Area #4 Reimbursement Balance pursuant to Section 3.3.2.
- 2.23 "Effective Date" is defined in the Preamble.

- 2.24 "Failure" is defined in Section 3.12.
- 2.25 "Improvement Area #1" is defined in the SAP.
- 2.26 "Improvement Area #1 Assessments" is defined in the SAP.
- 2.27 "Improvement Area #2" is defined in the SAP.
- 2.28 "Improvement Area #2 Assessments" is defined in the SAP.
- 2.29 "Improvement Area #3" is defined in the SAP.
- 2.30 "Improvement Area #3 Assessments" is defined in the SAP.
- 2.31 "Improvement Area #4" is defined in the SAP.
- 2.32 "Improvement Area #4 Account" means the account in the District Fund into which the Assessment Revenue from the collection of the Improvement Area #4 Assessments shall be deposited.
- 2.33 "Improvement Area #4 Assessment Ordinance" is defined in Section 1.33.
- 2.34 "Improvement Area #4 Assessment Roll" means the assessment roll attached as [Appendix A-3] to the 2026 SAP Update that identifies the Assessments against each Lot within Improvement Area #4, as the same may be updated from time to time.
- 2.35 "Improvement Area #4 Assessments" is defined in the SAP.
- 2.36 "Improvement Area #4 Funded Improvements" is defined in the SAP.
- 2.37 "Improvement Area #4 Indenture" means the Indenture relating to the Improvement Area #4 PID Bonds.
- 2.38 "Improvement Area #4 PID Bonds" is defined in Section 1.38.
- 2.39 "Improvement Area #4 Reimbursement Agreement" is defined in the preamble.
- 2.40 "Improvement Area #4 Reimbursement Agreement Transfer" is defined in Section 3.9.
- 2.41 "Improvement Area #4 Reimbursement Agreement Transferee" is defined in Section 3.9.
- 2.42 "Improvement Area #4 Reimbursement Amount" is defined in Section 3.3.1.
- 2.43 "Improvement Area #4 Reimbursement Balance" is defined in Section 3.3.1.
- 2.44 "Improvement Area #5" means the Future Improvement Area (as defined in the SAP) of the District that is the fourth improvement area of the District.
- 2.45 "Improvements Completion Date" means the date on which the City Engineer certifies in writing that the Authorized Improvements for Improvement Area #4 have been constructed in

substantial compliance with the approved plans and specifications for such improvements and are ready to be accepted by the City.

2.46 "Indenture" is defined in the SAP.

2.47 "Lot" is defined in the SAP.

2.48 "Lot Type" is defined in the SAP.

2.49 "Master Reimbursement Agreement" means that certain Master Reimbursement Agreement entered into by and between the City and Devco I, effective as of July 17, 2017, as assigned pursuant to the Transfer, pursuant to which the timing of certain obligations of the City and the Developer with respect to the District is established, including the proposed levy of assessments for Future Improvement Areas (as defined in the SAP) and the issuance of PID Bonds, if any.

2.50 "Maturity Date" is defined in Section 3.3.1.

2.51 2.51 "Net Proceeds" means the proceeds generated from the issuance and sale of PID Bonds minus costs of issuance and reserve fund deposits and capitalized interest, if any, required by the applicable Indenture related to such PID Bonds.

2.52 "Notice" is defined in Section 1.27.

2.53 "Original Developer" is defined in the Preamble.

2.54 "Original SAP" means the *Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley) Service and Assessment Plan* dated May 2, 2017, approved by Ordinance No. 22707-05-2017 adopted by the City Council on May 2, 2017.

2.55 "Party" or "Parties" are defined in the Preamble.

2.56 "Petition" is defined in Section 1.9.

2.57 "PID" means Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley).

2.58 "PID Act" is defined in Section 1.7.

2.59 "PID Bonds" are defined in the SAP and include the Improvement Area #4 PID Bonds, if issued.

2.60 "PID-Funded Actual Costs" are defined in the SAP.

2.61 "Prepayments" means the payment of all or a portion of an Assessment before the due date thereof.

2.62 "Property" means the approximately 1,704 acres within the corporate limits and extraterritorial jurisdiction of the City as described in the Petition and the SAP.

2.63 "SAP" means the Original SAP as updated by the 2020 SAP Update, the 2022 SAP Update, the 2024 SAP Update, and the 2026 SAP Update, including updates, modifications, and amendments approved by the City Council from time to time in accordance with the SAP and the PID Act.

2.64 "Total Improvement Area #4 Assessment Amount" is defined in Section 1.30.

2.65 "Transfer" is defined in Section 1.26.

2.66 "Walsh Ranches" is defined in the preamble.

### SECTION 3. ADDITIONAL PROVISIONS

3.1 Construction of Improvement Area #4 Funded Improvements. The Developer, at its cost and expense, has constructed, or will cause to be constructed, all of the Authorized Improvements, including the Improvement Area #4 Funded Improvements. The Authorized Improvements shall be constructed in accordance with all applicable laws, ordinances, rules, and regulations of the State of Texas, the City, and any other political subdivision or governmental agency that has jurisdiction over the construction of the Authorized Improvements; provided, however, contracts for the construction of such Authorized Improvements shall be exempt from competitive bidding requirements pursuant to Section 252.022(a)(9), Texas Local Government Code, as amended. The Developer shall prepare, bid, award, and manage all contracts for the construction of the Authorized Improvements. Further, for Authorized Improvements that have yet to be fully constructed and accepted by the City, the Developer will provide: (1) copies of all contracts entered into as of the Effective Date within thirty (30) days of the Effective Date; and (2) copies of all contracts to be entered into after the Effective Date within ten (10) business days of such contract being entered into, but in no event later than thirty (30) days after the date on which such contracts were awarded and has provided, or shall provide, to the City Engineer, the City's PID Administrator and the Chief Financial Officer copies of all contracts. All plans and specifications for the Authorized Improvements must be approved by the City Engineer, and all construction shall be inspected by or on behalf of the City for compliance with the approved plans and specifications. The Developer shall maintain books and records evidencing the Actual Costs, including the PID-Funded Actual Costs, paid, or incurred by the Developer in the construction of the Authorized Improvements, including the Improvement Area #4 Funded Improvements, copies of which books and records shall be provided to the City Engineer, the City's PID Administrator and the Chief Financial Officer. When construction of the Authorized Improvements is complete, and when the completed Authorized Improvements have been inspected by the City Engineer and determined to be in substantial compliance with the approved plans and specifications, the City Engineer shall certify such compliance in writing, including the Actual Costs of the completed Authorized Improvements, and the Developer shall dedicate (and the City shall accept) the Authorized Improvements, lien free, in accordance with standard City policies applicable to such improvements, including maintenance bonds and assignments of warranties, if any.

3.2 District Fund. Until Improvement Area #4 PID Bonds are issued, the City shall bill, collect, and deposit into the Improvement Area #4 Account of the District Fund all Assessment Revenue from the collection of the Improvement Area #4 Assessments. Annual Installments of the Improvement Area #4 Assessments shall be billed and collected by the City (or by any other person, entity, or governmental agency permitted by law) in the same manner and at the same time as City ad-valorem taxes are billed and collected. Collection of Annual Installments of the Improvement Area #4 Assessments shall be deferred pursuant to Section 372.017 of the PID Act until the first date on which such Annual Installments of the Improvement Area #4 Assessments can be collected in the manner and at the time described above. Collection of the Annual Installments of the Improvement Area #4 Assessments is anticipated to commence by October 1, 2026, with such Annual Installments being delinquent if not paid on or before January 31, 2027. In the event collection does not commence by such time, the parties shall negotiate in good faith to update the terms of Section 3.3 below accordingly. For the avoidance of doubt, Assessment Revenue from the collection of Assessments for each improvement area, including Annual Installments thereof, deposited into the District Fund will only be used to pay the reimbursement balance for that improvement area or as directed in the indenture entered into in connection with the issuance of the PID Bonds for that improvement area, if issued, in accordance with the improvement-area-specific reimbursement agreement. Assessment Revenue from the collection of Improvement Area #4 Assessments, including Annual Installments thereof, deposited into the District Fund will only be used to pay the Improvement Area #4 Reimbursement Balance or as directed in the Improvement Area #4 Indenture entered into in connection with the issuance of the Improvement Area #4 PID Bonds, if issued. After issuance, and for so long as Improvement Area #4 PID Bonds are outstanding under the terms of the Improvement Area #4 Indenture, Assessment Revenue shall be deposited, and payments therefrom shall be applied in accordance with the provisions of the Improvement Area #4 Indenture. Once Improvement Area #4 PID Bonds are issued, the Improvement Area #4 Indenture shall control in the event of any conflicts with this Improvement Area #4 Reimbursement Agreement. For the avoidance of doubt, (1) while any Improvement Area #4 PID Bonds are outstanding under the terms of the Improvement Area #4 Indenture, the right of the Developer to receive payment of the Reimbursement Balance shall be subordinate to the deposits required under the Improvement Area #4 Indenture related to the Improvement Area #4 PID Bonds, and (2) in no event will Developer be entitled to payment of the Improvement Area #4 Reimbursement Balance from Administrative Expenses.

3.3 Payment of Improvement Area #4 Reimbursement Balance.

3.3.1 Subject to the terms and conditions herein, including Section 3.2 above, the City agrees to pay to the Developer from Assessment Revenues collected from the Improvement Area #4 Assessments and deposited to the Improvement Area #4 Account of the District Fund, commencing March 15, 2027, and continuing until September 15, 2056 (the "Maturity Date") the principal amount equal to **TWENTY-FOUR MILLION ONE HUNDRED NINETY THOUSAND AND NO/100THS DOLLARS (\$24,190,000.00)** (the "Improvement Area #4

Reimbursement Amount"). The Improvement Area #4 Reimbursement Amount shall bear simple interest per annum on the unpaid balance at the rate of **SIX AND SIX-TENTHS PERCENT (6.6%)** for years one (1) through thirty (30) or until Improvement Area #4 PID Bonds are issued. The interest rates have been determined by the City Council in accordance with Section 372.023(e) of the PID Act based on the Bond Buyer Revenue Bond Index published in *The Bond Buyer*, a daily publication that publishes this interest rate index (and on the date of the determination by the City Council which is the date on which the IA #4 Assessment Ordinance was approved, the average index rate was not less than **FIVE AND ONE-TENTHS PERCENT (5.10%)**). If any portion of the Improvement Area #4 Reimbursement Amount remains unpaid after the City has elected to issue Improvement Area #4 PID Bonds, the interest rate on the unpaid Improvement Area #4 Reimbursement Amount shall be the same as the interest rate on the Improvement Area #4 PID Bonds; provided, however, that such rate shall not exceed **SIX AND SIX-TENTHS PERCENT (6.6%)**. The Improvement Area #4 Reimbursement Amount shall be reduced by the difference, if any, determined by subtracting the Actual Costs of the Authorized Improvements within Improvement Area #4 from \$24,190,000. The Improvement Area #4 Reimbursement Amount together with interest payable as described above is referred to as the "Improvement Area #4 Reimbursement Balance".

- 3.3.2 The Improvement Area #4 Reimbursement Balance is payable solely from: (1) quarterly payments by the City to the Developer made each March 15, June 15, September 15, and December 15 beginning March 15, [2027] from the Assessment Revenue from the collection of Improvement Area #4 Assessments, including Annual Installments thereof, deposited into the Improvement Area #4 Account of the District Fund beginning on March 15, [2027], and continuing each calendar quarter thereafter until the earlier of the Maturity Date or the date on which the Improvement Area #4 Reimbursement Balance is paid in full, (2) the Net Proceeds of the Improvement Area #4 PID Bonds issued by the City and secured by the Improvement Area #4 Assessments; or (3) a combination of items (1) and (2). ***The Improvement Area #4 Reimbursement Balance shall be further reduced by the costs of issuance associated with the issuance of Improvement Area #4 PID Bonds, including any underwriter's discount, in addition to any reserve fund deposits and capitalized interest, if any, required by the Improvement Area #4 Indenture, notwithstanding that such funds shall not actually be paid to the Developer.*** Each quarterly payment to the Developer from the District Fund shall be accompanied by an accounting from the City's Chief Financial Officer or the City's PID Administrator that certifies the Improvement Area #4 Reimbursement Balance as of the date of the payment and that itemizes all deposits to and disbursements from the District Fund since the last quarterly payment. If there is a

dispute over the amount of any quarterly payment, the City shall nevertheless pay the undisputed amount, and the Parties shall use all reasonable efforts to resolve the disputed amount before the next quarterly payment is due; however, if the Parties are unable to resolve the disputed amount, the determination certified by the City's Chief Financial Officer of the disputed amount shall control.

- 3.3.3 Beginning in the year in which the Improvement Area #4 PID Bonds are to be paid in full, the City will amortize the outstanding Improvement Area #4 Reimbursement Balance in a manner that is determined by the City's Chief Financial Officer to provide the most expedient payoff of the outstanding Improvement Area #4 Reimbursement Balance while seeking to maintain level reimbursement payments and taking into account Administrative Expenses associated with the Improvement Area #4 Assessments.

#### 3.4 PID Bonds.

- 3.4.1 The Parties acknowledge and agree that the District was created with the expectation that the Parties would enter into the Master Reimbursement Agreement and improvement-area-specific reimbursement agreements and that the City would issue PID Bonds in satisfaction of the each improvement-area-specific reimbursement balance in accordance with provisions set forth in each improvement-area-specific reimbursement agreement, with the provisions for this Area #4 Reimbursement Agreement set forth in Section 3.4.2 below. For the avoidance of doubt, bonds for each improvement area, if issued, shall be secured by, and paid solely from the assessments for that improvement area in accordance with the improvement-area-specific reimbursement agreement and indenture. ***While any Improvement Area #4 PID Bonds are outstanding, subject to the terms of the Improvement Area #4 Indenture, the Developer shall only be entitled to annual payments from the Assessment Revenues collected from the Improvement Area #4 Assessments to the extent any such Assessment Revenues remain available after subtracting any amounts required to be paid, deposited or transferred under the Improvement Area #4 Indenture, including debt service payments on the Improvement Area #4 PID Bonds, and amounts required to be deposited into any reserve fund.*** If the Improvement Area #4 PID Bonds are paid in full prior to the Maturity Date, the City shall thereafter continue to make payments to the Developer from the Assessment Revenue generated from the collection Improvement Area #4 Assessments, including Annual Installments thereof, deposited into the Improvement Area #4 Account of the District Fund until the earlier of the Maturity Date or the date on which the Improvement Area #4 Reimbursement Balance is paid in full. The parties acknowledge that approval of the issuance of any Improvement Area #4 Bonds by the City Council is a governmental function within the City's sole discretion and is subject to prevailing

state and federal law at the time of the proposed issuance. The inability or failure of the City to issue Improvement Area #4 Bonds shall not constitute a Failure by the City or otherwise result in a Default by the City under this Improvement Area #4 Reimbursement Agreement.

- 3.4.2 Improvement Area #4 PID Bonds will not be issued until a final plat has been recorded for Improvement Area #5. If no final plat has been recorded with respect to Improvement Area #5 within five (5) years of the date IA #4 Assessment Ordinance, then no Improvement Area #4 PID Bonds will be issued, and the payment of the Improvement Area #4 Reimbursement Balance will be limited to quarterly payments by the City to the Developer from the Assessment Revenues generated from the collection Improvement Area #4 Assessments, including Annual Installments thereof, deposited into the District Fund.
- 3.4.3 Any Prepayments of Improvement Area #4 Assessments while any Improvement Area #4 PID Bonds are outstanding shall be applied pursuant to the term of the Improvement Area #4 Indenture.
- 3.4.4 The Improvement Area #4 PID Bonds shall have a maximum maturity date of 20 years.

3.5 Unpaid Improvement Area #4 Reimbursement Balance. If any portion of the Improvement Area #4 Reimbursement Balance remains unpaid on the Maturity Date, such portion of the Improvement Area #4 Reimbursement Balance shall be canceled and for all purposes this Improvement Area #4 Reimbursement Agreement shall be deemed to have been conclusively and irrevocably PAID IN FULL, and such portion of the Improvement Area #4 Reimbursement Balance shall no longer be deemed to be payable. The Developer shall not be relieved of its duty to construct or cause to be constructed the Authorized Improvements for the benefit of the Property within Improvement Area #4 even if there are insufficient funds payable under this Improvement Area #4 Reimbursement Agreement to pay the PID-Funded Actual Costs of the Improvement Area #4 Funded Improvements.

3.6 Payment of Certain Assessments. The Developer agrees to pay in full the amount of any Improvement Area #4 Assessments on each Lot that has closed with a homebuyer on or before the date on which the Improvement Area #4 Assessment Ordinance is adopted.

3.7 City Obligations; Limitations.

3.7.1 The Improvement Area #4 Reimbursement Balance is payable to the Developer and secured under this Improvement Area #4 Reimbursement Agreement solely as described above. NO OTHER CITY FUNDS, REVENUE, TAXES, INCOME OR PROPERTY MAY BE PLEDGED TO THE PAYMENT OF ANY AMOUNTS UNDER THIS IMPROVEMENT AREA #4 REIMBURSEMENT AGREEMENT OR SHALL BE USED EVEN IF THE IMPROVEMENT AREA #4 REIMBURSEMENT BALANCE IS NOT PAID IN FULL AT MATURITY.

NOTWITHSTANDING ITS COLLECTION EFFORTS, IF THE CITY FAILS TO RECEIVE ALL OR ANY PART OF THE ASSESSMENT REVENUES COLLECTED FROM THE IMPROVEMENT AREA #4 ASSESSMENTS AND, AS A RESULT, IS UNABLE TO MAKE ANY PAYMENT DESCRIBED HEREIN, SUCH FAILURE SHALL NOT CONSTITUTE A FAILURE OR DEFAULT BY THE CITY UNDER THIS IMPROVEMENT AREA #4 REIMBURSEMENT AGREEMENT. THIS IMPROVEMENT AREA #4 REIMBURSEMENT AGREEMENT AND ANY IMPROVEMENT AREA #4 PID BONDS ISSUED IN CONNECTION HEREWITH SHALL NOT AND SHALL NEVER GIVE RISE TO OR CREATE: (1) A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE CITY OR ANY OTHER TAXING UNIT; (2) A DEBT OR OTHER OBLIGATION OF THE CITY PAYABLE FROM ANY SOURCE OF REVENUE, TAXES, INCOME OR PROPERTIES OF THE CITY OTHER THAN FROM (A) ASSESSMENT REVENUE COLLECTED FROM THE IMPROVEMENT AREA #4 ASSESSMENT REVENUES PURSUANT TO THIS IMPROVEMENT AREA #4 REIMBURSEMENT AGREEMENT, OR (B) THE NET PROCEEDS OF ANY IMPROVEMENT AREA #4 BONDS PAYABLE FROM SUCH ASSESSMENT REVENUE PURSUANT TO THE IMPROVEMENT AREA #4 INDENTURE; (3) ANY OBLIGATION OF THE CITY TO ISSUE PID BONDS OR OTHER OBLIGATIONS; OR (4) ANY OBLIGATION OF THE CITY TO PAY ANY AMOUNT DUE OR TO BECOME DUE UNDER THIS REIMBURSEMENT AGREEMENT OTHER THAN FROM (A) ASSESSMENT REVENUE COLLECTED FROM THE IMPROVEMENT AREA #4 ASSESSMENTS PURSUANT TO THIS IMPROVEMENT AREA #4 REIMBURSEMENT AGREEMENT, OR (B) THE NET PROCEEDS OF ANY IMPROVEMENT AREA #4 BONDS PAYABLE FROM SUCH ASSESSMENT REVENUE PURSUANT TO THE IMPROVEMENT AREA #4 INDENTURE.

3.7.2 None of the City or any of its elected or appointed officials or any of its officers, employees, consultants, or representatives shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of this Improvement Area #4 Reimbursement Agreement or their acts or omissions under this Improvement Area #4 Reimbursement Agreement.

3.7.3 Until Improvement Area #4 PID Bonds are issued, the obligation of the City to deposit Assessment Revenue from the collection of Improvement Area #4 Assessments, including Annual Installments thereof, into the Improvement Area #4 Account of the District Fund is subject only to the condition that the Improvements Completion Date has occurred. Upon the issuance of Improvement Area #4 PID Bonds, the City shall deposit Assessment Revenue as required by the Improvement Area #4 Indenture.

3.7.4 Notwithstanding Section 3.7.3 above, the obligation of the City to make payments to the Developer under this Improvement Area #4 Reimbursement Agreement is subject to Section 3.7.1 above and is conditioned upon: (1) the Improvements Completion Date having occurred; (2)

the City Engineer having certified that the Total Improvement Area #4 Assessment Amount does not exceed eighty percent (80%) of the Actual Costs of the Authorized Improvements within Improvement Area #4; and (3) the Developer being in compliance with its obligations under any Developer's Continuing Disclosure Agreement, if any, entered into in connection with the issuance of Improvement Area #4 PID Bonds. From and after the satisfaction of each of the foregoing conditions: (1) the obligations of the City under this Improvement Area #4 Reimbursement Agreement to make payments to the Developer shall be unconditional, and shall continue until the Maturity Date or until the Improvement Area #4 Reimbursement Balance has been paid in full, whichever is earlier; and (2) there shall be no conditions, defenses, or rights of offset to the obligations of the City: (i) to make payments to the Developer from the Improvement Area #4 Account of the District Fund in accordance with this Improvement Area #4 Reimbursement Agreement; (ii) if Improvement Area #4 PID Bonds are issued, to use the Net Proceeds thereof to pay all or a portion of the Improvement Area #4 Reimbursement Balance and thereafter to use Assessment Revenue from the collection of Improvement Area #4 Assessments, including Annual Installments thereof, to pay debt service on the Improvement Area #4 PID Bonds in accordance with this Improvement Area #4 Reimbursement Agreement and the Improvement Area #4 Indenture; and (iii), subject to Section 3.3.3, if Improvement Area #4 PID Bonds have been issued and paid in full prior to the Maturity Date, to resume making payments to the Developer from the Improvement Area #4 Account of the District Fund until the Maturity Date or until the Improvement Area #4 Reimbursement Balance is paid in full, whichever is earlier.

3.8 Term. The term of this Improvement Area #4 Reimbursement Agreement shall begin on the Effective Date and shall continue until the earlier to occur of the Maturity Date or the date on which the Improvement Area #4 Reimbursement Balance is paid in full.

3.9 Transfers. Devco IVB, Devco V and Devco VIA each has the right to assign, convey, transfer, mortgage, pledge, or otherwise encumber, in whole or in part without the consent of (but with notice to) the City, their respective obligations, rights, title, or interest under this Improvement Area #4 Reimbursement Agreement to any person or entity, including, but not limited to, their respective rights, title, or interest in and to payments of the Reimbursement Balance, whether such payments are made quarterly from the District Fund or from the Net Proceeds of Improvement Area #4 PID Bonds (any of the foregoing, an "Improvement Area #4 Reimbursement Agreement Transfer," and the person or entity to whom the Improvement Area #4 Reimbursement Agreement Transfer is made, a "Improvement Area #4 Reimbursement Agreement Transferee"); provided, however, that no such conveyance, transfer, assignment, mortgage, pledge, or other encumbrance shall be made without prior written consent of the City if such conveyance, transfer, assignment, mortgage, pledge, or other encumbrance would result in (1) the issuance of municipal securities, and/or (2) the City being viewed as an "obligated person" within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission, and/or (3) the City being subjected to additional reporting or recordkeeping duties. Notwithstanding the foregoing, no Improvement Area #4 Reimbursement Agreement Transfer shall be effective until five (5) days after written

notice of the Improvement Area #4 Reimbursement Agreement Transfer is received by the City, including, for each Improvement Area #4 Reimbursement Agreement Transferee, the notice information required pursuant to Section 3.11. The City may rely on notice of an Improvement Area #4 Reimbursement Agreement Transfer received from the Developer without obligation to investigate or confirm the validity of the Improvement Area #4 Reimbursement Agreement Transfer. The Developer waives all rights or claims against the City for any funds paid to an Improvement Area #4 Reimbursement Agreement Transferee as a result of an Improvement Area #4 Reimbursement Agreement Transfer for which the City received notice. The foregoing notwithstanding, no Improvement Area #4 Reimbursement Agreement Transfer of payments of the Reimbursement Balance may be pledged to the payment of debt service on public securities issued by any state of the United States or any political subdivision thereof without the approval of the City Council.

3.10 Applicable Law; Venue. This Improvement Area #4 Reimbursement Agreement is being executed and delivered and is intended to be performed in the State of Texas. Except to the extent that the laws of the United States may apply, the substantive laws of the State of Texas shall govern the interpretation and enforcement of this Improvement Area #4 Reimbursement Agreement. In the event of a dispute involving this Improvement Area #4 Reimbursement Agreement, venue shall lie in any court of competent jurisdiction in Tarrant County, Texas.

3.11 Notice. Notice. Any notices, certifications, approvals, or other communications required to be given by one Party to another under this Agreement shall be given in writing addressed to the Party to be notified at the address set forth below and shall be deemed given: (i) when the notice is delivered in person to the person to whose attention the notice is addressed with a confirming copy sent by e-mail; (ii) 10 business days after the notice is deposited in the United States Mail, certified or registered mail, return receipt requested, postage prepaid with a confirming copy sent by e-mail; or (iii) when the notice is delivered by Federal Express, UPS, or another nationally recognized courier service with evidence of delivery signed by any person at the delivery address with a confirming copy sent by e-mail. For the purpose of giving any notice, the addresses of the Parties are set forth below. The Parties may change the information set forth below by sending notice of such change to the other Party as provided in this section.

If to the City:

City of Fort Worth  
Denis McElroy, Assistant City Attorney  
100 Fort Worth Trail  
Fort Worth, Texas 76102

*With a copy to:*

McCall, Parkhurst & Horton, L.L.P.  
Attn: Jeff Leuschel  
717 North Harwood, Suite 900  
Dallas, Texas 75201

and:

Kelly Hart & Hallman LLP  
Attn: Jonathan Cranz  
201 Main Street, Suite 2500  
Fort Worth, Texas 76107

If to the Developer:

QUAIL VALLEY DEVCO IVB, LLC  
c/o Republic Property Group, Inc.  
Attn: Zach Chadim  
400 S. Record Street, Suite 1200  
Dallas, Texas 75202  
and:

QUAIL VALLEY DEVCO V, LLC  
c/o Republic Property Group, Inc.  
Attn: Zach Chadim  
400 S. Record Street, Suite 1200  
Dallas, Texas 75202  
and:

QUAIL VALLEY DEVCO VIA, LLC  
c/o Republic Property Group, Inc.  
Attn: Zach Chadim  
400 S. Record Street, Suite 1200  
Dallas, Texas 75202

*With a copy to:*

Shupe Ventura, PLLC  
Attn: Corey Admire  
9406 Biscayne Blvd.  
Dallas, TX 75218

Any Party may change its address by delivering notice of the change in accordance with this section.

### 3.12 Default/Remedies.

3.12.1 If either Party fails to perform an obligation imposed on such Party by this Improvement Area #4 Reimbursement Agreement (a "Failure") and such Failure is not cured after notice and the expiration of the cure periods provided in this section, then such Failure shall constitute a "Default." If a Failure is monetary, the non-performing Party shall have thirty (30) days within which to cure. If the Failure is non-monetary, the non-performing Party shall have forty-five (45) days within which to cure.

3.12.2 If the Developer is in Default, the City's sole and exclusive remedy shall be to compel performance through injunctive relief or specific performance. No Default by the Developer shall entitle the City to terminate this Improvement Area #4 Reimbursement Agreement. No Default by the Developer after the Improvements Completion Date shall entitle the City to withhold payments to the Developer from the District Fund in accordance with this Improvement Area #4 Reimbursement Agreement.

3.12.3 If the City is in Default, the Developer's sole and exclusive remedies shall be to: (1) compel performance through injunctive relief or specific performance; and/or (2) seek specific enforcement of this Improvement Area #4 Reimbursement Agreement. No Default by the City shall entitle the Developer to terminate this Improvement Area #4 Reimbursement Agreement.

3.12.4 The City shall give notice of any alleged Failure by the Developer to each Improvement Area #4 Reimbursement Agreement Transferee identified in any notice from the Developer, and such Improvement Area #4 Reimbursement Agreement Transferees shall have the right, but not the obligation, to cure the alleged Failure within the same cure periods that are provided to the Developer. The election by an Improvement Area #4 Reimbursement Agreement Transferee to cure a Failure by the Developer shall constitute a cure by the Developer but shall not obligate the Improvement Area #4 Reimbursement Agreement Transferee to be bound by this Improvement Area #4 Reimbursement Agreement unless the Improvement Area #4 Reimbursement Agreement Transferee agrees in writing to be bound.

3.13 Remedies Outside the Agreement. Nothing in this Improvement Area #4 Reimbursement Agreement constitutes a waiver by the City of any remedy the City may have outside this Improvement Area #4 Reimbursement Agreement against any the Developer, any Improvement Area #4 Reimbursement Agreement Transferee, or any other person or entity involved in the design, construction, or installation of the Authorized Improvements. The obligations of the Developer hereunder shall be those of a party hereto and not as an owner of property in the PID. 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 or subdivision requirements relating to the development of property in the PID.

3.14 Employment of Undocumented Workers. During the term of this Agreement, the Developer agrees not to knowingly employ any undocumented workers and, if convicted of a violation under 8 U.S.C. Section 1324a(f), the Developer shall repay the incentives granted herein within 120 days after the date the Developer is notified by the City of such violation, plus interest at the rate of six percent (6%) compounded annually from the date of violation until paid. Pursuant to Section 2264.101(c), Texas Government Code, a business is not liable for a violation of Chapter 2264 by a subsidiary, affiliate, or franchisee of the business, or by a person with whom the business contracts.

3.15 Statutory Verifications. The Developer makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as amended, in entering into this Improvement Area #4 Reimbursement Agreement (the "Verifications"). As used in such Verifications, the Developer understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Developer within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such Verifications during the term of this Improvement Area #4 Reimbursement Agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Agreement, notwithstanding anything contained in this Agreement to the contrary.

3.15.1 No Boycott of Israel. 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 will not boycott Israel during the term of this Agreement. As used in the foregoing verification, 'boycott Israel,' has the meaning in Section 2271.001, Texas Government Code, by reference to Section 808.001(1), Texas Government Code, and 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.

3.15.2 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, as amended. The foregoing representation 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.

3.15.3 No Discrimination Against Fossil Fuel Companies. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, "boycott energy companies" has the meaning in Section 2276.001(1), Texas Government Code, by reference to Section 809.001, Texas Government Code, and means, without an ordinary business purpose, 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 with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

3.15.4 No Discrimination Against Firearm Entities and Firearm Trade Associations. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Improvement Area #4 Reimbursement Agreement. As used in the foregoing verification and the following definitions:

- (a) 'discriminate against a firearm entity or firearm trade association,' has the meaning in Section 2274.001(3), Texas Government Code, and means: (A) with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, and (B) does not include: (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association;

- (b) 'firearm entity,' has the meaning in Section 2274.001(6), Texas Government Code, and means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting); and
- (c) 'firearm trade association,' has the meaning in Section 2274.001(7), Texas Government Code, and means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

3.16 Form 1295. The Parties acknowledge and agree that Developer submitted to the City a completed Form 1295 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") at the time Developer submitted its signature page to this Agreement. The City hereby confirms timely receipt of the Form 1295 from the Developer pursuant to Section 2252.908, and the City agrees to acknowledge such form with the TEC through its electronic filing application system not later than the 30th day after the receipt of such form. The City waives all claims related to the validity and enforceability of this Agreement to the extent such claims are based on noncompliance with Section 2252.908, Texas Government Code.

3.17 Entire Agreement; Amendment. This Improvement Area #4 Reimbursement Agreement supersedes all prior agreements (whether written or oral) between the Parties regarding the subject matter hereof and constitutes the only agreement between the Parties with regard to the subject matter hereof. For the avoidance of doubt, the Master Reimbursement Agreement remains in full force and effect with respect to any other applicable improvement area and is not superseded with

respect to any other improvement area by this Improvement Area #4 Reimbursement Agreement. In the event of any conflict between this Improvement Area #4 Reimbursement Agreement and any other instrument, document, or agreement to which either Party is a party or by which either Party is bound, the provisions and intent of this Improvement Area #4 Reimbursement Agreement shall control. This Improvement Area #4 Reimbursement Agreement may only be amended by written agreement of the Parties.

3.18 Severability. If any provision of this Improvement Area #4 Reimbursement Agreement is held invalid by any court, such holding shall not affect the validity of the remaining provisions.

3.19 Non-Waiver. The failure by a Party to insist upon the strict performance of any provision of this Improvement Area #4 Reimbursement Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Improvement Area #4 Reimbursement Agreement.

3.20 Third Party Beneficiaries. Nothing in this Improvement Area #4 Reimbursement Agreement is intended to or shall be construed to confer upon any person or entity other than the City and the Developer (including Developer's Improvement Area #4 Reimbursement Agreement Transferees following a transfer) any rights under or by reason of this Improvement Area #4 Reimbursement Agreement. All provisions of this Improvement Area #4 Reimbursement Agreement shall be for the sole and exclusive benefit of the City and the Developer (including Developer's Improvement Area #4 Reimbursement Agreement Transferees following an Improvement Area #4 Reimbursement Agreement Transfer).

3.21 Counterparts. This Improvement Area #4 Reimbursement Agreement may be executed in multiple counterparts, which, when taken together, shall be deemed one original. This Improvement Area #4 Reimbursement Agreement may be delivered by the exchange of signed signature pages by facsimile transmission or by electronic mail with a "pdf" copy or other replicating image attached, and any printed or copied version of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page.

3.22 Representations and Warranties.

3.22.1 Devco IVB represents and warrants to the City that: (1) Devco IVB has the authority to enter into and perform its obligations under this Improvement Area #4 Reimbursement Agreement; (2) Devco IVB has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Improvement Area #4 Reimbursement Agreement; (3) the person executing this Improvement Area #4 Reimbursement Agreement on behalf of Devco IVB has been duly authorized to do so; (4) this Improvement Area #4 Reimbursement Agreement is binding upon Devco IVB in accordance with its terms; and (5) the execution of this Improvement Area #4 Reimbursement Agreement and the performance by Devco IVB of its obligations under

this Improvement Area #4 Reimbursement Agreement do not constitute a breach or event of default by Devco IVB under any other agreement, instrument, or order to which Devco IVB is a party or by which Devco IVB is bound.

3.22.2 Devco V represents and warrants, on behalf of itself and Devco I, to the City that: (1) Devco V has the authority to enter into and perform its obligations under this Improvement Area #4 Reimbursement Agreement; (2) Devco V has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Improvement Area #4 Reimbursement Agreement; (3) the person executing this Improvement Area #4 Reimbursement Agreement on behalf of Devco V has been duly authorized to do so; (4) this Improvement Area #4 Reimbursement Agreement is binding upon Devco V in accordance with its terms; and (5) the execution of this Improvement Area #4 Reimbursement Agreement and the performance by Devco V of its obligations under this Improvement Area #4 Reimbursement Agreement do not constitute a breach or event of default by Devco V or Devco I under any other agreement, instrument, or order to which Devco V or Devco I is a party or by which Devco V or Devco I is bound.

3.22.3 Devco VIA represents and warrants to the City that: (1) Devco VIA has the authority to enter into and perform its obligations under this Improvement Area #4 Reimbursement Agreement; (2) Devco VIA has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Improvement Area #4 Reimbursement Agreement; (3) the person executing this Improvement Area #4 Reimbursement Agreement on behalf of Devco VIA has been duly authorized to do so; (4) this Improvement Area #4 Reimbursement Agreement is binding upon Devco VIA in accordance with its terms; and (5) the execution of this Improvement Area #4 Reimbursement Agreement and the performance by Devco VIA of its obligations under this Improvement Area #4 Reimbursement Agreement do not constitute a breach or event of default by Devco VIA under any other agreement, instrument, or order to which Devco VIA is a party or by which Devco VIA is bound.

3.22.4 Devco IVB, Devco V and Devco VIA each represent and warrant to the City that with regard to the obligations of the "Developer" under this Improvement Area #4 Reimbursement Agreement, Devco IVB, Devco V and Devco VIA are jointly and severally liable for such obligations unless and until either of them has transferred such obligations, in whole or in part, pursuant to Section 3.9. In the event of an Improvement Area #4 Reimbursement Agreement Transfer by either Devco IVB, Devco V or Devco VIA of all or any of its obligations under this Improvement Area #4 Reimbursement Agreement pursuant to Section 3.9, the Improvement Area #4 Reimbursement Agreement Transferee shall only be liable to the extent of the obligations that are the subject of the Improvement Area #4 Reimbursement Agreement Transfer and shall not be jointly liable with the Developer or with any other Improvement Area #4 Reimbursement Agreement Transferee for any other obligations under this Improvement Area #4 Reimbursement Agreement.

3.22.5 The City represents and warrants to Developer that: (1) the City has the authority to enter into and perform its obligations under this Improvement Area #4 Reimbursement Agreement; (2) the person executing this Improvement Area #4 Reimbursement Agreement on behalf of the City has been duly authorized to do so; (3) this Improvement Area #4 Reimbursement Agreement is binding upon the City in accordance with its terms; and (4) the execution of this Improvement Area #4 Reimbursement Agreement and the performance by the City of its obligations under this Improvement Area #4 Reimbursement Agreement do not constitute a breach or event of default by the City under any other agreement, instrument, or order to which the City is a party or by which the City is bound.

*[Remainder of page left blank intentionally. Execution pages follow.]*

EXECUTED to be effective as of the Effective Date.

**CITY OF FORT WORTH, TEXAS**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Assistant City Attorney

**DEVELOPER:**

**QUAIL VALLEY DEVCO IVB, LLC**

a Texas limited liability company

By: RPG QVR, LLC  
its manager

By: \_\_\_\_\_

Name: Jake Wagner

Title: Co-CEO

**QUAIL VALLEY DEVCO V, LLC**

a Texas limited liability company

By: RPG QVR, LLC  
its manager

By: \_\_\_\_\_

Name: Jake Wagner

Title: Co-CEO

**QUAIL VALLEY DEVCO VIA, LLC**

a Texas limited liability company

By: RPG QVR, LLC  
its manager

By: \_\_\_\_\_

Name: Jake Wagner

Title: Co-CEO

SCHEDULE I  
NOTICE OF TRANSFER

Schedule I  
Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley)  
Improvement Area #4 Reimbursement Agreement

# SHUPE VENTURA, PLLC

9406 Biscayne Blvd.  
Dallas, Texas 75218  
214.328.1101

April 21, 2026

Corey Admire  
Attorney  
9406 Biscayne Blvd.  
Dallas, Texas 75218  
214.328.1100  
Corey.Admire@svlandlaw.com

## VIA EMAIL AND CERTIFIED MAIL

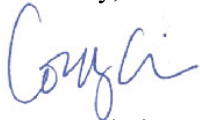
City of Fort Worth, Texas  
Attn: Jay Chapa, City Manager  
Denis McElroy, Assistant City Attorney  
200 Texas St.  
Fort Worth, Texas 76102

Re: Notice of Transfer of Master Reimbursement Agreement related to Improvement Area #4 of Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley)

Dear Ms. Burghdoff and Mr. McElroy,

Pursuant to Section 13 of the *Master Reimbursement Agreement for Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley)* (the "**Master Reimbursement Agreement**"), I am providing notice of a Transfer of all obligations, rights, title and interest related to "Improvement Area #4" (as defined in the *Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley), City of Fort Worth, Texas, Service and Assessment Plan*, approved May 2, 2017, as updated for Improvement Area #2 on September 1, 2020, as updated for Improvement Area #3 on September 27, 2022, and as to be further updated for Improvement Area #4 on May 12, 2026) by Walsh Ranches Limited Partnership, a Texas limited partnership ("**Walsh Ranches**") and Quail Valley Devco I, LLC, a Texas limited liability company ("**Devco I**") to Quail Valley Devco IVB, LLC, a Texas limited liability company ("**Devco IVB**"), Quail Valley Devco V, LLC, a Texas limited liability company ("**Devco V**") and Quail Valley VIA, LLC, a Texas limited liability company ("**Devco VIA**", and together with Devco IVB and Devco V, the "**Assignees**"). The Assignees are entities affiliated with Devco I. A copy of the assignment is enclosed along with contact information of the Assignees for purposes of Section 18 of the Master Reimbursement Agreement.

Sincerely,



Corey Admire

cc: Denis McElroy, City of Fort Worth, Texas (by email)  
Jonathan Craz, Kelly Hart & Hallman, LLP (by email)  
Chris Settle, McCall, Parkhurst & Horton, L.L.P. (by email)  
Ryan Dickerson, Walsh Ranches Limited Partnership  
Jake Wagner, Quail Valley Devco I, LLC c/o Republic Property Group, Inc.  
Zach Chadim, Quail Valley Devco I, LLC, Quail Valley Devco IVB, LLC, Quail Valley Devco V, LLC and Quail Valley Devco VIA, LLC c/o Republic Property Group, Inc.  
Cheryl Turner, Republic Property Group

**Notice Information for Assignees:**

**QUAIL VALLEY DEVCO IVB, LLC**

c/o Republic Property Group, Inc.

Attn: Zach Chadim

400 S. Record Street, Suite 1200

Dallas, Texas 75202

**and:**

**QUAIL VALLEY DEVCO V, LLC**

c/o Republic Property Group, Inc.

Attn: Zach Chadim

400 S. Record Street, Suite 1200

Dallas, Texas 75202

**and:**

**QUAIL VALLEY DEVCO VIA, LLC**

c/o Republic Property Group, Inc.

Attn: Zach Chadim

400 S. Record Street, Suite 1200

Dallas, Texas 75202

*With a copy to:*

**SHUPE VENTURA, PLLC**

Attn: Corey Admire

9406 Biscayne Blvd.

Dallas, TX 75218

**ASSIGNMENT OF RIGHTS TO REIMBURSEMENT PROCEEDS  
UNDER MASTER REIMBURSEMENT AGREEMENT**

This Assignment of Rights to Reimbursement Proceeds Under Master Reimbursement Agreement (this "**Assignment**") is entered into by and among **WALSH RANCHES LIMITED PARTNERSHIP**, a Texas limited partnership ("**WRLP**") and **QUAIL VALLEY DEVCO I, LLC**, a Texas limited liability company ("**Devco I**"; WRLP and Devco I are referred to herein collectively as "**Assignor**"), **QUAIL VALLEY DEVCO IVB, LLC**, a Texas limited liability company ("**Devco IVB**"), **QUAIL VALLEY DEVCO V, LLC**, a Texas limited liability company ("**Devco V**"), and **QUAIL VALLEY DEVCO VIA, LLC**, a Texas limited liability company ("**Devco VIA**"; together with Devco IVB and Devco V, the "**Improvement Area #4 Developer**" or "**Assignee**"), effective as of February 1, 2026 (the "**Effective Date**").

**RECITALS:**

**WHEREAS**, in August of 2016, WRLP and Devco I filed a petition seeking to establish a public improvement district to undertake improvements within a designated area consisting of approximately 1,703 acres of land (the "**Property**"), to be developed as single-family housing and constituting the first phase of a master planned, mixed use development known as "Walsh Ranch" or "Walsh"; and

**WHEREAS**, in September of 2016, the Fort Worth City Council authorized the creation of the **Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley)** (the "**Quail Valley PID**"), a public improvement district covering the Property, created by the City of Fort Worth, Texas (the "**City**") in accordance with Chapter 372 of the Texas Local Government Code, as amended (the "**PID Act**") for the purpose of financing certain public improvements (the "**Authorized Improvements**") that benefit the property within the Quail Valley PID, including the Improvement Area #4 Property (as defined below); and

**WHEREAS**, on July 17, 2017, the City and Assignor entered into that certain Master Reimbursement Agreement for Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley) (the "**Master Reimbursement Agreement**"), setting forth certain terms and conditions for the reimbursement to Assignor of the costs of certain improvements within the Quail Valley PID, not to exceed the sum of Forty-seven Million Dollars (\$47,000,000.00) (such amount referred to herein as the "**Maximum Reimbursement**"), recognizing that the improvements would be developed in phases over the course of several years, and the parties agreed to use good faith efforts to agree upon phase specific documents for each phase pertaining to the financing of certain Authorized Improvements in each phase of the Quail Valley PID for the special benefit of assessed property within that phase, and agreeing upon the portion of the Maximum Reimbursement allocated to each phase; and

**WHEREAS**, the Improvement Area #4 Developer is the owner and developer of approximately 450.642 acres of land consisting of construction phases "PA4B", "PA5A", "PA5B", "PA5D" and "PA6A" located in Tarrant County and Parker County, Texas (the "**Improvement Area #4 Property**"), which Improvement Area #4 Property is located within the larger "Walsh Ranch" development; and

WHEREAS, the Improvement Area #4 Property constitutes "Improvement Area #4" ("**Improvement Area #4**") of the Quail Valley PID; and

WHEREAS, the Authorized Improvements benefitting the Improvement Area #4 Property, being located within Improvement Area #4 (the "**Improvement Area #4 Funded Improvements**") have been or will be constructed by the Improvement Area #4 Developer in accordance with the PID Act and that certain *Fort Worth Public Improvement District No. 16 (Walsh Ranch / Quail Valley), City of Fort Worth, Service and Assessment Plan*, including the Assessment Roll(s) (as the same may be amended and updated from time to time, the "**Service and Assessment Plan**"); and

WHEREAS, in connection with the financing of the Improvement Area #4 Funded Improvements, the Fort Worth City Council intends to adopt an ordinance (the "**Improvement Area #4 Assessment Ordinance**") approving the Service and Assessment Plan, including the Assessment Roll(s), and levying special assessments (the "**Improvement Area #4 Assessments**") for the purpose of financing the Improvement Area #4 Funded Improvements on benefitted property within the Quail Valley PID, including the Improvement Area #4 Property; and

WHEREAS, with respect to the levy of the Improvement Area #4 Assessments, and the financing of the Improvement Area #4 Funded Improvements, the undersigned acknowledge and agree that the Improvement Area #4 Developer has incurred costs and expenses in connection with construction of the Improvement Area #4 Funded Improvements and, therefore, Assignor hereby now desires to assign to the Improvement Area #4 Developer any and all rights to reimbursement of any portion of the Maximum Reimbursement that may be paid to Assignor pursuant to the Master Reimbursement Agreement with respect to the reimbursement to Assignor of the costs of the Improvement Area #4 Funded Improvements, including any proceeds of bonds to be issued for the Improvement Area #4 Funded Improvements;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Assignor hereby assigns to the Improvement Area #4 Developer, all right, title, and interest of Assignor in and to any and all reimbursement proceeds payable by the City to Assignor under the Master Reimbursement Agreement for any portion of the Maximum Reimbursement for costs associated with the Improvement Area #4 Funded Improvements (collectively, the "**Assigned Improvement Area #4 Reimbursables**"), including any reimbursement amounts that may be payable from Improvement Area #4 Assessments and from proceeds of bonds to be issued in the future with respect to reimbursement of costs related to the Improvement Area #4 Funded Improvements.
2. The Improvement Area #4 Developer hereby accepts such assignment of the Assigned Improvement Area #4 Reimbursables and assumes and agrees to comply with and perform all obligations under the Quail Valley PID, the Master Reimbursement Agreement, the Service and Assessment Plan, the Improvement Area #4 Assessment Ordinance and related documents to the extent the same relate to the Assigned Improvement Area #4 Reimbursables and/or Improvement Area #4 (collectively, the "**Assumed Obligations**"). Improvement Area #4 Developer hereby agrees to indemnify, defend, release and hold

harmless Assignor from and against any and all claims, suits, losses, liens, liability, costs and expenses suffered or incurred by Assignor that directly or indirectly result from or in any way relate to the Improvement Area #4, the Assigned Improvement Area #4 Reimbursables, or the Assumed Obligations.

3. Assignor and the Improvement Area #4 Developer acknowledge and agree that all sums payable to the Improvement Area #4 Developer pursuant to Paragraph 1 are governed by the terms of the Master Reimbursement Agreement, and Assignor is hereby released from any of its obligations (except as set forth in Paragraph 4 below) under the Master Reimbursement Agreement to the extent related to the Assigned Improvement Area #4 Reimbursables and/or Improvement Area #4.
4. By execution of this Assignment, Assignor and the Improvement Area #4 Developer each agree to execute releases and receipts of payment in forms acceptable to the City and/or the Quail Valley PID in connection with all sums payable pursuant to Paragraph 1.
5. Notwithstanding any provision of the Master Reimbursement Agreement, Assignor and the Improvement Area #4 Developer hereby agree that all sums payable to Assignor for the Improvement Area #4 Funded Improvements pursuant to the Master Reimbursement Agreement shall be paid directly to the Improvement Area #4 Developer, including any proceeds of bonds to be issued in the future by the Quail Valley PID to the extent the same are related solely to Improvement Area #4 and that the City and Quail Valley PID may rely upon this Assignment to do so.
6. Assignor hereby agrees that WRLP and Devco I, respectively, will execute and deliver all such other commercially reasonable assignments and instruments as might be required or necessary to vest title to the Assigned Improvement Area #4 Reimbursables in the Improvement Area #4 Developer, so that the same will be paid directly to the Improvement Area #4 Developer.
7. This Assignment may be executed in multiple counterparts, which, when taken together shall be deemed one original. This Assignment may be delivered by the exchange of signed signature pages by electronic mail in a portable document format (PDF) or other replicating image attached, and any printed or copied version of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page.


[EXECUTION PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Assignment in multiple copies, each of which shall be deemed an original of equal dignity, as of the Effective Date.

**ASSIGNOR:**

**WALSH RANCHES LIMITED PARTNERSHIP,**  
a Texas limited partnership

By: Walsh North Star Company, LLC  
a Delaware limited liability company,  
its General Partner

By:   
Name: Ryan B. DeMorse  
Title: Vice President

**QUAIL VALLEY DEVCO I, LLC**  
a Texas limited liability company

By: RPG QVR, LLC,  
a Texas limited liability Company,  
its Manager

By: Republic Property Group, Ltd.,  
a Texas limited partnership,  
its Manager

By: RPG, LLC,  
a Texas limited liability company,  
its General Partner

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF, the parties have executed this Assignment in multiple copies, each of which shall be deemed an original of equal dignity, as of the Effective Date.

**ASSIGNOR:**

**WALSH RANCHES LIMITED PARTNERSHIP,**  
a Texas limited partnership

By: Walsh North Star Company, LLC  
a Delaware limited liability company,  
its General Partner

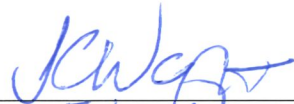
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**QUAIL VALLEY DEVCO I, LLC**  
a Texas limited liability company

By: RPG QVR, LLC,  
a Texas limited liability Company,  
its Manager

By: Republic Property Group, Ltd.,  
a Texas limited partnership,  
its Manager

By: RPG, LLC,  
a Texas limited liability company,  
its General Partner

By:   
Name: Jake Wagner  
Title: CO-CEO

**ASSIGNEE/IMPROVEMENT AREA #4 DEVELOPER:**


**QUAIL VALLEY DEVCO IVB, LLC**  
a Texas limited liability company

By: RPG QVR, LLC, its manager

By:   
\_\_\_\_\_  
Jake Wagner  
Co-CEO

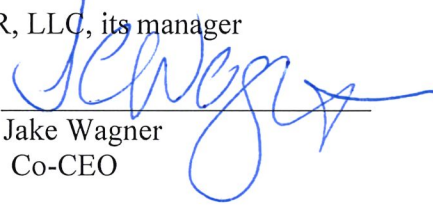
**QUAIL VALLEY DEVCO V, LLC**  
a Texas limited liability company

By: RPG QVR, LLC, its manager

By:   
\_\_\_\_\_  
Jake Wagner  
Co-CEO

**QUAIL VALLEY DEVCO VIA, LLC**  
a Texas limited liability company

By: RPG QVR, LLC, its manager

By:   
\_\_\_\_\_  
Jake Wagner  
Co-CEO