AGREEMENT FOR PAYMENT OF PROFESSIONAL EXPENSES EXPECTED TO BE INCURRED BY THE CITY IN CONNECTION WITH THE CREATION OF THE SOMERSET PUBLIC IMPROVEMENT DISTRICT NO. 2

THIS AGREEMENT (this Agreement) is entered into this 16th day of January, 2024, by and between the City of Sinton, Texas (the City), and Somerset Land Development, LLC, a Texas limited liability company (the Applicant and, together with the City, the Parties).

WHEREAS, the Applicant owns or is under contract to purchase certain property situated in the City described in Exhibit A, attached hereto and incorporated herein by reference (the Property);

WHEREAS, the Applicant desires to develop the Property and has made application to the City to petition the City pursuant to Chapter 372 of the Texas Local Government Code to create the a public improvement district (the District) to facilitate the development of a project currently known as Somerset;

WHEREAS, the Parties desire to memorialize their intent regarding Applicant’s agreement to pay directly or reimburse the City for fees and expenses for review of the application and petition and to coordinate and accomplish creation of the District by the City;

WHEREAS, the Parties hereto recognize that the City will continue to incur expenses through the entire District creation process, including (but not limited) to the following: legal publications, notices, reproduction of materials, public hearing expenses, recording of documents, attorney fees, financial advisory fees, special consultant fees, and fees for administrative time of City staff;

NOW, THEREFORE, for and in consideration of the foregoing premises and of the mutual promises and conditions hereinafter contained, it is hereby agreed as follows:

1. For purposes of this Agreement, “Application” shall mean and include all documentation, data, and information submitted to the City in order to seek or obtain District creation and approval by the City Council of related plans and agreements.

2. Applicant shall provide to the City the sum of $50,000, and such other sums as the City may reasonably request from time to time, to be held in escrow by the City for Expenses (described in paragraph 4 below) of City for the District Application.

3. The Applicant may terminate its Application at any time by giving written notice to the City. The City shall take all reasonable steps necessary to terminate the accrual of Expenses to the Applicant and file such notices as are required by the City’s regulations. The Applicant shall be liable for all Expenses incurred by the City in terminating the processing of the Application. The City shall notify the Applicant of any additional Expenses that City may incur.

4. The City will account for all funds expended and fees and expenses incurred by the City as a result of review of and implementation of the request included in the Application. The
City will make statements of Expenses (herein so called) incurred available to the Applicant. Expenses to be charged to the Applicant's account shall include, but shall not be limited to appraisal, legal publications, notices, and reproduction of materials, public hearing expenses, recording of documents, attorney fees, financial advisory fees, and any other special consultant fees. The City shall notify the Applicant of any Expenses that City may incur in connection with the Application. Applicant's obligation to pay directly or reimburse the City for Expenses under this Agreement shall expire upon the first to occur of: (i) creation of the District, (ii) City denial of any portion of the Application, or (iii) Applicant's withdrawal of the Application, at which time the City will provide the Applicant with a final statement of account and will refund to the Applicant any funds deposited by the Applicant that were not expended by the City, except where the Parties expressly agree to the contrary.

5. Applicant's obligation to pay the Expenses provided for in this Agreement shall exist and continue independent of whether the Application, or any part thereof, is approved, approved with conditions, denied, withdrawn, or terminated by the City or the Applicant prior to a final decision in the process. The Applicant agrees to pay all Expenses regardless of whether the City approves or denies the Application. The City shall not be stopped or otherwise limited or precluded from denial or conditional approval of the Application by the terms, conditions, or obligations of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

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[SIGNATURES FOLLOW ON NEXT PAGE]
SOMERSET LAND DEVELOPMENT, LLC
a Texas limited liability company

By: ________________________________
Name: ______________________________
Title: ______________________________

THE STATE OF TEXAS §

CITY OF SINTONMEDINA §

THIS INSTRUMENT is acknowledged before me on this ___ day of __________, 2024, by ______________________, with the title indicated, on behalf of Somerset Land Development, LLC, a Texas limited liability company.

[SEAL]

Notary Public in and for the State of Texas

CITY OF SINTON, TEXAS:

By: ________________________________
   Mayor

ATTEST:

By: ________________________________
   City Secretary
EXHIBIT A

Legal Description of Property