

**AMENDED AND RESTATED CHAPTER 380
ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT**

This Amended and Restated Economic Development Incentive Agreement (“**Agreement**”) is made by and among the City of Corinth, Texas, a home rule municipality (the “**City**”), the Corinth Economic Development Corporation, a Type B corporation organized under the Development Corporation Act (Chapters 501 and 505 of the Texas Local Government Code) (the “**CEDC**”), and Wolverine Interests, LLC, a Texas limited liability company, or its assigns as authorized by the terms of this Agreement (“**Developer**”), acting by and through their respective authorized officers and representatives. The City, the CEDC, and the Developer may also be referred to collectively as the (“**Parties**”), or individually as a (“**Party**”). This Agreement amends, restates, and supersedes the Chapter 380 Economic Development Incentive Agreement executed by the Parties on February 7, 2022, by and between the Parties.

Recitals:

WHEREAS, the Developer intends to purchase approximately ±4.542 acres of land owned by the City and located within the corporate limits of the City of Corinth, Texas, legally described in **EXHIBIT A** and depicted in **EXHIBIT “B”** (the “**Property**”); and

WHEREAS, the Developer has informed the City and CEDC that financial incentives from the City and CEDC would cause the Developer to develop and construct on the Property a planned development, consisting of a minimum of 300 multifamily residential units, 30,000 square feet of commercial space, a parking garage, which shall include 75-spaces reserved for free and unencumbered public use not to be used by residents of the multifamily units, and Drainage Improvements (hereinafter defined) that will benefit the City by creating 15 new full-time jobs and generating revenues for the city from sales and use taxes and from ad valorem taxes due to the increased value resulting from the improvements to the Property, as depicted in **EXHIBIT “C”** (the “**Project**”); and

WHEREAS, the Developer intends to spend a minimum of Thirty Million Dollars (\$30,000,000) for the Project, including land acquisition of the Property from the City; and

WHEREAS the City is authorized by Article III, Section 52-a of the Texas Constitution and TEX. LOC. GOV’T CODE §380.001 *et seq.* to provide economic development incentives for public purposes to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, Section 253.0125, Texas Local Government Code authorizes the City to transfer real property or an interest in real property for economic development purposes to the Developer, provided the City and the Developer enter into an economic development agreement authorized by Chapter 380 that includes the consideration defined in Section 253.0125(c); and

WHEREAS, the City has determined that this Agreement requires the Developer to use the Property in a manner that primarily promotes a public purpose relating to economic development; and

WHEREAS, the Development Corporation Act, Title 12, Subtitle C1, Chapter 501-505 of the Texas Local Government Code authorizes the CEDC to provide funding and economic development grants for new business enterprises; and

WHEREAS, on or about February 7, 2022, the Parties entered into a Chapter 380 Economic Development Incentive Agreement for the Improvements outlining the duties and responsibilities of the Parties relative to the Improvements (hereinafter “Original Incentive Agreement”). Subsequent to the execution of the Original Incentive Agreement, the Parties continued discussions and determined it appropriate to make certain amendments to the Original Incentive Agreement to more accurately reflect the rights and obligations of the Parties relative to the square footage of the Improvements. The rights, duties, and obligations of the Parties as set forth in this Agreement are intended to amend, restate, and supersede the terms of the Original Incentive Agreement, and the Parties agree and understand that this Agreement shall become effective upon execution by the Parties; and

WHEREAS, the Parties acknowledge and agree that tree preservation regulations in the City’s ordinances will not apply to this Project because this Project is the result of a public-private partnership identifying land area for both the Commons at Agora Public Park and the Corinth City Center project and is the catalyst for development of a new city center for Corinth; however, the City acknowledges and agrees the large grove of trees preserved within the boardwalk area in the Commons at Agora Public Park satisfies the intent of tree preservation in the City’s ordinances; and

WHEREAS, the Parties acknowledge and agree that park and trail dedication requirements in the City’s ordinances will not apply to this Project because this Project is the result of a public-private partnership that is a key component and catalyst for the envisioned new City Center and the Commons at Agora Public Park; however, the City acknowledges and agrees the public realm, including wide sidewalks, outdoor seating area for restaurants, planters and shade trees along N. Corinth Street, Main Street, Agora Way, and Walton Drive, satisfies the intent of park and trail dedication requirements in the City’s ordinances; and

WHEREAS, the City and CEDC have determined that making an economic development grant to the Developer in accordance with the terms and conditions set forth in this Agreement will further the objectives of the City, will benefit the City and its citizens, and will promote local economic development and stimulate business and commercial activity in the City.

NOW THEREFORE, in consideration of the foregoing and the premises, mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby covenant and agree as follows:

Article I. Definitions

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

“Affiliate” means any entity that directly or indirectly controls, is controlled by, or is under common control with, the Developer.

“Commencement of Construction” means that: (i) the plans have been prepared and all approvals thereof required by applicable governmental authorities have been obtained; (ii) all necessary permits permitting commencement of construction have been issued by all applicable governmental authorities; (iii) mobilization and excavation of the site has begun; (iv) the City’s Public Works Department has issued a letter acknowledging substantial completion of the required public infrastructure for the Project, and (v) the Developer is working towards completion of the Project without letting the necessary construction permit(s) lapse.

“Completion of Construction” means completing approximately 300 residential units, 30,000 square feet of new commercial space as evidenced by receiving a certificate(s) of occupancy from the City for the building shell in accordance with applicable ordinances or the Developer’s submission of all materials and information required by the City for issuance of a temporary certificate of occupancy for a completed portion of the Project, whichever occurs first, and leasing an initial 15,000 square feet of new commercial space as evidenced by providing proof of leases to end users per the requirements in Section 6.05.

“Construction” means the installation, completion, and acceptance of Improvements and associated site infrastructure including and not limited to sidewalks, access drives, utilities, stormwater facilities, lighting, etc., for which approved stamped Civil Plans have been authorized and the building of the components related to a building structure in accordance with a Building Permit.

“Developer Participation Agreement” means an agreement between the City and Developer for the construction of public improvements, not including a building, related to the development with a participation limit by City of thirty percent (30%) of the total contract price and which complies with all requirements of Subchapter C, “Developer Participation in Contract for Public Improvements” of Chapter 212, “Municipal Regulation of Subdivisions and Property Development of the Texas Local Government Code, as amended.

"Direct Payment Permit" also referred to herein as a "Texas Direct Payment Permit" means that permit issued by the State of Texas authorizing the Developer to self-assess and pay applicable state and local use taxes directly to the State of Texas related to selected portions of the Developer's taxable purchases. Texas Rule 3.288 of the Texas Administrative Code defines the requirements and responsibilities of Texas Direct Payment Permit holders along with any amendments, permutations, or recodifications of such Code or Rules whether renaming such permits or otherwise modifying such provisions.

“Drainage Improvements” shall mean the public infrastructure required by the approved final plat for the Property.

“Effective Date” shall mean the last date on which all of the parties hereto have executed this Agreement.

“Improvements” shall mean the buildings, parking, depicted on the concept plan in **EXHIBIT “C,”** attached hereto, and Drainage Improvements.

“Grant Payments” are the City’s payment(s) to the Developer as described within Article III of this Agreement.

“Local Firm” means any firm lawfully engaged in business and located within the city limits of the City. Any firm not meeting such criteria does not qualify as a “Local Firm” for purposes of this Agreement.

“Project” shall mean a mixed-use development with a capital investment of at least \$30,000,000 encompassing 300 multifamily units, 30,000 square feet of commercial retail/restaurant space, a parking garage, with 75-spaces reserved for free and unencumbered public use and not to be used by residents of the multifamily units, and Drainage Improvements.

“Property” means the approximately ±4.542 acres of real property, more or less, within the corporate limits of the City upon which this Project shall be executed, a legal description is shown in **EXHIBIT “A”** and is depicted in **EXHIBIT “B”** attached hereto and made a part of this Agreement for all purposes.

“Sales and Use Tax Revenue” means the amount of sales and use tax revenues generated from the purchase of Taxable Items that are attributable to the construction and equipping of the Property in connection with this Project and collected by the Texas Comptroller of Public Accounts (or any similar or successor tax collection entity or agency of the State of Texas).

“Total Development Costs” means the aggregate of Hard Construction Costs and the following costs directly expended by the Developer for the Project: engineering fees; architectural and design fees; real estate commissions; costs of third-party consultants, including attorneys and environmental consultants; developer fees; zoning fees; insurance and taxes directly related to the construction of the Project; and financing costs, including capitalized interest and FF&E (Furniture, Fixtures and Equipment).

"Use Tax Certificate" shall mean a certificate or other statement in a form reasonably acceptable to the City setting forth the Company's collection of use tax imposed by and received by the City from the State of Texas, for the use of Taxable Items by Company in the City for the applicable calendar month during the Grant Period which are to be used to determine Company's eligibility for a Grant, together with such supporting documentation required herein, and as City may reasonably request.

Article II.

Term

The term of this Agreement (the “**Term**”) shall begin on the Effective Date and continue until December 31, 2030, unless sooner terminated as provided herein.

This Agreement may be extended for an additional period of time on terms mutually acceptable to the Parties by a written agreement executed by both parties.

Article III

Grant Payments and Park and Trail Matters

3.01 Subject to the Developer’s satisfaction of and compliance with all of the terms and conditions of this Agreement, including without limitation the requirements set forth in Article IV below, the City and CEDC agree to make the following Grant Payments to the Developer:

- a. an economic development incentive from the City in the form of a reduced sales price of the Property in an amount equal to \$7.05 per square foot, pursuant Section 4.01; and
- b. an economic development incentive from the City and the EDC equal to one hundred percent (100%) of the Sales and Use Tax Revenue (1.5% sales tax collection, City and CEDC) that is generated by the Developer from the addition of Improvements on the Property during the construction of the Project for a period of thirty-six (36) months from the date of the Commencement of Construction in an amount not exceed Four Hundred Fifty Thousand Dollars (\$450,000.00);
- c. an economic development incentive in the form of a reimbursement of building permit fees for the Project in an amount not to exceed Five Hundred Fifty Thousand Dollars (\$550,000.00); and
- d. an economic development incentive in the form of a partial payment for the Developer’s construction of the Drainage Improvements in an amount equal to thirty (30%) of the total contract cost of Drainage Improvements up to a maximum of but not to exceed One Hundred Thousand Dollars (\$100,000.00) pursuant to a Developer Participation Agreement executed by the Parties (the “**Drainage Improvement Grant Payment**”).

Article IV.

Conveyance of the Property; Restriction

4.01 The City agrees to sell and convey the Property to the Developer in accordance with the Amended Unimproved Property Contract (**EXHIBIT “D”**). Following the Effective Date of this Agreement, the City will obtain an appraisal of the Property. The appraisal will be used to determine the sales price in relation to the market value of the Property and thereby the amount of the economic development incentive in Section 3.01(a).

4.02 Except as expressly provided herein, the sale and conveyance by the City is subject to the requirement and restriction that the Completion of the Construction be completed on the Property within thirty-six (36) months from the Commencement of Construction. In the event the Developer violates the foregoing restriction without having constructed or caused the Completion of Construction of any of the Improvements upon the Property, the City shall have the option to purchase the Property for a sales price equal to the lesser of: (i) the amount paid by the Developer pursuant to Section 3.01(a), or (ii) the fair market value of the Property as determined by an appraisal obtained by City. However, in the event the Developer violates the foregoing

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requirement for Completion of Construction, but Developer has constructed or caused the construction of any portion of the Improvements upon the Property, the City shall have the option to purchase the Property for a sales price equal to the lesser of the amounts set forth in romanettes (i) and (ii) in the preceding sentence, but City shall also pay Developer the lesser of: (a) the actual costs incurred by Developer for construction of the Improvements, or (b) the fair market value of those Improvements as determined by a third party appraiser mutually agreed upon by the Parties. It shall be the responsibility of the Developer to provide written documentation of the costs paid by the Developer for the Improvements in a form acceptable to the City. Upon the request of the Developer, the City Manager or designee may grant a reasonable extension of time up to 60 days and such an extension request will not be unreasonably denied. This restriction shall be memorialized in a restriction agreement to be signed by all parties at closing and a memorandum of the restriction agreement shall be recorded among the deed records of Denton County, Texas. This restriction will be released from the deed records by the City upon the Developer providing the City with documented proof of compliance with the terms and conditions of this Agreement. The purpose of this restriction provision is to comply with Section 253.0125, Texas Local Government Code by granting the City sufficient control to ensure the public purpose is accomplished and the City receives the return benefit. The City's option to repurchase the Property pursuant to this Section 4.2 shall expire at the point that a minimum of eighty percent (80%) of the Project requirements, as defined by the term Completion of Construction, have been completed met by Developer. Expiration of the City's option to repurchase under this Section shall not affect City's ability to exercise other remedies hereunder for default by Developer. The remedies provided under this Section shall be cumulative and not exclusive.

Article V.

Conditions on Grant Payments

5.01 **City's and CEDC's Obligations.** The obligation of the City and CEDC to make the Grant Payments shall be conditioned upon the Developer's compliance with and satisfaction of all of the terms and conditions of this Agreement, including without limitation, each of the conditions set forth below:

- a. **Sales and Use Tax Revenue Grant Payments.** The Sales and Use Tax Grant Payments shall be paid on an annual basis (for the 36-month duration beginning of Commencement of Construction), which will be paid over a period not to exceed four (4) years as specified below:
 1. Year 1: As a condition of the City and CEDC making the first Grant Payment to the Developer, the Developer must close on the purchase of the Property and receive approval of the rezoning application for the Project on the Property. After the close of each calendar year during the Term, prior to the City's and CEDC's payment of the grants earned during such calendar year, the Developer shall submit to the City and CEDC, no later than March 31, all of the following: (1) proof of payment of its tax liability relevant to the computation of a grant amount; (2) its Annual Use Tax Certificate; (3) a copy of the Texas Direct Payment Permit; (4) a letter of request for payment; and (5) any other documentation or information required by this Agreement or reasonably requested by City and CEDC. Subject to the satisfactory receipt of these items by City, the City and CEDC agree that the Grant Payment will

be paid in full to the Developer within forty-five (45) days of satisfactory receipt of the above listed items.

2. Year 2: After the close of each calendar year during the Term, prior to the City's and CEDC's payment of the grants earned during such calendar year, the Developer shall submit to the City and CEDC, no later than March 31, all of the following: (1) proof of payment of its tax liability relevant to the computation of a grant amount; (2) its Annual Use Tax Certificate; (3) a copy of the Texas Direct Payment Permit; (4) a letter of request for payment; and (5) any other documentation or information required by this Agreement or reasonably requested by City and CEDC. Subject to the satisfactory receipt of these items by City and CEDC, the City and CEDC agree that the Grant Payment will be paid in full to the Developer within forty-five (45) days of satisfactory receipt of the above listed items.
3. Year 3: After the close of each calendar year during the Term, prior to the City's and CEDC's payment of the grants earned during such calendar year, the Developer shall submit to the City and CEDC, no later than March 31, all of the following: (1) proof of payment of its tax liability relevant to the computation of a grant amount; (2) its Annual Use Tax Certificate; (3) a copy of the Texas Direct Payment Permit; (4) a letter of request for payment; and (5) any other documentation or information required by this Agreement or reasonably requested by City and CEDC. Subject to the satisfactory receipt of these items by City and CEDC, the City agrees that the Grant Payment will be paid in full to the Developer within forty-five (45) days of satisfactory receipt of the above listed items.
4. Year 4: After the close of each calendar year during the Term, prior to the City's and CEDC's payment of the grants earned during such calendar year, the Developer shall submit to the City and CEDC, no later than March 31, all of the following: (1) proof of payment of its tax liability relevant to the computation of a grant amount; (2) its Annual Use Tax Certificate; (3) a copy of the Texas Direct Payment Permit; (4) a letter of request for payment; and (5) any other documentation or information required by this Agreement or reasonably requested by City and CEDC. Subject to the satisfactory receipt of these items by City and CEDC, the City and CEDC agrees that the Grant Payment will be paid in full to the Developer within forty-five (45) days of satisfactory receipt of the above listed items.

b. Building Permit Fees Grant Payment:

1. Payments. Subject to the terms and conditions of this Agreement, the City agrees to provide to the Developer a Grant Payment in the form of a reimbursement of the building permit fees for the Project on the Property. The Developer acknowledges that this Agreement makes an allowance for the building permit fee Grant Payment which means the City will reimburse the Developer for the building permit fees paid for the Project at the time of Completion of Construction.
2. Scheduling. Payment shall be made by City to the Developer within thirty (30) days after all materials to establish Completion of Construction have been submitted to the City and the payment has been received from the Developer

for the building permit fees. The total amount of Grant Payment shall not exceed \$550,000. The City is not responsible for paying, waiving, or reducing any building permit fees if the total amount of building permit fees paid by the Developer for the Project exceeds \$550,000.

3. Retainage. Subject to extensions granted, if any, per section 6.04(b). If the cumulative 30,000 square feet of retail space has not been leased and occupied on or before the twenty-four (24) month period following the Completion of Construction, the City reserves the right and option to seek reimbursement from the Developer of any Building Permit Grant Payment in an amount proportionate to amount of unleased and unoccupied retail space at that time. The Developer shall reimburse the City for the proportionate amount within thirty (30) days after the date of the written demand.
- c. Drainage Improvements Grant Payment:
1. Payments. Subject to the terms and conditions of this Agreement and a subsequently executed Developer Participation Agreement, the City agrees to provide to the Developer a Drainage Improvement Grant Payment, pursuant to the terms of this Section, as an economic development incentive. The incentive shall be in the form of a partial payment for the Developer's contract costs for the construction of the Drainage Improvements. The maximum amount of City's payment to Developer under the Developer Participation Agreement and this Agreement for the costs of Drainage Improvements shall be an amount equal to the lesser of thirty (30%) of Developer's total contract cost of Drainage Improvements or a maximum payment of One Hundred Thousand Dollars (\$100,000.00). The City shall not be responsible for paying any amount of the Drainage Improvement contract costs that exceeds the lesser of 30% of those costs or \$100,000. Developer shall be responsible for payment of costs for the Drainage Improvements in excess of the amount due and payable by City under this Agreement and the Developer Participation Agreement.
 2. Scheduling. The Drainage Improvements Grant Payment shall be made by the City to the Developer pursuant to the terms of the Developer Participation Agreement within (30) days after the construction of the Drainage Improvements are complete and have been accepted by the City.

5.02 **Developer's Obligations**. Notwithstanding anything contained herein to the contrary or any other provision of this Agreement, the Grant Payments (and/or any portions thereof) shall not be due and payable to Developer, and this Agreement may be terminated by the City and CEDC (that is, without any opportunity for cure by the Developer), if the Developer fails to timely comply with and satisfy to the City's and CEDC's reasonable satisfaction any of the conditions to each of the Grant Payments (and/or any portions thereof) as set forth in this Agreement, including this Article V,. In any year, if the Developer fails to request the Grant Payment as set forth above, the City and CEDC shall have no obligation to make such payment to the Developer and the Developer will have forever forfeited the right to receive such payment.

ARTICLE VI

Developer Obligations

6.01. **Improvements.** The Developer shall cause the construction of the Improvements to be built in substantial general conformance with **EXHIBIT “C”** and all other documents approved by the City in connection with the Project. The Commencement of Construction of the Improvements shall be within one hundred twenty (120) days after closing on the Property. The Completion of Construction of the Improvements shall be within thirty-six (36) months of the Commencement of Construction on the Property, subject to any events of Force Majeure. Completion of Construction shall be evidenced by a certificate(s) of occupancy for all components of the Project from the City or Developer’s submission of all materials and information required by the City for issuance of a certificate(s) of occupancy for all components of the Project in accordance with applicable ordinances, whichever occurs first. The commencement of Drainage Improvements shall be within ninety (90) days following the Effective Date of this Agreement as evidenced by obtaining an Early Grading Permit and all necessary permissions to access the site and continuously working towards completion of the Drainage Improvements without letting the permit(s) lapse.

6.02. **Letter of Map Revision.** The Developer shall submit to the City all documents and necessary materials to be included in the City’s Letter of Map Revision submittal to the Federal Emergency Management Agency (FEMA) for the Commons at Agora on or before October 15, 2024

6.03. **Total Investment.** The Developer will invest at least Thirty Million Dollars (\$30,000,000.00) in Total Development Costs for the Project on the Property.

6.04. **Timelines.**

- a. The Developer shall cause the Commencement of Construction of the Improvements within one hundred twenty (120) days of acquiring the Property. The Developer shall cause the Completion of Construction within thirty-six (36) months of the Commencement of Construction for the Project, which shall include a minimum requirement of:
 1. 300 multifamily residential units;
 2. 30,000 square feet of commercial space encompassing office, retail and/or restaurant. The Developer agrees to construct a minimum of 30,000 square feet of new commercial space, on the first floor, for lease and finish out to restaurant, retail, office, and other commercial tenants. The Developer shall complete 30,000 square feet of new commercial space upon Completion of Improvements, (within 36 months of Commencement of Construction) as defined in this Agreement;
 3. A public parking garage, of which 75 spaces will be allocated for free and unencumbered public use, not to be used by residents of the multifamily units; and
- b. The City Manager or designee may extend these timelines [referring to construction deadlines and commercial leasing deadlines] for no more than ninety days (90) following written request from the Developer. Extensions will only be considered for delays associated with permitting following complete submittal by the Developer, evidenced market conditions affecting the ability for financing

and/or commercial leasing, or construction delays due to severe weather conditions. Any extension requests made pertaining to commercial leasing timelines shall be presented to the Corinth City Council for consideration with written notice given to the City Manager or their designee at least fourteen (14) days prior to the intended Council Meeting at which the presentation shall be made.

- c. All portions of the Project that are intended to be occupied must secure certificates of inspection, compliance, or occupancy, as applicable, by the City or authorities having jurisdiction over the Project by the timelines in Section 6.04.

6.05. Leasing of Commercial Space.

- a. A minimum of 15,000 square feet of new commercial space shall be leased upon Completion of Construction. A minimum of 7,500 square feet of this initial 15,000 square feet shall be occupied by restaurant uses as evidenced by copies of lease agreements provided to the City by the Developer.
- b. A maximum of 15,000 square feet of the ground floor space may be occupied as live/work units (which are units that combine residential with commercial uses) until commercial tenants are able to fully occupy the space. The lease term for a live/work unit shall not exceed twenty-four (24) months from the time of Completion of Construction. Any lease for a live/work unit will not be subject to renewal throughout the duration of this Agreement.
- c. Notwithstanding the foregoing, prior to the expiration of this Agreement and within twenty-four (24) months from Completion of Construction the Developer will have leased the cumulative 30,000 square feet of retail space with a minimum of 15,000 square feet being exclusively occupied by restaurant and other food/retail operations as evidenced by copies of lease agreements provided to the City by the Developer unless approved by the City and CEDC with an amendment to this Agreement.
- d. Developer will contract with a Nationally recognized Real Estate service company with expertise in Retail users no later than 90 days from the Commencement of Construction to diligently and continuously solicit users to for the retail space as evidenced by a contract or similar document between the Commercial Real Estate Company and the developer to be promptly provided to the City upon request.

6.06. Purchase of Taxable Items. The Developer shall use all reasonable efforts to purchase Taxable Items in connection with this Project from a Local Firm.

6.07. Full-Time Employees. The Developer agrees to employ or cause its affiliates and agents to employ a minimum of fifteen (15) Full-Time Employees for the Property within twenty-four (24) months of Completion of Construction. Employees employed by the property management company used for the multifamily component may count towards this requirement.

6.08. **Commons at Agora.** The Developer agrees to attend meetings with City, City's consultants, and contractors (collectively "City Team") involved with the design of buildings and public spaces associated with the Project, to be responsive to requests for information from City Team and to coordinate the Developer's design and construction plans with the plans of the City Team for the Commons at Agora and public spaces associated with the Project.

6.09. **Non-Discrimination.** The Developer agrees to ensure there will be no unlawful discrimination in employment on the basis of race, creed, color, national origin, sex, or disability or violations of any other applicable anti-discrimination laws in connection with this Project.

6.10. **Compliance with Law.** In performing its obligations under this Article, the Developer shall comply with all applicable laws, regulations, and ordinance with respect to this Project and this Agreement.

6.11. **Architectural Standards.** As consideration for the Grant Payments, the Developer has consented to and requested, and the Parties agree, that the City's architectural standards contained in the zoning ordinance and in other City ordinances, all as subsequently amended, to apply to the Property, and voluntarily agrees to burden the Property with their applicability, despite Texas Government Code Chapter 3000, effective September 1, 2019, as it presently exists or may be subsequently amended. The Parties further acknowledge and agree that the terms, provisions, covenants, and agreements contained in, or referenced in, this paragraph are covenants that touch and concern the Property and that it is the intent of the Parties that such terms, provisions, covenants, and agreements shall run with the Property and shall be binding upon the Parties hereto, their successors and assigns, and all subsequent owners of the Property. Should any amendment to the building material regulations contained in the zoning ordinance and in other city ordinances be held to be invalid by a court of competent jurisdiction, the Parties agree that the building material regulations in effect on August 1, 2019 shall then touch and concern the Property and be binding upon the Property.

Article VII. Retention and Accessibility of Records

7.01 **Records Retention.** The Developer shall maintain the fiscal records and supporting documentation for expenditures of funds associated with this Agreement. The Developer shall retain such records, and any supporting documentation for the greater of: (a) Five (5) years from the end of the Term; or (b) the period required by other applicable laws and regulations.

7.02 **Accessibility to Records.** The Developer gives City or CEDC, its designee, or any of their duly authorized representatives, access to and the right to examine relevant books, accounts, records, audit reports, reports, files, documents, written or photographic material, videotape and other papers, things, or personal and real property belonging to or in use by the Developer pertaining to the Grant (the "Records") upon receipt of ten (10) business days written notice from the City or CEDC. Access to the Developer's books and records will be limited to information needed to verify that the Developer is and has been complying with the terms of this Agreement. Any information that is not required by law to be made public shall be kept confidential by City or CEDC. In no event shall access to the Developer's Records include any

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access to any personal and/or medical data of any employees of the Developer. The Developer shall not be required to disclose to the City or CEDC any information that by law the Developer is required to keep confidential. Should any good faith dispute or question arise as to the validity of the data provided, the City or CEDC reserves the right to require the Developer to obtain an independent firm to verify the information. This certified statement by an independent firm shall be provided at the sole cost of the Developer. The rights to access the Records shall terminate five (5) years after the termination or expiration of this Agreement. Failure to provide reasonable access to the Records to authorized City or CEDC representatives shall give the City or CEDC the right to suspend or terminate this Agreement as provided for in Section 5 above, or any portion thereof, for reason of default. All Records shall be retained by the Developer for a period of five (5) years after all performance requirements are achieved for audit purposes until such audits or other administrative, civil, or criminal matters including, but not limited to, investigations, lawsuits, administrative inquiries, and open record requests are completed. The Developer agrees to maintain the Records in an accessible location.

Article VIII. Assignment

8.01 **No Assignment Without Consent.** This Agreement may not be assigned without the express written consent of the non- assigning Party, except that the Developer may assign this Agreement without obtaining the consent of the City and CEDC (a) to one of its wholly owned affiliates, or (b) to any person or entity that directly or indirectly acquires, through merger, sale of stock, purchase or otherwise, all or more than ninety (90) percent of the assets of the Developer as long as the Developer gives sixty (60) days prior written notice to the City and CEDC and the assignee executes an agreement with the City and CEDC to be bound to all the terms and conditions of this Agreement and be responsible for any default(s) that occurred prior to or after the assignment.

8.02 **City Consent.** For any assignment not covered by (a) or (b) in the preceding paragraph, the Developer must obtain the prior approval of the City through its City Manager and CEDC through its President and the assignee must agree to be bound to all the terms and conditions of this Agreement and to accept all liability for any default that occurred prior to and/or after the assignment.

8.03 **Agreement Form.** Any assignment agreement must be furnished in a form acceptable to the City and CEDC and be provided at least thirty (30) days prior to the effective assignment date. City and CEDC agrees to notify the potential assignee of any known default, but such notification shall not excuse defaults that are not yet known to the City and CEDC.

Article IX. Representations and Warranties of the Developer

9.01 As of the Effective Date, the Developer represents and warrants to the City and CEDC as follows:

- a. **Organization.** The Developer is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Texas and authorized

to conduct business in the State of Texas.

- b. **Authority.** The execution, delivery, and performance by the Developer of this Agreement are within the Developer's legal authority and have been duly authorized for the Developer.
- c. **Valid and Binding Obligation.** This Agreement is the legal, valid, and binding obligation of the Developer, and it is enforceable against the Developer in accordance with its terms except as limited by applicable relief, liquidation, conservatorship, bankruptcy, moratorium, rearrangement, insolvency, reorganization, or similar laws affecting the rights or remedies of creditors generally, as in effect from time to time.
- d. **No Defaults.** To the actual knowledge of the individual signing this Agreement, to the individuals authorizing this Agreement, and the Developer's representatives that negotiated this Agreement, the Developer is not in default in the performance, observance, or fulfillment of any of the obligations, covenants, or conditions contained in any other agreement or instrument to which the Developer is a party or by which the Developer or any of its property is bound that would have any material adverse effect on the Developer's ability to perform under this Agreement.
- e. **Full Disclosure.** Neither this Agreement, nor any schedule or Exhibit attached hereto in connection with the negotiation of this Agreement contains any untrue statement of a material fact or omits to state any material fact necessary to keep the statements contained herein or therein, in the light of the circumstances in which they were made, from being misleading.

Article X. Information

10.01. **Information.** Subject to this Article IX, the Developer shall, at such times and in such form as the City or CEDC may reasonably request from the Developer, provide all information concerning the performance of the Developer's obligations under this Agreement.

10.02. **Annual Certification Related to Compliance.** Upon completion of the Project, and continuing each year thereafter during the Term, the Developer shall submit to the city manager for the City and CEDC a duly executed and completed Compliance Certificate. Such Compliance Certificate shall be in the form required by the City to document Developer's compliance with its obligations under this Agreement, shall be submitted by Developer on or before the 31ST day of MARCH or such other later date agreed upon in writing by the city manager and signed by an authorized officer or employee of the Developer, together with all supporting documentation required by City as necessary to verify the Developer's compliance with this Agreement. The Developer's satisfaction of the Minimum Capital Investment Requirement is due on the 1ST day of DECEMBER the year following the completion of the Project and each year thereafter during the Term of this Agreement for any new Capital Investment made by the Developer. After receiving the Compliance Certificate from the Developer, the City and CEDC shall have 30 days to notify the Developer in writing of any questions related to the Compliance

Certificate and this Project that the City and CEDC may have concerned any of the information provided by the Developer, and the Developer shall diligently work in good faith to respond to such questions to the City's and CEDC's reasonable satisfaction.

10.03. **Review of the Developer's Records.** The Developer agrees that the City and CEDC shall have the right to review the business records of the Developer that relate to this Project and this Agreement in order to determine the Developer's compliance with the terms of this Agreement. Such review shall occur at any reasonable time during regular daytime business hours and upon at least seven (7) days' prior written notice to the Developer. Information, documents, and materials that (i) do not constitute public information under the Public Information Act or that (ii) are exempt from disclosure under the Public Information Act in connection with such review, shall be treated as confidential information of the Developer, and the City and CEDC agrees, to the extent reasonably possible, to maintain the confidentiality of all such information to the maximum extent permitted by applicable law. To the extent reasonably possible, the Developer shall make all such records available in electronic form or otherwise available to be accessed through the internet.

Article XI.

Personal Liability of Public Officials and Limitations on Obligations of the City

11.01. **Personal Liability of Public Officials.** No elected official or employee of the City or CEDC shall be personally responsible for any liability arising under or growing out of this Agreement.

11.02. **Limitations on Obligations of the City.** The Grant Payments made, and any other financial obligation of the City and CEDC hereunder shall be paid solely from lawfully available funds that are generated from the construction of the Project and that have been budgeted and appropriated each fiscal year (October 1 — September 30) of the City and CEDC during the Term of this Agreement. Under no circumstances shall the City's and CEDC's obligations hereunder be deemed to create any debt within the meaning of any constitutional or other statutory provision. Consequently, notwithstanding any other provision of this Agreement, the City and CEDC shall have no obligation or liability to pay any Grant Payment(s) unless the City and CEDC have received the funds, budgets and appropriates funds to make such payment during the fiscal year of the City and CEDC in which such payment is due.

ARTICLE XII.

Default, Termination, and Remedies

12.01. **Default.** Non-compliance with any term of this Agreement shall be deemed to be a default. At any time during the Term of this Agreement that the Developer is not in compliance with its obligations under this Agreement, the City or CEDC may send the Developer written notice of such non-compliance, identifying the non-compliance and specifying the deadline for the Developer to cure such default (the "Notice") and the deadline for the Developer to cure such default shall not be less than thirty (30) days from the date of the City's or CEDC's written notice of non-compliance and may be extended for an additional thirty (30) days upon request by the Developer and written approval by the City or CEDC consenting to the requested extension (the

“Cure Period”). If the Developer fails to cure such non-compliance within the Cure Period, then the City or CEDC may, at its sole discretion and option, terminate this Agreement in full at the end of such Cure Period and then the City or CEDC may, at its sole option, seek reimbursement of any and all of the Grant Payments paid to the Developer. EXCEPT AS TO CIRCUMSTANCES ARISING FROM A FORCE MAJEURE EVENT (AS DEFINED BELOW), THE TERM OF THIS AGREEMENT SHALL NOT BE EXTENDED AS A RESULT OF ANY CURE PERIOD AGREED TO BY THE CITY UNDER THIS PARAGRAPH.

12.02. **Termination for Misrepresentation of Facts and Information.** Notwithstanding any provision for notice of default and any opportunity to Cure, the City or CEDC may terminate this Agreement immediately by providing written notice to the Developer if the Developer, its officers or signatories to this Agreement, intentionally misrepresent or misrepresented any material fact or information: (i) upon which the City or CEDC relied in entering into this Agreement; (ii) upon which the City or CEDC relies in making any Grant Payment to the Developer; or (iii) as an inducement for the City or CEDC to make any Grant Payment to the Developer.

12.03. **Effect of Event Force Majeure.** A Party will not be deemed to be in breach of this Agreement to the extent such Party’s action, inaction, or omission is the result of an event of Force Majeure. The Parties agree to use commercially reasonable efforts to promptly resolve any event of Force Majeure that adversely and materially impacts their performance under this Agreement. An event of Force Majeure only pauses a Party’s performance obligation for the duration of the event but does not excuse it. An event of “Force Majeure” means any event or occurrence that is not within the control of a Party and prevents the Party from performing its obligations under this Agreement, including without limitation, any act of God; act of a public enemy; war; riot; sabotage; blockage; embargo; failure or inability to secure materials, supplies, or labor through ordinary sources by reason of shortages or priority; labor strike, lockout, or other labor or industrial disturbance; civil disturbance; terrorist act; power outage; fire, flood, windstorm, hurricane, earthquake, or other casualty; epidemic; any law, order, regulation, or other action of any governing authority; and any action, inaction, order, ruling moratorium, regulation, statute, condition, or other decision of any governmental agency having jurisdiction over a Party, over this Project, or over a Party’s operations.

12.04 **City’s or CEDC’s Remedies.** Upon breach of any obligation under this Agreement, in addition to any other remedies expressly set forth in this Agreement with respect to such breach, the City or CEDC may pursue such remedies as are available at law or in equity for breach of contract. Similarly, with regard to violations of any applicable ordinances of the City, the City may seek such relief as is available for violation of such ordinances, including fines and injunctive relief.

12.05. **Indemnification.** THE PAYMENT OF ALL INDEBTEDNESS AND OBLIGATIONS INCURRED BY THE DEVELOPER WITH RESPECT TO THE EXECUTION OF THE PROJECT AND ITS OBLIGATIONS UNDER THIS AGREEMENT SHALL BE SOLELY THE OBLIGATION OF THE DEVELOPER. THE CITY OR CEDC SHALL NOT BE OBLIGATED TO PAY ANY INDEBTEDNESS OR OBLIGATIONS OF THE DEVELOPER. THE DEVELOPER HEREBY AGREES TO RELEASE, DEFEND, INDEMNIFY, AND HOLD THE CITY, AND THE CITY’S ELECTED OFFICIALS AND EMPLOYEES, AND THE CEDC, ITS OFFICIALS AND EMPLOYEES, HARMLESS FROM AND AGAINST (I) ANY

INDEBTEDNESS OR OBLIGATIONS OF THE DEVELOPER WITH RESPECT TO THE EXECUTION OF THE PROJECT, OR ANY OTHER OBLIGATION OF THE DEVELOPER UNDER THIS AGREEMENT OTHER THAN THE GRANT PAYMENTS TO THE DEVELOPER AS EXPRESSLY PROVIDED HEREIN; OR (II) ANY OTHER LOSS, CLAIM, DEMAND, LAWSUIT, LIABILITY, OR DAMAGES ARISING FROM THE NEGLIGENCE OR INTENTIONAL MISCONDUCT OF THE DEVELOPER IN THE PERFORMANCE OF ITS OBLIGATIONS UNDER THIS AGREEMENT, OR (III) BREACH OF ANY REPRESENTATION, WARRANTY, COVENANT, OR AGREEMENT OF THE DEVELOPER CONTAINED IN THIS AGREEMENT, WITHOUT REGARD TO ANY NOTICE OR CURE PROVISIONS. THE DEVELOPER'S INDEMNIFICATION OBLIGATION HEREUNDER SHALL INCLUDE PAYMENT OF THE CITY'S OR CEDC'S REASONABLE ATTORNEYS' FEES, COSTS AND EXPENSES WITH RESPECT THERETO.

12.06 **Developer's Rights.** The Developer has the right to terminate this Agreement for any reason by delivering written notice to the City and CEDC at least seven (7) days prior to the desired termination date, provided, however, that if the Developer has received any of the Grant Payments from the City and CEDC at the time of such termination by the Developer, upon the effective date of such notice of termination, the Developer shall remit to the City and CEDC the full amount of the Grant Payments.

12.07 **Effect of Termination/Survival of Obligations.** The rights, responsibilities, and liabilities of the Parties under this Agreement shall be extinguished upon the applicable effective date of termination of this Agreement, except for any obligations or default(s) that existed prior to such termination or as otherwise provided herein and those liabilities and obligations shall survive the termination of this Agreement, including the refund provision, maintenance of records, and access thereto.

Article XIII. Miscellaneous

13.01. **Entire Agreement.** This Agreement, including the Recitals any exhibits attached hereto, contains the entire agreement between the Parties with respect to the transactions contemplated herein and supersedes all prior negotiations, representations, and/or agreements, either written or oral.

13.02. **Further Actions.** The City, CEDC, and the Developer agree to do all things reasonably necessary or appropriate to carry out the objectives, terms, and provisions of this Agreement, and to aid and assist each other in carrying out such objectives, terms, and provisions, provided that the City and/or CEDC shall not be required to spend any money or to have further obligations other than to reimburse the Developer pursuant to the terms of this Agreement.

13.03. **Amendments.** This Agreement may only be amended, altered, or terminated by written instrument signed by all the Parties.

13.04. **Waiver.** No term or condition of this Agreement shall be deemed to have been waived, nor shall there be any estoppel to enforce any provision of this Agreement, except by written instrument of the Party charged with such waiver or estoppel.

13.05 **Notice of Bankruptcy.** In the event the Developer files for bankruptcy, whether involuntarily or voluntary, the Developer shall provide written notice to the City and CEDC within three (3) business days of such event.

13.06 **Authorization.** Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement.

13.07. **Notices.** Notices under this Agreement are sufficient if given by nationally recognized overnight courier service; certified mail (return receipt requested); facsimile with electronic confirmation; or personal delivery to the other Party at the address furnished below. Notice is effective: (i) when delivered personally; (ii) three (3) business days after sending by certified mail; (iii) on the business day following the date such notice is sent by nationally recognized courier service; or (iv) on the business day following the date such notice is sent by facsimile with electronic confirmation to the sender. It is understood and agreed that routine business and technical correspondence may be furnished in electronic form. The contact information for each Party is as follows:

THE CITY AND CEDC:

City of Corinth
3300 Corinth Parkway
Corinth, Texas 76208
Attention: City Manager
Telephone: (940) 498-3240
E-mail: scott.campbell@cityofcorinth.com

WITH A COPY TO:

Patricia Adams
Messer & Fort, PLLC
6371 Preston Road, Suite 200
Frisco, Texas 75034
Phone: (972) 688-6400
Email: patricia@txmunicipallaw.com

THE DEVELOPER:

Wolverine Interests, LLC
2805 Dallas Parkway, Suite 620
Plano, Texas 75093
Attn: Nadia Christian
Telephone: (972) 250-0903
E-mail: nchristian@wolverineinterests.com

WITH A COPY TO:

Paul A. Mohtares

6301 Gaston Ave., Suite 536
Dallas, Texas 75214
Telephone: 972.773.9464
Email: paul@paulmlaw.com

Each Party may update their contact information by delivering written notice to the other Party within thirty (30) days of change to contact information.

13.08. **Applicable Law and Venue.** This Agreement is subject to the provisions of the City Charter and ordinances of the City, as amended or modified. This Agreement is made, and it shall be construed and interpreted under the laws of the State of Texas, without regard to choice of law rules. The mandatory venue for any legal proceedings shall lie in State court of competent jurisdiction located in Denton County, Texas.

13.09. **Severability.** In the event any provision of this Agreement is illegal, invalid, or unenforceable under the applicable present or future laws, then, and in that event, it is the intention of the Parties that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the Parties to this Agreement that in lieu of each clause or provision found to be illegal, invalid, or unenforceable, that a clause or provision be added to this Agreement which is legal, valid, and enforceable, and is as similar in terms as possible to the provision found to be illegal, invalid, or unenforceable.

13.10. **Third Parties.** The Parties intend that this Agreement shall not benefit or create any right or cause of action in or on behalf of any third-party beneficiary, nor any individual or entity other than the City, CEDC, and the Developer or permitted assignees or successors of the City, CEDC, and the Developer, except that the indemnification and hold harmless obligations by the Developer provided for in this Agreement shall also inure to the benefit of the indemnitees named therein.

13.11. **No Partnership or Joint Venture.** Nothing contained in this Agreement is intended by the Parties to create any partnership or joint venture between the Parties, and any such implication to the contrary is hereby expressly disavowed. It is understood and agreed that this Agreement does not create a joint enterprise, nor does it appoint either Party as an agent or representative of the other for any purpose whatsoever. Except as otherwise specifically provided herein, neither Party shall in any way assume any of the liability of the other for acts of the other or obligations of the other.

13.12. **Immunity.** The City or CEDC, in entering this Agreement, does not waive its governmental immunity from suit or any other limitations on its liability, contractual or otherwise, as granted by the Texas Constitution or applicable laws of the State of Texas.

13.13. **Employment of Undocumented Workers.** During the term of this Agreement, and in accordance with Chapter 2264 of the Texas Government Code, the Developer agrees not to knowingly employ any "UNDOCUMENTED WORKERS" (as such term is defined in Section 2264.001) in connection with this Project, and, if convicted of a violation under 8 U.S.C. Section 1324a(f), the Developer shall be deemed to be in default of this Agreement and repay the total amount of the Grant Payments and any other funds received by the Developer from the City as of the date of such violation within 120 days from the date that the Developer is notified by the City

of such violation, plus interest at the rate of five (5) percent compounded annually from the date of the violation until paid in full. However, the Developer is not liable for an unknown violation of this Paragraph by a subsidiary, affiliate, or franchisee of the Developer or by a person with whom the Developer contracts.

13.14. **Community Involvement.** Although not an event of default or condition of any advance hereunder, the Developer agrees to endeavor to actively participate in community and charitable organizations and/or activities, the purpose of which are to improve the quality of life in the City of Corinth, Texas, and to actively encourage its employees to be involved in such organizations and/or activities.

13.15. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which constitute one and the same instrument.

13.16 **Report Agreement to Comptroller's Office.** The City covenants and agrees to report this Agreement to the State Comptroller's office within fourteen (14) days of the Effective Date of this Agreement, in accordance with Section 380.004 of the Texas Government Code, as added by Texas House Bill 2404, 87th Tex. Reg. Session (2021) (effective September 1, 2021).

(signatures on the following pages)

EXECUTED in duplicate originals to be effective as of the Effective Date.

This Agreement shall be effective upon the last date on which all parties have executed this Agreement.

ATTEST:

CITY OF CORINTH, TEXAS,
a home-rule municipal corporation

DocuSigned by:

D77DD89EB0C3473
Lana Wylie, City Secretary

DocuSigned by:

BF6097789610402...
Scott Campbell, City Manager
Date: June 10, 2024

APPROVED AS TO FORM:

DocuSigned by:

B5BAF55D871D428...
Patricia Adams, City Attorney



**CORINTH ECONOMIC
DEVELOPMENT CORPORATION, a**
Type B corporation

DocuSigned by:

Grady Ray

DE328EF37E2A4AA...

Grady Ray, Chair

Date: June 18, 2024

WOLVERINE INTERESTS, LLC,
a Texas limited liability company

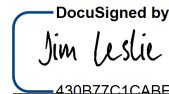
DocuSigned by:

430B77C1CABE499...
By: Jim Leslie
Its: President
Date: June 17, 2024

EXHIBIT "A"
LEGAL DESCRIPTION

**Approximately 4.542 acres, Final Plat - Agora Lot 1, Block B, in the J.P Walton Survey,
Abstract No. 1389, City of Corinth, Denton County, Texas,**

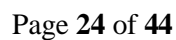


EXHIBIT “D”**AMENDED UNIMPROVED PROPERTY CONTRACT**

This **AMENDED UNIMPROVED PROPERTY CONTRACT** (“Contract”) is by and between **THE CITY OF CORINTH**, a Texas home-rule municipality (“the City” or “Seller”) and **WOLVERINE INTERESTS, LLC**, a Texas limited liability company, or its assignee (“Buyer”). On February 7, 2022, (the “Effective Date”) Buyer previously entered into an Unimproved Property Contract for the purchase of the Property (the “2022 Contract”). Since the execution of the 2022 Contract, the Parties have determined it necessary to make certain amendments consistent with negotiations and consistent with changes in Property ownership as set forth in this Amended Unimproved Property Contract. This Contract shall become effective upon the date executed by both Parties; however, for purposes of this Amended Unimproved Property Contract, the term Effective Date shall mean February 7, 2022, the Effective Date of the original contract.

1. **PARTIES:** The parties to this contract are **THE CITY OF CORINTH**, a Texas home-rule municipality, (Seller) and **WOLVERINE INTERESTS, LLC**, a Texas limited liability company, or its assignee (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.

2. **PROPERTY:** That certain 4.542 acres, more or less, as depicted on the attached **Exhibit A**, (the “**Property**”) together with all rights, privileges and appurtenances pertaining thereto, including but not limited to: existing planned development rights, water rights, claims, permits, strips and gores, easements, and cooperative or association memberships. In the deed, Seller shall waive all surface rights for development of the mineral estate.

3. **SALES PRICE:**

A.	Cash portion of Sales Price payable by Buyer at closing	\$1,394,839
B.	Sum of all financing described in the attached: not applicable	
C.	Sales Price* (Sum of A and B)	\$1,394,839

*The Sales Price will be adjusted up or down based on the gross square footage identified in the survey of the Land multiplied by \$7.05 per square foot.

4. **LEASES:**
 - A. Seller warrants and represents that there are no leases affecting the Property. After the Effective Date, Seller may not, without Buyer's written consent, create a new lease, amend any existing lease, or convey any interest in the Property.

- B. **NATURAL RESOURCE LEASES:** Natural Resource Lease means an existing oil and gas, mineral, water, wind, or other natural resources lease affecting the Property to which Seller is a party. Seller warrants and represents that to the best of Seller's knowledge; Seller is not a party to a Natural Resource Lease. If it is determined that Seller is a party to a Natural Resource Lease, then Seller shall provide to Buyer a copy of the Natural Resource Lease as soon as practicable. Buyer may terminate the contract within ten (10) days after the date Buyer receives a Natural Resource Lease and the earnest money shall be refunded to Buyer.

5. EARNEST MONEY AND TERMINATION OPTION:

- A. **DELIVERY OF EARNEST MONEY AND OPTION FEE:** Within three (3) business days after the Effective Date, Buyer must deliver to Title Resources (Attn: Keith Pierce), as escrow agent, at 525 S. Loop 288, Suite 125, Denton, Texas 76205, \$15,000.00 as earnest money of which \$100.00 shall be the Option Fee. The earnest money shall be made payable to escrow agent.
- (1) If the last day to deliver the earnest money or to otherwise perform any act hereunder falls on a Saturday, Sunday, or legal holiday, the time to deliver or otherwise perform, as applicable, shall be extended until the end of the next day that is not a Saturday, Sunday, or legal holiday.
 - (2) The amounts escrow agent receives under this paragraph shall be applied first to the Option Fee and then to the earnest money.
 - (3) The earnest money shall become non-refundable to Buyer after the end of the Option Period (defined below) if Buyer has not terminated this contract prior to the end of the Option Period.
 - (4) Notwithstanding any provision hereof to the contrary, including, but not limited to, any provision calling for return of the earnest money to Buyer, the Option Fee is non-refundable to Buyer (but the Option Fee will be credited to the Sales Price at closing).
- B. **TERMINATION OPTION:** In consideration of the Option Fee, the receipt of which Seller acknowledges, and Buyer's agreement to deposit the Option Fee within the time required, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within one hundred eighty (180) days after the Effective Date of this contract (Option Period). Notices under this paragraph must be given by 5:00 p.m. (local time where the Property is located) by the date specified. If Buyer gives notice of termination within the time prescribed: (i) the Option Fee will not be refunded, and escrow agent shall release any Option Fee remaining with escrow agent to Seller; and (ii) earnest money will be refunded to Buyer. The Option Period will be extended on a day-for-day basis corresponding to any delay by Seller in delivery of the Commitment, Survey, or any other deliverable hereunder required of Seller.

- C. **FAILURE TO TIMELY DELIVER EARNEST MONEY:** If Buyer fails to deliver the earnest money within the time required, Seller may terminate this contract by providing notice to Buyer before Buyer delivers the earnest money.

6. TITLE POLICY AND SURVEY:

- A. **TITLE POLICY:** Seller shall furnish to Buyer at Seller's expense an owner policy of title insurance (Title Policy) issued by Title Resources (Title Company), on behalf of an underwriter acceptable to Buyer, in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions and the following exceptions:
- (1) Reservations or exceptions expressly permitted by this contract or as may be approved by Buyer in writing.
 - (2) The standard printed exception as to marital rights.
 - (3) The standard printed exception as to waters, tidelands, beaches, streams and related matters.
 - (4) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements: will be amended to read, "shortages in area" at the expense of Buyer.
 - (5) The exception or exclusion regarding minerals approved by the Texas Department of Insurance and, if requested by Buyer or its lender, at Buyer's expense, unmodified T19, T19.1, and T19.2 endorsements to the Title Policy.
- B. **COMMITMENT:** Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer and its legal counsel at their addresses shown in Paragraph 21 and Paragraph 23. If the Commitment and Exception Documents are not delivered to Buyer and its legal counsel within the specified time, the Option Period will be automatically extended on a day-for-day basis equal to the delay in delivery.
- C. **SURVEY:** (a) Seller shall obtain a current ALTA/NSPS survey (Survey) at Seller's expense within thirty (30) days after the Effective Date. The Survey shall be subject to approval by Seller, Buyer, and Title Company. Upon approval of the Survey, the

legal description of the Property set forth on the Survey will replace Exhibit A attached hereto.

D. **OBJECTIONS:** Buyer may object in writing to (i) defects, exceptions, or encumbrances to title disclosed on the survey or in the Commitment other than items 6A(1) through (3) above; (ii) any portion of the Property that is wetlands or lying in a special flood hazard area (Zone V or A) as shown on the current Federal Emergency Management Agency map; or (iii) any exceptions which prohibit the following use or activity: mixed-use development encompassing a minimum of 300 multifamily residences, 30,000 square feet of commercial, retail, and restaurant space, and a parking garage with a minimum of 75 spaces to be allocated for free and unincumbered public use. Buyer must object the earlier of (i) prior to the end of the Option Period or (ii) sixty (60) days after Buyer receives the Commitment, Exception Documents, and Survey. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived. Provided Seller is not obligated to incur any expense, Seller shall cure the timely objections of Buyer or any third-party lender within 15 days after Seller receives the objections (Cure Period) and the Closing Date will be extended as necessary. If objections are not cured within the Cure Period, Buyer may, by delivering notice to Seller within 5 days after the end of the Cure Period: (i) terminate this contract and the earnest money will be refunded to Buyer; or (ii) waive the objections. If Buyer does not terminate within the time required, Buyer shall be deemed to have waived the objections. If the Commitment or Survey is revised or any new Exception Document(s) is delivered, Buyer may object to any new matter revealed in the revised Commitment or Survey or new Exception Document(s) within ten (10) days of the date when the revised Commitment, Survey, or Exception Document(s) is delivered to Buyer.

E. **TITLE NOTICES:**

- (1) **ABSTRACT OR TITLE POLICY:** Broker and Seller advise Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.
- (2) **MEMBERSHIP IN PROPERTY OWNERS' ASSOCIATION(S):** N/A. Seller represents that the Property is not subject to mandatory membership in a property owners association(s).
- (3) **STATUTORY TAX DISTRICTS:** N/A. Seller represents that the Property is not situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services.

- (4) TIDE WATERS: N/A. Seller represents that the Property does not abut the tidally influenced waters of the state.
- (5) ANNEXATION: N/A. Seller represents that the Property is located inside the city limits of Corinth, Texas.
- (6) PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER: Seller represents that the Property is located within the Seller's certificated service area.
- (7) PUBLIC IMPROVEMENT DISTRICTS: N/A. Seller represents that the Property is not in a public improvement district.
- (8) TEXAS AGRICULTURAL DEVELOPMENT DISTRICT: N/A. Seller represents that the property is not located in a Texas Agricultural District.
- (9) TRANSFER FEES: N/A. Seller has not done independent investigation, but to its knowledge, Seller is not aware of any private transfer fee obligation to which the Property is subject.
- (10) PROPANE GAS SYSTEM SERVICE AREA: N/A. Seller represents that the Property is not located in a propane gas system service area owned by a distribution system retailer.
- (11) NOTICE OF WATER LEVEL FLUCTUATIONS: N/A. Seller represents that the Property does not adjoin an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level.

7. PROPERTY CONDITION:

- A. ACCESS, INSPECTIONS AND UTILITIES: Seller shall permit Buyer and Buyer's agents access to the Property at all reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer, including, without limitation, such environmental site assessments and geotechnical surveys as Buyer deems necessary.
- B. ACCEPTANCE OF PROPERTY CONDITION: "As Is" means the present condition of the Property with any and all defects and without warranty except for the warranties of title and the warranties and representations in this contract. Buyer's agreement to accept the Property As Is under this Paragraph 7B does not preclude Buyer from inspecting the Property under Paragraph 7A, or from terminating this contract during the Option Period.
- C. COMPLETION OF REPAIRS: N/A.

- D. ENVIRONMENTAL MATTERS: Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.
- E. SELLER'S DISCLOSURES: Except as otherwise disclosed in this Contract, Seller has no knowledge of the following:
- (1) any known flooding of the Property which has had a material adverse effect on the use of the Property.
 - (2) any pending or known threatened litigation, condemnation, special assessment, or other proceeding affecting the Property.
 - (3) any known dumpsite, landfill, or underground tanks or containers now or previously located on the Property.
 - (4) any wetlands, as defined by federal or state law or regulation, affecting the Property.
 - (5) any threatened or endangered species or their habitat affecting the Property; or
 - (6) any parties in possession of any portion of the Property as lessees, tenants at sufferance or trespassers.
 - (7) any violation of any applicable governmental laws, rules or regulations affecting the Property.
 - (8) any attachments, executions, assignments for the benefit of creditors, or voluntary or involuntary proceedings in bankruptcy or under other debtor relief laws contemplated by, or pending or threatened against, Seller or the Property.
 - (9) any hazardous substances or environmental contaminants located in, or about the Property, or that Property has been used for the production or disposal of hazardous substances or environmental contaminants, or that the Property is not in compliance with or in violation of any applicable environmental laws.
 - (10) any outstanding contracts or options to purchase the Property or any portion thereof in favor of any third party; and
 - (11) any non-compliance of Seller with the regulations of the Office of Foreign Assets Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated Nationals and Blocked Persons List) and any

statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action relating thereto.

8. BROKERS AND SALES AGENTS:

Seller has agreed to pay Buyer's broker, Wolverine Interests, LLC, a real estate commission equal to 3% of the Sales Price upon closing and funding of this sale.

9. CLOSING:

- A. The closing of the sale will be within sixty (60) days after the Approvals (defined below) are obtained (Closing Date). If either party fails to close this sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.
- B. At closing:
 - (1) Seller shall execute and deliver a special warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 (to the extent such exceptions reflect matters of record or reflected by the Survey and not pre-printed exceptions) and furnish tax statements or certificates showing no delinquent taxes on the Property.
 - (2) Buyer shall pay the Sales price in good funds acceptable to the escrow agent.
 - (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents and other documents reasonably required for the closing of the sale and the issuance of the Title Policy.
 - (4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.

10. POSSESSION:

Seller shall deliver to Buyer possession of the Property in its present or required condition upon closing and funding.

11. SPECIAL PROVISIONS (APPROVALS):

- A. Herein, "Approvals" means final, unconditional written approval(s) and authorization(s) from all applicable governmental authorities for any required zoning or rezoning, site plan or concept plan approval, planned development approval, and platting or replatting for Buyer's proposed mixed-use development allowing for a minimum of 300 multifamily residences, 30,000 square feet of commercial, retail, and restaurant space, and a parking garage with a minimum of 75 spaces to be allocated for free and unincumbered public use in such form and substance as is acceptable to Buyer so as to allow Buyer's intended mixed-use development to proceed other than applicable building permits or additional approvals required by City of Corinth ordinances, state or federal law. Buyer shall be entitled to communicate and contract with, and make any and all applications and other applicable filings with, the City of Corinth and any other applicable governmental authority for any Approvals as required by City of Corinth ordinances, state or federal law in connection with Buyer's acquisition and development of the Property for its intended use.
- B. Receipt of the Approvals is a condition precedent to Buyer's obligation to close this purchase. If Buyer has not received the Approvals prior to the end of the Option Period, or if Buyer determines Buyer will not obtain the Approvals prior to the end of the Option Period, Buyer shall then have a continuing right and option to either (i) terminate this contract by written notice to Seller on or prior to the end of the Option Period, in which event, the Option Fee shall be paid to Seller, the balance of the earnest money shall be returned to Buyer, and the parties shall have no further obligations under this contract, except those which expressly survive closing, or (ii) extend the end of the Option Period until such time as the Approvals have been received by Buyer.
- C. Within five (5) days after the Effective Date, if not previously delivered to Buyer, Seller shall deliver to Buyer copies of the following: Seller's existing Environmental Studies, with satisfactory evidence of remediation (if applicable); engineering reports; soil reports; conceptual plans; market studies or appraisals; entitlement/zoning documents; any development agreements; planned development documents or agreements; contracts or agreements with respect to the Property and not cancelable with thirty (30) days' notice; flood studies for the immediate area; mineral leases and mineral surface waivers; and any other documents or reports that have been performed with respect to the Property.
- D. A significant portion of the Property lies within a special flood hazard area as shown on the current Federal Emergency Management Agency ("FEMA") map (the "Flood Area"). As a condition precedent to Buyer's obligation to close the purchase of the Property, Seller shall deliver to Buyer a Letter of Map Revision (LOMR) from FEMA for the portion of the Property as described on the attached **Exhibit B**, ("LOMR Property").

12. SETTLEMENT AND OTHER EXPENSES:

The following expenses must be paid at or prior to closing:

- A. Expenses payable by Seller (Seller's Expenses): Cost of Texas Owner's Title Policy, releases of existing liens, including prepayment penalties and recording fees; release of Seller's loan liability; tax statements or certificates; preparation of deed; one-half of escrow fee; and other expenses payable by Seller under this contract.
- B. Expenses payable by Buyer (Buyer's Expenses): Appraisal fees incurred by Buyer or its lender; loan application fees; origination charges; credit reports; preparation of loan documents; recording fees; copies of easements and restrictions; loan title policy with endorsements required by lender; loan-related inspection fees; one-half of escrow fee; any lender-required prepaid items; underwriting fee; wire transfer fee; other expenses incident to any loan obtained by Buyer; and other expenses payable by Buyer under this contract.

13. PRORATIONS AND ROLLBACK TAXES:

PRORATIONS: Taxes for the current year, interest, maintenance fees, assessments, dues and rents will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer shall pay taxes for the current year. Notwithstanding the foregoing, Buyer acknowledges that Seller is a public entity and therefore exempt from the payment of all state, county, and municipal taxes for the current year relating to the Property. Applicable taxes shall be calculated as of the Closing Date and Purchaser's share shall be collected by Title Company at the Closing and remitted to the appropriate taxing jurisdictions in accordance with Section 26.11 of the Texas Tax Code. If there is any rollback tax liability for the Property, the Purchaser will be responsible for those taxes. As a public entity exempt from such taxes, Purchaser does not hereby waive any exemption or other exception it, or the Property, may have from rollback taxes pursuant to Texas Tax Code §23.55(f) or other applicable law. The provisions of this Section shall survive the Closing.

14. INTENTIONALLY DELETED.

- 15. DEFAULT:** If Buyer fails to comply with this contract, Buyer will be in default, and Seller may as its sole and exclusive remedy terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract for any other reason, Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or

both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.

- 16. MEDIATION:** It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.
- 17. ATTORNEY'S FEES:** A Buyer, Seller, Listing Broker, Other Broker, or escrow agent who prevails in any contested legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.
- 18. ESCROW:**
- A. **ESCROW:** The escrow agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as escrow agent. Escrow agent may require any disbursement made in connection with this contract to be conditioned on escrow agent's collection of good funds acceptable to escrow agent.
 - B. **EXPENSES:** At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, escrow agent may require compliance with the terms of this Contract and require a written release of liability of the escrow agent from all parties.
 - C. **DEMAND:** Upon termination of this contract, either party or the escrow agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the escrow agent. If either party fails to execute the release, either party may make a written demand to the escrow agent for the earnest money. If only one party makes written demand for the earnest money, escrow agent shall promptly provide a copy of the demand to the other party. If escrow agent does not receive written objection to the demand from the other party within 15 days, escrow agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money.
 - D. **DAMAGES:** Any party who wrongfully fails or refuses to sign a release acceptable to the escrow agent within 7 days of receipt of the request will be liable to the other party for liquidated damages in an amount equal to the sum of: (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.

- E. **NOTICES:** Escrow agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by escrow agent.
- 19. REPRESENTATIONS:** All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.
- 20. FEDERAL TAX REQUIREMENTS:** If Seller is a "foreign person," as defined by Internal Revenue Code and its regulations, or if Seller fails to deliver an affidavit or a certificate of non-foreign status to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.
- 21. NOTICES:** All notices from one party to the other must be in writing and are effective when mailed to, hand-delivered at, or transmitted by fax as follows:

To Buyer at:

Wolverine Interests, LLC
2805 Dallas Parkway, Suite 620
Plano, Texas 75093
Attn: Nadia Christian
Telephone: (972) 250-0903
E-mail: nchristian@wolverineinterests.com

With a copy to Buyer's Attorney:

Paul A. Mohtares
6301 Gaston Ave., Suite 536
Dallas, Texas 75214
Telephone: (972) 773-9464
Email: paul@paulmlaw.com

To Seller at:

City of Corinth – Attn: Scott Campbell
3300 Corinth Parkway
Corinth, Texas 76208
Phone: (940) 498-3200
Email: Scott.Campbell@cityofcorinth.com

With a copy to Seller's Attorney:

Patricia Adams
Messer Fort, PLLC

6371 Preston Road, Suite 200
Frisco, Texas 75034
Phone: (972) 688-6400
Email: Patricia@txmunicipallaw.com

- 22. AGREEMENT OF PARTIES:** This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda which are a part of this contract are: None
- 23. CONSULT AN ATTORNEY BEFORE SIGNING:** [Real estate license holder cannot give legal advice] READ THIS CONTRACT CAREFULLY.

Buyer's Attorney:

Paul A. Mohtares
6301 Gaston Ave., Suite 536
Dallas, Texas 75214
Telephone: 972.773.9464
Email: paul@paulmlaw.com

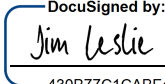
Seller's Attorney:

Patricia Adams
Messer Fort, PLLC
6371 Preston Road, Suite 200
Frisco, Texas 75034
Phone: (972) 688-6400
Email: Patricia@txmunicipallaw.com

EXECUTED the 17 day of June, **2024. (Effective Date).**

BUYER:

WOLVERINE INTERESTS, LLC,
a Texas limited liability company

By: 
430B77C1CABF499...

Name: Jim Leslie

Title: President

SELLER:

THE CITY OF CORINTH, TEXAS, a Texas
home-rule municipality

By:  BF5097789519492...

Name: Scott Campbell

Title: city manager

BROKER INFORMATION

Broker Firm: Wolverine Interests, LLC

Principal or Associate's Name: James C. Leslie

Address: 16250 Knoll Trail Drive, Suite 210
Dallas, Texas 75248

CONTRACT RECEIPT

Receipt of the Contract is acknowledged.

Escrow Agent: _____

Date/Time: _____

Received by: _____

E-mail Address: _____

Phone: _____

Fax: _____

EARNEST MONEY RECEIPT

Receipt of \$ _____ earnest money in the form of _____ is acknowledged.

Escrow Agent: _____

Date/Time: _____

Received by: _____

E-mail Address: _____

Phone: _____

Fax: _____

Exhibit A

Legal Description & Depiction

Approximately 4.542 acres, Final Plat - Agora Lot 1, Block B, in the J.P. Walton Survey, Abstract No. 1389, City of Corinth, Denton County, Texas.

