

## **LAND EXCHANGE AGREEMENT**

**THIS LAND EXCHANGE AGREEMENT** (this "Agreement") is made and entered into by and between the CITY OF PRINCETON, TEXAS, a general-law municipality in Collin County, Texas (the "City"), and D.R. HORTON – TEXAS, LTD., a Texas limited partnership ("Horton"). The City and Horton are hereinafter sometimes referred to individually as a "Party" and collectively as the "Parties," pursuant to the terms and conditions set forth herein.

### **RECITALS**

**WHEREAS**, City and Horton, as "Developer", are the current parties to that certain Winchester Crossing Development Agreement dated to be effective as of January 28, 2019, as amended by that certain First Amendment to Winchester Crossing Development Agreement dated on or about the date hereof (as amended, the "Development Agreement");

**WHEREAS**, the Development Agreement contemplates City and Horton entering into a land exchange contract, defined there in as a "Land Swap", whereby the City and Horton would exchange certain parcels of land, subject to certain conditions set forth herein;

**WHEREAS**, the City is, or will be, the owner of a tract of land (the "City Tract") containing approximately 7.516 acres located in Collin County, Texas, which City Tract is more particularly described and depicted in **Exhibit A-1** attached hereto and incorporated herein by reference;

**WHEREAS**, Horton is the owner of another tract of land (the "Horton Tract") containing approximately 4.794 acres located in Collin County, Texas, which Horton Tract is more particularly described and depicted on **Exhibit A-2** attached hereto and incorporated herein by reference. The City Tract and Horton Tract are hereinafter sometimes referred to individually as a "Tract" and collectively as the "Tracts" pursuant to the terms and conditions set forth herein; and

**WHEREAS**, pursuant to the terms and provisions contained herein, Horton and City desire to exchange the City Tract (as more fully described in Section 1.1 hereof) for the Horton Tract (as more fully described in Section 1.2 hereof) pursuant to Texas Local Government Code Section 272.001(b) and in accordance with the Development Agreement.

**NOW, THEREFORE**, for and in consideration of the premises and mutual covenants and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

### **ARTICLE I. EXCHANGE**

**Section 1.1    City Tract.** Subject to the terms, provisions, and conditions set forth in this Agreement, the City agrees to convey to Horton the City Tract containing approximately 7.516 acres, as more particularly described in **Exhibit A-1**. City will convey the City Tract to Horton by and through a Special Warranty Deed without representations and warranties (express or implied) except as to the special warranty of title contained in such deed, in the form attached hereto as **Exhibit C**. Such deed will provide for the reservation by the City of a 65' road right-of-way

easement, as required under the Development Agreement. **In the event certain statutory disclosures or any other disclosures required by law were not made by the City herein, the Parties each for themselves and for their successors and assigns, hereby waive any and all statutorily required disclosures, and release each other from any and all claims or right to terminate this Agreement on the basis that such disclosures have not or were not made.**

**Section 1.2 Horton Tract.** Subject to the terms, provisions, and conditions set forth in this Agreement, Horton agrees to convey to City the Horton Tract containing approximately 4.794 acres, as more particularly described in Exhibit A-2. Horton will convey the Horton Tract to City by and through a Special Warranty Deed without representations and warranties (express or implied) except as to the special warranty of title contained in such deed, in the form attached hereto as Exhibit D. **In the event certain statutory disclosures or any other disclosures required by law were not made by Horton herein, the Parties each for themselves and for their successors and assigns, hereby waive any and all statutorily required disclosures, and release each other from any and all claims or right to terminate this Agreement on the basis that such disclosures have not or were not made.** The City is waiving the requirement that the Horton Tract be platted prior to conveyance as set forth in Texas Local Government Code Section 212.004.

## **ARTICLE II.**

### **SURVEY, TITLE COMMITMENT AND OTHER DOCUMENTS**

#### **Section 2.1 Survey, Title Commitment and Other Documents.**

(a) Within fifteen (15) days after the Date of this Agreement, each Party will, at such Party's sole cost and expense, deliver or cause to be delivered to the other Party and the Title Company at the addresses stated below, copies of a current on-the-ground survey (the "Survey") of their respective Tract to be conveyed made by Mark W. Harp of JBI Partners, R.P.L.S. No. 6425, a duly licensed Texas land surveyor.

(b) Within fifteen (15) days after the Date of this Agreement, each Party will, at such Party's sole cost and expense, deliver or cause to be delivered to the other Party at the addresses stated below, (i) a copy of a title commitment (the "Title Commitment") covering the applicable Tract and binding the Title Company to issue to the applicable Party, at the Closing, a Texas Owner's Policy of Title Insurance on the standard form of policy prescribed by the Texas State Board of Insurance (the "Owner's Title Policy") but modified to be consistent with the Title Commitment, and (ii) true, correct, complete and legible copies of any and all instruments referred to in the Title Commitment as constituting exceptions or restrictions upon or matters affecting the applicable Tract, except that copies of any liens which are to be released at the Closing may be omitted.

**Section 2.2 Review of Surveys, Title Commitments and Other Documents.** In the event any exceptions or reservations appear in the Title Commitment(s) or in the event any items which appear on the Survey(s) or in the Title Commitment(s) or any other documents delivered hereunder are unacceptable, the objecting Party will notify the other Party of such fact within ten (10) days of the last to be received of the Surveys, Title Commitments and other documents requested herein. Each noticed Party may, but will not be obligated to, eliminate or modify such

unacceptable exceptions, reservations or items to the satisfaction of the objecting Party within ten (10) days of receipt of the objection notice provided above, and the noticed Party will notify the objecting Party in writing within such ten (10) day period of the noticed Party's resolution or proposed disposition of the unacceptable exceptions, reservations or items. In the event the noticed Party is unable or unwilling to eliminate or modify the unacceptable exceptions, reservations or items within the ten (10) day period after a good faith effort, the noticed Party will notify the objecting Party in writing specifying its resolution or lack of resolution of the unacceptable exceptions, reservations or items and the objecting Party may (i) waive such unacceptable exceptions, reservations, or items, or (ii) terminate this Agreement on or before five (5) days after receipt of the notice of resolution as provided above.

### **ARTICLE III. REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS**

**Section 3.1 Representations and Warranties of each Party.** To induce the other Party to enter into this Agreement and to exchange their respective Tract, each Party represents and warrants to the other Party, as of the Date of this Agreement, as follows:

(a) Subject to Section 8.17 below regarding Horton's corporate approval, such Party has full power to enter into this Agreement and to consummate the transactions provided for herein. This Agreement, when executed and delivered, will constitute the valid and binding agreement of such Party, enforceable against such Party in accordance with its terms, subject, however, to statutory or regulatory limitations which may be imposed.

(b) Each Party expressly makes no representation or warranty with respect to the accuracy or completeness of any information or materials furnished to or obtained by the other Party in connection with this Agreement. Each Party hereby agrees that such information and materials will be provided on an "as is" basis and the other Party will have no obligation to verify or compile such data.

(c) At the Closing, each Party will execute a Non-Foreign Affidavit required under Section 1445 of the Internal Revenue Code of 1986, as amended.

The representations and warranties contained in this Section 3.1 will survive the Closing and will not merge into the Deeds (as defined in Section 5.2 hereof) to be delivered thereat.

### **ARTICLE IV. CONDITIONS OF EACH PARTY'S OBLIGATION**

**Conditions of Each Party's Obligation.** (a) The obligation of each Party to exchange their respective Tract for the applicable Tract from the other Party is subject to the satisfaction, as of the Closing, of each of the conditions set forth in paragraph (b) below (any of which may be waived in writing, in whole or in part, at or prior to the Closing) and, in the event any of such conditions are not satisfied or waived, the Party acquiring a Tract through the Closing will have the option, in its sole and absolute discretion, to (i) delay the Closing until such conditions are

satisfied, (ii) waive such conditions and proceed to the Closing, or (iii) terminate this Agreement as it applies to that particular Tract by delivering written notice of same to the other Party.

(b) The following conditions must be satisfied or waived on or before the Closing:

(i) Seller must have acquired the land include in the City Tract.

(ii) The City Tract must be rezoned to become a part of that certain planned development known as PD 11 - Planned Development No. 11 under City of Princeton Ordinance No. 2013-09-09-04 adopted by the City Council on or about September 9, 2013, with the same minimum lot sizes currently permitted under said Planned Development No. 11.

(iii) All of the representations and warranties of the Parties set forth in this Agreement will be true at and as of the Closing in all respects as though such representations and warranties were made at and as of the Closing.

(iv) Each Party will have delivered, performed, observed and complied with all of the items, instruments, documents, covenants, agreements and conditions required by this Agreement to be delivered, performed, observed and complied with by it prior to, or as of, the Closing.

## **ARTICLE V. CLOSING**

**Section 5.1 Closing Schedule.** The closing of the exchange of the Tracts to be conveyed pursuant to this Agreement (the "Closing" and the date of such Closing will hereinafter be referred to as the "Closing Date") will be held at the offices of the Title Company at its address stated below on a date mutually agreed by the Parties, but not later than January 16, 2020, unless mutually agreed otherwise by the City and Developer, in each Party's sole discretion. Notwithstanding the foregoing or any provisions hereof to the contrary, Closing must occur on a Tuesday, Wednesday, or Thursday that is a Business Day (a "Permitted Closing Day"), and if the scheduled Closing would otherwise occur on a day that is not a Permitted Closing Day, such Closing will be extended automatically to the next day that is a Permitted Closing Day. Additionally, if the scheduled Closing Date falls on any date (i) between September 15th and September 30th, inclusive, then the Closing Date will be extended automatically to the next Permitted Closing Day in October, or (ii) between December 18th, and January 5th, inclusive, then the Closing Date will be extended automatically to the next Permitted Closing Day in January. As used in this Agreement, the term "Business Day" means a day that is not a Saturday, Sunday, Federal holiday or State holiday.

### **Section 5.2 Delivery of Documents.**

(a) At the Closing, the City will deliver to Horton the following:

(i) a special warranty deed conveying the City Property to Horton, in the form of **Exhibit C** attached hereto (the "City Tract Deed");

(ii) an Owner's Title Policy, issued at Horton's sole cost and expense, covering the City Property in an amount equal to the value of the land conveyed, as determined by Horton, and issued by the underwriter for the Title Company pursuant to the Title Commitment as provided herein;

(iii) the Non-Foreign Affidavit required under Section 1445 of the Code in the form attached hereto as **Exhibit B**;

(iv) paid tax certificates showing that all property taxes for the City Tract have been paid for the years prior to the year of Closing;

(v) possession of the City Tract; and

(vi) any and all such other documents and instruments as may be reasonably necessary to effectuate the transfer of the City Tract as provided herein.

(b) At the Closing, Horton will deliver to the City the following:

(i) a special warranty deed conveying the Horton Tract to City, in the form of **Exhibit D** attached hereto (the "Horton Tract Deed");

(ii) an Owner's Title Policy, issued at City's sole cost and expense, covering the Horton Tract in an amount equal to the value of the land conveyed, as determined by City, and issued by the underwriter for the Title Company pursuant to the Title Commitment as provided herein;

(iii) the Non-Foreign Affidavit required under Section 1445 of the Code in the form attached hereto as **Exhibit B**;

(iv) paid tax certificates showing that all property taxes for the Horton Tract have been paid for the years prior to the year of Closing;

(v) possession of the Horton Tract; and

(vi) any and all such other documents and instruments as may be reasonably necessary to effectuate the transfer of the Horton Tract as provided herein.

### **Section 5.3 Proration of Closing Costs and Expenses.**

(a) Ad valorem taxes for each Tract for the then-current year will be prorated at the Closing effective as of the date of the Closing. If the amount of taxes for the year in which the Closing takes place is not known at the time of the Closing, the apportionment of the taxes will be upon the basis of the tax rate for the preceding year applied to the latest assessed valuation; provided, however, that any difference in ad valorem taxes for the year of sale actually paid by a Party will be adjusted between the Parties upon receipt of written evidence of the payment thereof.

Furthermore, if any portion of a Tract is assessed and taxed as a part of a larger parcel of real estate, then, for purposes of computing tax prorations hereunder, a proportionate part of the real estate taxes attributable to such larger parcel will be allocated to such Tract on the basis of the ratio between the number of gross square feet comprising the Tract and the total number of gross square feet comprising such larger parcel of real estate, taking into account the value and location of any improvements on parts of the larger parcel.

- (b) The City hereby agrees to pay and be responsible for the following Closing costs:
  - (i) the cost of recording the Horton Tract Deed;
  - (ii) the cost of all tax certificates relating to all taxes and other assessments incurred or arising in relation to the Horton Tract;
  - (iii) if the City elects to obtain an Owner's Title Policy for the Horton Tract, all fees and premiums for the Owner's Title Policy for the Horton Tract;
  - (iv) one-half of the Title Company's escrow fees; and
  - (iv) all costs and expenses incurred by or on behalf of the City including the City's attorney's fees.
- (c) Horton hereby agrees to pay and be responsible for the following Closing costs:
  - (i) the cost of recording the City Tract Deed;
  - (ii) the cost of all tax certificates relating to all taxes and other assessments incurred or arising in relation to the City Tract;
  - (iii) if Horton elects to obtain an Owner's Title Policy for the City Tract, all fees and premiums for the Owner's Title Policy for the City Tract;
  - (iv) one-half of the Title Company's escrow fees; and
  - (v) all costs and expenses incurred by or on behalf of Horton including Horton's attorney's fees.

**Section 5.4 Texas Property Code Section 5.010 Notice.**

**NOTICE REGARDING POSSIBLE  
LIABILITY FOR ADDITIONAL TAXES**

If for the current ad valorem tax year, the taxable value of the land that is the subject of this Agreement is determined by a special appraisal method that allows for appraisal of the land at less than its market value, the person to whom the land is transferred may not be allowed to qualify the land for that special appraisal in a subsequent tax year and the land may then be appraised at its full market value. In addition, the transfer of the land or a subsequent change in the use of the land may result in the imposition of an additional tax plus interest as a penalty for the transfer or

the change in the use of the land. The taxable value of the land and the applicable method of appraisal for the current tax year is public information and may be obtained from the tax appraisal district established for the county in which the land is located.

**Section 5.4 Place of Closing.** The closing will be held at the offices of DHI Title of Texas, Ltd., 6761 North Freeway, Suite A, Fort Worth, Texas 76131, Attn: Mary Ives, Email: MLIves@dhititle.com, Telephone: (817) 230-0600, Fax: (817) 230-0696 ("Title Company").

## **ARTICLE VI. TERMINATION, DEFAULT AND REMEDIES**

**Section 6.1 Horton's Default and City's Remedy.** In the event Horton fails to fulfill any of its obligations hereunder, except as a result of City's default hereunder or the termination of this Agreement pursuant to any provision hereof, the City may terminate this Agreement, and thereafter Horton will have no other obligations or liabilities under this Agreement.

**Section 6.2 City's Default and Horton's Remedies.** In the event the City fails to fulfill any of its obligations hereunder, except as a result of Horton's default hereunder or the termination of this Agreement pursuant to any provision hereof, Horton may terminate this Agreement, and thereafter City will have no other obligations or liabilities under this Agreement.

## **ARTICLE VII. COMMISSION**

**Section 7.1 Commission.** The City and Horton hereby represent and warrant to the other that no real estate commissions or finder's fees are due or payable as a result of or in connection with this Agreement or the transactions contemplated herein to any person or agency, and that each of the parties hereby agrees, to the extent allowed by Texas law, to indemnify the other Party and hold the other Party harmless from and against any and all claims for real estate commissions and/or finder's fees occasioned by its acts.

## **ARTICLE VIII. MISCELLANEOUS PROVISIONS**

**Section 8.1 Date of this Agreement.** The term "Date of this Agreement" as used herein means the date this Agreement has been fully executed by the City, Horton, and Horton's corporate officer (pursuant to Section 8.17 below), as indicated by their signatures below, and delivered to and acknowledged by the Title Company, whichever date is latest.

**Section 8.2 Date of Performance.** In the event any review periods, performance dates, delivery dates, the Feasibility Study Period, the Closing Date (subject to Section 5.1(a)) or any other date or provision provided herein should fall, expire or be due on a legal holiday, Saturday or Sunday, such date or provision will be extended to the next Business Day, and such next Business Day will be considered to be the due date, performance date or expiration date for all purposes hereunder.

**Section 8.3 Assignment.** This Agreement may not be assigned by either Party without the other Party's prior written approval.

**Section 8.4    Notices.** Any notice or communication required or permitted hereunder will be deemed to be delivered and received upon the earlier of when actually received by the intended recipient or, whether actually received or not, when deposited in the United States mail, postage fully prepaid, registered or certified mail, return receipt requested, addressed to the intended recipient at the address shown below.

If to Horton:	D.R. Horton - Texas, Ltd. 4306 Miller Road Rowlett, Texas 75088 Attention: David Booth Telephone: (214) 607-4244 Email: dbooth@drhorton.com
with a copy to:	D.R. HORTON, INC. 4306 Miller Road Rowlett, Texas 75088 Attention: Jim Ilkenhans, Regional Counsel Telephone: (214) 607-4244 Email: JCIlkenhans@drhorton.com
And a copy to:	Koons Real Estate Law 1410 Robinson Road, Unit 100 Corinth, Texas 76210 Attention: Martin E. Garza Telephone: (214) 954-0067 Email: megarza@koonsrealestatelaw.com
If to City:	City of Princeton, Texas 123 West Princeton Drive Princeton, Texas 75407 Attention: City Manager Telephone: _____ Email: _____
with a copy to:	Wolfe, Tidwell & McCoy, LLP 2591 Dallas Parkway, Suite 300 Frisco, Texas 75034 Attention: Clark McCoy Telephone: _____ Email: _____

Any address for notice may be changed by written notice so given to the other notice parties.

**Section 8.5    Forms.** In case of a dispute as to this form or any document required hereunder, this form will be conclusively deemed reasonable and will not be presumptively interpreted against either Party.



**Section 8.6 Captions.** The captions used in connection with the sections of this Agreement are for convenience only and will not be deemed to construe or limit the meaning of the language of this Agreement.

**Section 8.7 Attorney's Fees.** If either Party will be required to employ an attorney to enforce or defend the rights of such Party hereunder, the prevailing Party will be entitled to recover reasonable attorney's fees incurred in connection therewith.

**Section 8.8 Integration.** This Agreement contains the complete agreement between the Parties hereto and cannot be varied, modified or altered except by a traditional written agreement properly executed by City and Horton (including Horton's Authorized Officer (hereinafter defined)). The Parties agree that there are no oral agreements, understandings, representations or warranties which are not expressly set forth herein.

**Section 8.9 Survival.** Any portion of this Agreement not otherwise consummated at the Closing will survive the Closing as a continuing agreement by and between the Parties hereto.

**Section 8.10 Binding Effect.** This Agreement will inure to the benefit of and will be binding upon and enforceable by the Parties hereto and their respective heirs, representatives, successors and assigns.

**Section 8.11 Binding Law.** This Agreement will be governed by and interpreted and construed under the laws of the State of Texas and is performable in Collin County, Texas.

**Section 8.12 Relationship of the Parties.** Nothing contained herein is intended to create, nor will it ever be construed to make, the City and Horton partners or joint venturers.

**Section 8.13 Compliance with Section 6045(e) of the Tax Reform Act of 1986.** The Title Company hereby agrees to (a) timely file returns with the Internal Revenue Service, on Form 1099-B or such other forms as instructed by the Internal Revenue Service, showing the gross proceeds of each transaction contemplated hereunder, the recipient thereof and such other information as the Internal Revenue Service may by form or regulation require from time to time, and (b) furnish both the City and Horton with a written statement showing the name and address of the Title Company and the information shown on such returns with respect to each such transaction. These returns will be filed to ensure that the Parties to these transactions will be in compliance with Section 6045(e) of the Internal Revenue Code of 1986, as amended from time to time, and as further set forth in any regulations promulgated thereunder.

**Section 8.14 Utility District.** If any portion of either Tract is situated within a utility district subject to the provisions of Section 49.452 of the Texas Water Code, then at or prior to the Closing, the applicable Party agrees to give the other Party the written notice required by said Section 49.452.

**Section 8.15 Designation of Reporting Person.** The City and Horton hereby designate the Title Company as the "Reporting Person" with respect to the transaction contemplated under this Agreement for purposes of complying with the regulations set forth in 26 C.F.R. Section 1.6045-4(e)(5).

**Section 8.16 Electronic Signature; Counterparts.** Except as otherwise expressly set forth in this paragraph with respect to execution by an Authorized Officer, (1) the Parties do not assent or agree to and will not be bound by any electronic signature or other electronic record, and (2) the Parties agree that the Electronic Signatures in Global and National Commerce Act, any version of the Uniform Electronic Transactions Act, including without limitation Chapter 322 of the Texas Business and Commerce Code, or any other laws applicable to contracting electronically do not and will not apply to the execution of this Agreement or any amendment hereto. Notwithstanding the foregoing, the Parties acknowledge and agree that execution of this Agreement or any amendment to this Agreement by an Authorized Officer for the purpose of Horton's Corporate Approval may be accomplished by electronic signature utilizing DocuSign or any similar technology. As used herein, "Authorized Officer" means any one of Donald R. Horton, David V. Auld, Michael J. Murray, Bill Wheat or Rick L. Horton, each an officer of Horton. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Additionally, (i) the signature pages taken from separate individually executed counterparts of this Agreement may be combined to form multiple fully executed counterparts; and (ii) a facsimile signature or an electronically scanned signature will be deemed to be an original signature for all purposes.

**Section 8.17 CORPORATE APPROVAL OF AGREEMENT BY OFFICER OF HORTON.** NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, NEITHER THIS AGREEMENT NOR ANY AMENDMENT HERETO WILL BE A VALID AND ENFORCEABLE OBLIGATION OF HORTON UNLESS THIS AGREEMENT OR SUCH AMENDMENT IS EXECUTED BY ANY ONE OF DONALD R. HORTON, DAVID V. AULD, MICHAEL J. MURRAY, BILL WHEAT OR RICK L. HORTON, EACH AN OFFICER OF HORTON, WITHIN THIRTY (30) DAYS OF THE EXECUTION OF THIS AGREEMENT OR SUCH AMENDMENT BY CITY AND HORTON'S REPRESENTATIVES.

*[Signatures follow on next pages.]*

**EXECUTED** on the dates stated below:

**CITY:            CITY OF PRINCETON, TEXAS**

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

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

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

Date: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Clark McCoy, City Attorney

Date: \_\_\_\_\_

**HORTON: D.R. HORTON – TEXAS, LTD.,**  
a Texas limited partnership

By: D.R. Horton, Inc.,  
a Delaware corporation,  
its authorized agent

By: \_\_\_\_\_  
David L. Booth, Assistant Vice President

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Derek Ammerman, Division President – DFW East

Date: \_\_\_\_\_

**HORTON'S CORPORATE APPROVAL:**

**D.R. HORTON – TEXAS, LTD.,**  
a Texas limited partnership

By: D.R. Horton, Inc.,  
a Delaware corporation,  
its authorized agent

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

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

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

Date: \_\_\_\_\_

## **EXHIBIT A-1**

### **CITY TRACT**

#### **LEGAL DESCRIPTION**

Being a parcel of land located in the City of Princeton, Collin County Texas, a part of the Hardin Wright Survey, Abstract Number 957, and also being part of that called 10.00 acre tract described in deed to Texas-New Mexico Power Company as recorded in Document Number 20070105000026530, Official Public Records of Collin County, Texas, and being further described as follows:

COMMENCING at a five-eighths inch iron rod with cap stamped "BGT" found for corner, said point being the southwest corner of said 10.00 acre tract, said point being the northwest corner of that called 186.997 acre tract of land described in deed to Suncrest Princeton Partners, LLC recorded in Document Number 20180215000185810, Official Public Records of Collin County, Texas, said point also being in the east line of that called 109.96 acre tract of land described in deed to AJE Group, LLC as recorded in Document Number 20170927001295150, Official Public Records of Collin County, Texas;

THENCE North 89 degrees 30 minutes 53 seconds East, 41.42 feet along the south line of said 10.00 acre tract and north line of said 186.997 acre tract to the POINT OF BEGINNING;

THENCE Northeasterly 504.25 feet along a curve to the right having a central angle of 24 degrees 04 minutes 35 seconds, a radius of 1,200.00 feet, a tangent of 255.9 feet, and whose chord bears North 29 degrees 20 minutes 28 seconds East, 500.55 feet to a point for corner, said point being in the north line of said 10.00 acre tract and west line of that called 178.954 acre tract of land described in deed to D.R. Horton — Texas, LTD as recorded in Document Number 20170530000689080, Official Public Records of Collin County, Texas

THENCE North 89 degrees 29 minutes 31 seconds East, 605.58 feet to a one-half inch capped iron rod stamped "GEER" found at the most easterly north corner of said 10.00 acre tract, said point also being in the west line of said 178.954 acre tract;

THENCE South 01 degrees 22 minutes 34 seconds East, 434.54 feet to a one-half inch iron rod with cap stamped "GEER" found for corner, point being the southeast corner of said 10.00 acre tract, said point being in south line of said 178.954 acre tract and in the north line of said 186.997 acre tract;

THENCE South 89 degrees 30 minutes 53 seconds West, 861.30 feet along the south line of said 10.00 acre tract and north line of said 186.997 tract to the POINT OF BEGINNING and containing 327,393 square feet or 7.516 acres.

**BASIS OF BEARING:** The basis of bearing is based on the coordinate system (north central zone 4202 state plane coordinates, nad83), distances shown hereon are grid distance values.

## **EXHIBIT A-2**

### **HORTON TRACT**

#### LEGAL DESCRIPTION

Being a parcel of land located in the City of Princeton, Collin County Texas, a part of the Hardin Wright Survey, Abstract Number 957, and being a part of that called 178.954 acre tract of land described in deed to D.R. Horton – Texas, LTD as recorded in Document Number 20170530000689080, Official Public Records of Collin County, Texas;

BEGINNING at a one-half inch iron rod found for corner at the northwest corner of said 178.954 acre tract, said point being the northerly northeast corner of that called 10.00 acre tract described in deed to Texas-New Mexico Power Company as recorded in Document Number 20070105000026530, Official Public Records of Collin County, Texas, said point also being in the approximate centerline of County Road 400 (C.R. 400) from which said point bears North 88 degrees 30 minutes 24 seconds West, 100.43 to a one-half inch iron rod found at the northwest corner of said 10.00 acre tract;

THENCE South 88 degrees 41 minutes 56 seconds East, 1,134.87 feet along the north line of said 178.954 acre tract and the approximate centerline of C.R. 400 to a point for corner;

THENCE Southwesterly 1,045.56 feet along a curve to the left, having a central angle of 49 degrees 55 minutes 18 seconds, a radius of 1,200.00 feet, a tangent of 558.57 feet, and whose chord bears South 66 degrees 20 minutes 24 seconds West, 1,012.80 feet to a point for corner, said point being in the common line of said 178.954 acre tract and said 10.00 acre tract;

THENCE South 89 degrees 29 minutes 31 seconds West, 196.76 feet to a one-half inch capped iron rod stamped "GEER" found for corner, said point being a common corner of said 178.954 acre tract and said 10.00 acre tract;

THENCE North 01 degrees 20 minutes 30 seconds West, 434.07 feet along common line of said 178.954 acre tract and said 10.00 acre tract to the POINT OF BEGINNING and containing 208,805 square feet and 4.794 acres of land.

BASIS OF BEARING: The basis of bearing is based on the coordinate system (north central zone 4202 state plane coordinates, nad83), distances shown hereon are grid distance values.

**EXHIBIT B**

NONFOREIGN AFFIDAVIT  
(See following two pages.)



NONFOREIGN AFFIDAVIT

STATE OF TEXAS           §  
                                     §       KNOW ALL MEN BY THESE PRESENTS:  
COUNTY OF COLLIN       §

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_, \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_ ("Transferor"), who after being duly sworn, did depose and state under penalty of perjury for purposes of Section 1445 of the Internal Revenue Code of 1986, as amended, that (a) he examined this Nonforeign Affidavit and to the best of his knowledge and belief it is true, correct and complete; (b) he has the authority to sign this Affidavit on behalf of Transferor; and (c) in connection with the sale, transfer and conveyance of the property (the "Property") described in Exhibit A attached hereto and incorporated herein by reference, that (i) Transferor is not a foreign person, foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined in the Internal Revenue Code of 1986, as amended from time to time and as further set forth in any Regulations promulgated thereunder), (ii) Transferor's United States employer identification number is \_\_\_\_\_ (iii) Transferor's office address is \_\_\_\_\_, (iv) Transferor is aware that \_\_\_\_\_, a \_\_\_\_\_ ("Transferee"), is relying upon this instrument in not withholding ten percent (10%) of the amount realized on the disposition of the Property by Transferor to Transferee as required of Transferee by Section 1445 of the Internal Revenue Code of 1986, as amended, and (v) this certification may be disclosed to the Internal Revenue Service by Transferee and that any false statement contained herein could be punished by fine, imprisonment or both.

**TRANSFEROR:**

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

STATE OF TEXAS           §  
COUNTY OF \_\_\_\_\_ §

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purpose and consideration and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

My Commission Expires:

\_\_\_\_\_

\_\_\_\_\_  
Notary Public in and for the State of Texas

\_\_\_\_\_  
Printed Name of Notary

**EXHIBIT C**  
**CITY TRACT DEED**

AFTER RECORDING, RETURN TO:

D.R. Horton - Texas, Ltd.  
4306 Miller Road  
Rowlett, Texas 75088  
Attention: David Booth

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

**SPECIAL WARRANTY DEED**

STATE OF TEXAS	§	
	§	KNOW ALL MEN BY THESE PRESENTS THAT:
COUNTY OF COLLIN	§	

The CITY OF PRINCETON, TEXAS ("Grantor"), for and in consideration of the sum of Ten and No/100 Dollars (\$10.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, paid to Grantor by D.R. HORTON – TEXAS, LTD., a Texas limited partnership ("Grantee"), having a mailing address of 4306 Miller Road, Rowlett, Texas 75088, has GRANTED, BARGAINED, SOLD and CONVEYED, and by these presents does GRANT, BARGAIN, SELL and CONVEY unto Grantee, that certain land (the "Land") situated in Collin County, Texas, more particularly described on **Exhibit A** attached hereto and incorporated herein by reference for all purposes, together with any and all improvements situated thereon and all rights and appurtenances pertaining or appertaining thereto, (the Land, improvements, appurtenances and rights set forth above are hereinafter collectively referred to as the "Property")

The City hereby reserves a 65' road right-of-way easement on that portion of the Land more particularly described on **Exhibit B** attached hereto and incorporated herein by reference.

This conveyance is expressly made subject to all matters of public record and to all easements, rights-of-way, leases, agreements or licenses, or other interests which affect the Property, and to any matter which would be disclosed by title examination, survey, investigation or inquiry.

Ad valorem taxes for the year 20\_\_ relating to the Land have been prorated between Grantor and Grantee as of the date hereof. Furthermore, certain taxes, penalties, interest and/or assessments (collectively, the "Rollback Taxes") may be incurred or assessed against the Property as a result of the change in usage or ownership of said Property, which Rollback Taxes accruing for all periods prior to and up through the date of this Special Warranty Deed, if any, are Grantor's sole responsibility. In this regard, Grantor hereby affirms its obligations to pay such Rollback

Taxes accruing for all periods prior to and up through the date of this Special Warranty Deed, and agrees to **indemnify and defend Grantee and hold Grantee harmless from and against any and all costs, expenses or claims of any nature whatsoever, known or unknown, direct or indirect, in connection with such Rollback Taxes.**

GRANTOR HAS NOT MADE AND DOES NOT MAKE ANY REPRESENTATIONS AS TO THE ENVIRONMENTAL OR PHYSICAL CONDITION OF THE PROPERTY, OR ANY IMPROVEMENTS THEREON, INCLUDING WITHOUT LIMITATION THE VALUE, CONDITION, MERCHANTABILITY, HABITABILITY, MARKETABILITY, PROFITABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE. EXCEPT FOR THE SPECIAL WARRANTY OF TITLE CONTAINED IN THIS DEED, GRANTEE IS ACQUIRING THE PROPERTY "AS IS, WHERE IS" AND WITH ALL FAULTS, LIABILITIES, AND DEFECTS, LATENT OR OTHERWISE, KNOWN OR UNKNOWN, IN ITS PRESENT STATE AND CONDITION AS OF THE CLOSING DATE, AND WITHOUT ANY WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, AND WITH NO RIGHTS OR RECOURSE AGAINST GRANTOR (OR ANY RELATED OR AFFILIATED PARTY) FOR SAME BY THE ACCEPTANCE OF THIS DEED, GRANTEE ACKNOWLEDGES AND AGREES THAT GRANTEE HAS THOROUGHLY INSPECTED AND EXAMINED THE PROPERTY TO THE EXTEND DEEMED NECESSARY BY THE GRANTEE IN ORDER TO ENABLE THE GRANTEE TO EVALUATE THE PURCHASE OF THE PROPERTY.

Excluded and excepted from this deed are any and all warranties, express or implied, regarding the Property, except for any warranty of title implied as a result of §5.023 of the Texas Property Code or any successor statute.

**TO HAVE AND TO HOLD** the Property (subject to the foregoing) unto Grantee and Grantee's successors and assigns forever, and Grantor does hereby bind Grantor and Grantor's successors and assigns to WARRANT and FOREVER DEFEND, all and singular, the Property unto Grantee and Grantee's successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise.

EXECUTED to be effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**GRANTOR:**

CITY OF PRINCETON, TEXAS

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

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

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

APPROVED AS TO FORM:

\_\_\_\_\_  
Clark McCoy, City Attorney

STATE OF TEXAS           §  
COUNTY OF COLLIN       §

Before me on this day personally appeared \_\_\_\_\_, \_\_\_\_\_ of the City of Princeton, Texas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

SEAL

\_\_\_\_\_  
Notary Public in and for the State of Texas

**EXHIBIT A**  
**TO**  
**CITY TRACT DEED**

**LEGAL DESCRIPTION OF LAND**  
**[TO BE INSERTED PRIOR TO CLOSING]**

**EXHIBIT B**  
**TO**  
**CITY TRACT DEED**

**LEGAL DESCRIPTION OF**  
**RESERVED 65' ROAD RIGHT-OF -WAY EASEMENT**  
**[TO BE INSERTED PRIOR TO CLOSING]**

**EXHIBIT D**

**HORTON TRACT DEED**

**AFTER RECORDING RETURN TO:**

City of Princeton, Texas  
Attn: City Manager  
123 West Princeton Drive  
Princeton, TX 75407

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

**SPECIAL WARRANTY DEED**

STATE OF TEXAS	§	
	§	KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF COLLIN	§	

D.R. HORTON – LTD., a Texas limited partnership ("Grantor"), for and in consideration of the sum of Ten and No/100 Dollars (\$10.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, paid to Grantor by the CITY OF PRINCETON, TEXAS ("Grantee"), having an address 123 West Princeton Drive, Princeton, TX 75407, has GRANTED, BARGAINED, SOLD and CONVEYED, and by these presents does GRANT, BARGAIN, SELL and CONVEY unto Grantee, that certain land (the "Land") situated in Collin County, Texas, more particularly described on **Exhibit A** attached hereto and incorporated herein by reference for all purposes, together with any and all improvements situated thereon and all rights and appurtenances pertaining or appertaining thereto, (the Land, improvements, appurtenances and rights set forth above are hereinafter collectively referred to as the "Property").

This conveyance is expressly made subject to all matters of public record and to all easements, rights-of-way, leases, agreements or licenses, or other interests which affect the Property, and to any matter which would be disclosed by title examination, survey, investigation or inquiry.

Ad valorem taxes for the year 20\_\_ relating to the Land have been prorated between Grantor and Grantee as of the date hereof. Furthermore, certain taxes, penalties, interest and/or assessments (collectively, the "Rollback Taxes") may be incurred or assessed against the Property as a result of the change in usage or ownership of said Property, which Rollback Taxes accruing for all periods prior to and up through the date of this Special Warranty Deed, if any, are Grantor's sole responsibility. In this regard, Grantor hereby affirms its obligations to pay such Rollback Taxes accruing for all periods prior to and up through the date of this Special Warranty Deed, and agrees to **indemnify and defend Grantee and hold Grantee harmless from and against any**



**and all costs, expenses or claims of any nature whatsoever, known or unknown, direct or indirect, in connection with such Rollback Taxes.**

**GRANTOR HAS NOT MADE AND DOES NOT MAKE ANY REPRESENTATIONS AS TO THE ENVIRONMENTAL OR PHYSICAL CONDITION OF THE PROPERTY, OR ANY IMPROVEMENTS THEREON, INCLUDING WITHOUT LIMITATION THE VALUE, CONDITION, MERCHANTABILITY, HABITABILITY, MARKETABILITY, PROFITABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE. EXCEPT FOR THE SPECIAL WARRANTY OF TITLE CONTAINED IN THIS DEED, GRANTEE IS ACQUIRING THE PROPERTY "AS IS, WHERE IS" AND WITH ALL FAULTS, LIABILITIES, AND DEFECTS, LATENT OR OTHERWISE, KNOWN OR UNKNOWN, IN ITS PRESENT STATE AND CONDITION AS OF THE CLOSING DATE, AND WITHOUT ANY WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, AND WITH NO RIGHTS OR RECOURSE AGAINST GRANTOR (OR ANY RELATED OR AFFILIATED PARTY) FOR SAME BY THE ACCEPTANCE OF THIS DEED, GRANTEE ACKNOWLEDGES AND AGREES THAT GRANTEE HAS THOROUGHLY INSPECTED AND EXAMINED THE PROPERTY TO THE EXTENT DEEMED NECESSARY BY THE GRANTEE IN ORDER TO ENABLE THE GRANTEE TO EVALUATE THE PURCHASE OF THE PROPERTY.**

Excluded and excepted from this deed are any and all warranties, express or implied, regarding the Property, except for any warranty of title implied as a result of §5.023 of the Texas Property Code or any successor statute.

TO HAVE AND TO HOLD the Property (subject to the foregoing) unto Grantee and Grantee's successors and assigns forever, and Grantor does hereby bind Grantor and Grantor's successors and assigns to WARRANT and FOREVER DEFEND, all and singular, the Property unto Grantee and Grantee's successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise.

EXECUTED to be effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**GRANTOR:**

**D.R. HORTON – TEXAS, LTD.,**  
a Texas limited partnership

By: D.R. Horton, Inc.,  
a Delaware corporation,  
its authorized agent

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

STATE OF TEXAS           §  
                                     §  
COUNTY OF \_\_\_\_\_ §

Before me on this day personally appeared \_\_\_\_\_, in his/her capacity as \_\_\_\_\_ of \_\_\_\_\_ known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that \_\_\_\_\_ is the authorized agent of D.R. Horton – Ltd., a Texas limited partnership, and that he executed the same for the purposes and consideration therein expressed, on behalf of and as the act of D.R. Horton – Ltd.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

My Commission Expires:

\_\_\_\_\_

\_\_\_\_\_  
Notary Public in and for the State of Texas

\_\_\_\_\_  
Printed Name of Notary

**SEND TAX NOTICES TO:**

City of Princeton, Texas  
123 West Princeton Drive  
Princeton, Texas 75407

**EXHIBIT A**  
**TO**  
**HORTON TRACT DEED**

**LEGAL DESCRIPTION**

[to be inserted prior to closing]